



# PLANNING COMMISSION AGENDA October 27, 2022

**PUBLIC ADVISORY:  
THE CITY COUNCIL CHAMBER IS NOW OPEN TO THE PUBLIC.**

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## ***How Can Members of the Public Observe the Meeting?***

The meeting may be viewed via Spectrum Channel 3 and 22, AT&T U-verse Channel 99, and/or El Segundo TV at YouTube.com.

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## ***How Can Members of the Public Participate in the Meeting and/or Provide Public Comments?***

For Public Communications, members of the public may provide comments in the Lobby and/or Council Chamber. For in person comments, please fill out a Speaker Card located in the Chamber Lobby. *The time limit for comments is five (5) minutes per person. Before speaking to the Commission, please state: your name and residence or the organization you represent. Please respect the time limits.*

Members of the public may also provide comments electronically by sending an email to the following address prior to the start of the meeting: [planning@elsegundo.org](mailto:planning@elsegundo.org). ***Please include the meeting date and item number in the subject line.*** If you would like to request that your emailed comment be read into the record, please include that request at the top of your email, limit your comments to 150 words or less, and email your comments at least 30 minutes prior to the start of the meeting. Depending on the volume of communications, the emails may be read to Commission at the appropriate time. Please note that all emailed comments are public records subject to disclosure under the Public Records Act.

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## ***Additional Information:***

**Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the jurisdiction of the Planning Commission and/or items listed on the agenda during the public communications portions of the meeting. Additionally, the public can comment on any public hearing item on the agenda during the public hearing portion of such item. The time limit for comments is five (5) minutes per person. *Before speaking to the Planning Commission, please state your name and residence and the organization you represent, if desired. Please respect the time limits.***

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DATE: Thursday, October 27, 2022

TIME: 5:30 p.m.

PLACE: City Council Chamber, City Hall  
350 Main Street, El Segundo, CA 90245

VIDEO: El Segundo Cable Channel 3 (Live).  
Replayed Friday following Thursday's meeting  
at 1:00 pm and 7:00 pm on Channel 3.  
(Schedule subject to change)

All files related to this agenda are available for public review by appointment in the Planning Division office, Monday through Thursday 7:00 am to 5:00 pm and on Fridays until 4:00 pm, beginning at 7:00 am on the Monday prior to the Planning Commission meeting.

The Planning Commission, with certain statutory exceptions, can only discuss, deliberate, or take action upon properly posted and listed agenda items.

Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the subject-matter jurisdiction of the Planning Commission and items listed on the Agenda during the public communications portion of the meeting. Additionally, the public can comment on any public hearing item on the agenda during the public hearing portion of such item. The time limit for comments is generally five minutes per person.

Playing of video tapes or use of visual aids may be permitted during meetings if they are submitted to the Community Development Director a minimum of two working days before the meeting and they do not exceed five minutes in length. Written materials distributed to the Planning Commission within 72 hours of the Planning Commission meeting are available for public inspection immediately upon distribution in the Development Services Department and on the City's website, [www.elsegundo.org](http://www.elsegundo.org).

**In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact City Clerk, (310) 524-2307. Notification 48 hours prior to the meeting may enable the City to make reasonable arrangements to ensure accessibility to this meeting.**

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- A. **Call to Order**
- B. **Pledge of Allegiance**
- C. **Roll Call**
- D. **Public Communications** (Related to items on the agenda only—5 minutes per person; 30 minutes total). Individuals who received value of \$50 or more to communicate to the Planning Commission on another’s behalf, and employees speaking on their employer’s behalf, must so identify themselves before addressing the Commission. Failure to do so is a misdemeanor. While all comments are welcome, the Brown Act does not allow the Commission to discuss, deliberate, or take action on any item not on the agenda. The Commission may respond to comments after public communications is closed.
- E. **Written Communications** (other than what is included in agenda packets)
- F. **Consent Calendar**  
All items are to be adopted by one motion without discussion. If a request for discussion of an item is made, the items should be considered individually under the next agenda heading.
  - 1. **Approval of Planning Commission Meeting Minutes:**
    - August 25, 2022
    - December 12, 2019
    - November 10, 2019
    - October 14, 2019
    - September 12, 2019
    - August 22, 2019
    - June 28, 2018
    - November 12, 2015

**RECOMMENDED ACTION:** Approve the Minutes.

- G. **Continued Business – Public Hearing**  
None.
- H. **New Public Hearings**
  - 2. **Presentation of the Draft 2021-2029 Revised Housing Element Update (PS)**  
**Project Description:** Adoption of the Revised 2021-2029 Housing Element of the El Segundo General Plan  
**Environmental Determination:** Pursuant to the authority and criteria contained in the California Environmental Quality Act (CEQA) and the CEQA *Guidelines*, the City has prepared and completed an Initial Study and Negative Declaration (ND) for the proposed Housing Element update (SCH # 2020050508). The Housing Element and the Initial Study/Negative Declaration are available for review at the Community Development Department in City Hall and on the City’s website at: [www.elsegundo.org/housing-element](http://www.elsegundo.org/housing-element)

**RECOMMENDED ACTION:** That the Planning Commission conduct a public hearing on the draft 2021-2029 Housing Element and adopt Resolution No. 2926 recommending City Council approval of the Housing Element.

**3. Zone Text Amendment to Permanently Allow and Regulate Home Sharing (ES).**

**Applicant:** City of El Segundo

**Address:** Residential Zone properties in El Segundo

**Project Description:** On October 1, 2021, El Segundo commenced a 15-month pilot program allowing property owners to apply for a Home Share Rental Permit, a very limited program that allowed only property owners to obtain a permit to conduct short term home sharing within their residence. The Planning Commission will consider whether to recommend the City Council continue the pilot program, prohibit homesharing, allow homesharing by-right, or allow homesharing through a Homeshare Permit process in the City’s Residential zones.

The Planning Commission will also discuss whole-house Short-Term Rentals, and whether to allow or prohibit Short-Term Rentals. (Environmental Assessment No. EA-1180 and Zone Text Amendment No. ZTA 17-01).

**Environmental Determination:** The proposed zone text amendment is exempt from the requirements of the California Environmental Quality Act (CEQA Section 15061), because it consists only of minor revisions to existing zoning regulations and related procedures and does not have the potential for causing a significant effect on the environment.

**RECOMMENDED ACTION:** Adopt Resolution No. 2927, recommending that the City Council adopt an Ordinance amending Title 4 Chapter 16 (Home Sharing Permit) and Title 15 (Zoning Regulations) of the El Segundo Municipal Code to permanently allow short-term home sharing rentals in the City’s Residential zones through a Short-term Home Sharing Permit.

**I. New Business:**

**4. R-3 Redevelopment Potential Update and Discussion Item (MA)**

**J. Report from Community Development Director or designee**

**K. Report from the City Attorney’s office**

**L. Planning Commissioners’ Comments**

**M. Adjournment**—next regular scheduled meeting for November 10, 2022, at 5:30 p.m.

POSTED: *Venus Wesson*  
(Signature)

*October 21, 2022/ 12:00 pm*  
(Date and time)



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**August 25, 2022**

**A. Call to Order**

Chair Baldino called the meeting to order at 5:32 p.m.

**B. Pledge of Allegiance**

Commissioner Maggay led the pledge.

**C. Roll Call**

Present: Chair Baldino

Present: Vice Chair Newman

Present: Commissioner Keldorf

Present: Commissioner Hoeschler

Present: Commissioner Maggay

**D. Public Communications**

None.

**E. Written Communications** (other than what is included in Agenda packets)

None.

**F. Consent Calendar**

**1. Approval of Planning Commission Meeting Minutes:**

- August 11, 2022
- August 08, 2019

**MOTION:** Approve the minutes.

**Moved by Vice Chair Newman, second by Commissioner Hoeschler.**

**Motion carried, 5-0, by the following vote:**

**Ayes:** Baldino, Newman, Keldorf, Hoeschler and Maggay

**2. Environmental Assessment No. EA-1324 and Administrative Use Permit No. 22-03 for a Monument Sign Taller than 8 Feet (MB)**

Administrative Use Permit allowing an 18-foot tall monument sign located at 2121 East Rosecrans Avenue, Suite 1399 in the Urban Mixed-Use South (MUS) Zone. (Environmental Assessment No. EA-1324 and Administrative Use Permit No. 22-03)

**MOTION:** Receive and file the Community Development Director's approval of Environmental Assessment No. EA-1324 and Administrative Use Permit No. 22-03.

**Moved by Vice Chair Newman, second by Commissioner Hoeschler.**

**Motion carried, 5-0, by the following vote:**  
**Ayes:** Baldino, Newman, Keldorf, Hoeschler and Maggay

**G. Call items from Consent Calendar**

None.

**H. Continued Business—Public Hearing**

None.

**I. New Public Hearings**

None.

**J. New Business**

None.

**K. Report from Community Development Director or designee**

The staff has met with the Planning Commissions microunits subcommittee and within the next couple of months, an ordinance will be presented to them for review.

**L. Report from City Attorney's Office**

None.

**M. Planning Commissioners' Comments**

Chair Baldino thanked the Director of Community Development, Michael Allen, for sharing a list with the Planning Commission on what projects the Planning Department is working on.

Vice Chair Newman reminded the audience of the El Segundo Art Walk that is taking place on Saturday, August 27<sup>th</sup>.

**N. Adjournment**—the meeting adjourned at 5:39 pm.  
The next meeting is scheduled for September 8, 2022 at 5:30 pm.

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Michael Allen, Community Development Director

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Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**December 12, 2019**

**A. Call to Order**

Chair Baldino called the meeting to order at 5:30 p.m.

**B. Roll Call**

Present: Chair Baldino  
Present: Vice Chair Newman  
Present: Commissioner Keldorf  
Present: Commissioner Wingate  
Absent: Commissioner Hoeschler

**C. Pledge of Allegiance**

Commissioner Wingate led the pledge.

**D. Public Communications**

None.

**E. Consent Calendar**

1. Consideration and possible other action regarding approval of Planning Commission Meeting Minutes:

- July 25, 2019
- April 25, 2019
- January 24, 2019

**MOTION:** Approve the Planning Commission Meeting Minutes.

**Moved by Vice Chair Newman, second by Commissioner Wingate.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

2. **Environmental Assessment No. EA-1267 for an Administrative Use Permit to allow an 18-foot Monument Sign on the Flyte property at 2200, 2222, 2230 E. Imperial Hwy.**

**Address:** 2200, 2222, 2230 E. Imperial Hwy.

**MOTION:** Approve Environmental Assessment No. EA-1267 and Administrative Use Permit No. 19-02.

**Moved by Vice Chair Newman, second by Commissioner Wingate.  
Motion carried, 4-0, by the following vote:  
Ayes: Baldino, Newman, Wingate, and Keldorf.**

**F. Call items from Consent Calendar**

None.

**G. Written Communications** (other than what is included in Agenda packets)

The dais has received all written communication regarding item no. H7.

**H. New Business—Public Hearing**

**5. Environmental Assessment No. EA-1189 for an Ordinance Amending Title 9 of the El Segundo Municipal Code Related to Wireless Facilities in the Public Rights of Way.**

**Address:** Citywide

Planning Manager Greg McClain is recommending the dais continue the item to the December 12, 2019 meeting.

**MOTION:** Continue the item to January 9, 2020 Planning Commission meeting.

**Moved by Chair Baldino, second by Vice Chair Newman.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf**

**6. Environmental Assessment No. EA-1265 and Conditional Use Permit No. 19-01 for a New Wireless Communications Facility.**

**Address:** 1904 E. El Segundo Boulevard

Planning Manager Greg McClain presented the staff report. The applicant is requesting to install a new pole-mounted wireless communications facility in an SCE transition line right-of-way.

**Chair Baldino opened public communication.**

- John Kaminski with Smart Link on behalf of Version Wireless was present to answer any questions.

**Chair Baldino closed public communication.**

**MOTION:** Adopt Resolution No. 2877 approving Environmental Assessment No. EA-1265 and Conditional Use Permit No.19-01 for a New Wireless Communications Facility.

**Moved by Commissioner Wingate, second by Commissioner Keldorf.  
Motion carried, 4-0, by the following vote:  
Ayes: Baldino, Newman, Wingate, and Keldorf**

**7. Environmental Assessment No. EA-1247 for an Ordinance Amending Title 15 (Zoning Ordinance) of the El Segundo Municipal Code regarding Accessory Dwelling Units and Junior Accessory Dwelling Units.**

**Address:** Citywide

Planning Manager Greg McClain presented the staff report. Greg informed the Commissioners that A881 Bill was passed, and it rewrites the ADU law in California effective January 1, 2020. The bill addresses the conversions of garages into ADUs, conversion of nonconforming to conforming, parking replacement not being required, ADUs in multifamily zones, and it introduces JR ADUs to coexist with an ADU in the same lot (total of 3 units). The proposed ordinance amends Title 15 (Zoning Code) of the El Segundo Municipal Code to update the City's requirements relating to ADUs and to create requirements and development standards for JADUs.

**Chair Baldino opened public communication.**

None.

**Chair Baldino closed public communication.**

Chair Baldino questioned if the water and sewage services can handle a high amount of new housing units and if we could restrict the zones where ADUs can be built based on the findings. Chair Baldino shared his concerns with the systems crashing in result of overpopulation. Greg informed the Planning Commissioners that Public Works typically conducts these surveys and it is information that can be obtained. The City Attorney, David King, informed the Planning Commission that subdivision E restricts the city from not allowing ADUs to be built.

The dais discussed and agreed to recommend the City Council to set aside for low income housing and adding additional language "In the designated ADU areas."

**MOTION:** Adopt Resolution No. 2881; amending title 15 zoning ordinance regarding accessory dwelling units and Junior Accessory Dwelling Units. Recommending that the council approves the ordinance, recommending City Council to add additional the language "In the designated ADU areas", and setting the ADUs aside for low income housing.

**Moved by Commissioner Wingate, second by Vice Chair Newman.  
Motion carried, 4-0, by the following vote:  
Ayes: Baldino, Newman, Wingate, and Keldorf**

**I. Continued Business—Public Hearing**

None.

**J. Report from Planning and Building Safety Director or designee.**

Planning and Building Safety Director Sam Lee introduced the new building official, Siavosh Poursabahian.

**K. Other Business**

- **Presentation of Smoky Hollow Community Benefit Plans worksheets.**

Planning Manager Greg McClain summarized the presentation in which he discussed the intent of the Smoky Hollow Community Benefit Plans worksheets. The worksheets will outline a process that allows Staff to score submittals objectively and provide guidance to developers/architects as to how they can ensure their design is the best to assess community benefits. The worksheets and scorecards will be part of the staff report the Planning Commission reviews for developments.

- **Discuss canceling December 26, 2019 meeting.**

The dais provided consensus to cancel the December 26, 2019 meeting.

**L. Planning Commissioners' Comments**

None.

**M. Adjournment**—the meeting adjourned at 6:54 pm. The next meeting is scheduled for January 9, 2020 at 5:30 pm.

PASSED AND APPROVED ON THIS 12th DAY OF DECEMBER 2019.

\_\_\_\_\_  
Sam Lee, Director of Planning and Building Safety

\_\_\_\_\_  
Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**November 14, 2019**

**A. Call to Order**

Vice Chair Newman called the meeting to order at 5:30 p.m.

**B. Roll Call**

Present: Vice Chair Newman  
Present: Commissioner Keldorf  
Present: Commissioner Wingate  
Present: Commissioner Hoeschler  
Absent: Chair Baldino

**C. Pledge of Allegiance**

Commissioner Keldorf led the pledge.

**D. Public Communications**

None.

**E. Consent Calendar**

None.

**F. Call items from Consent Calendar**

None.

**G. Written Communications (other than what is included in Agenda packets)**

The dais has received all written communication regarding item no H2.

**H. New Business—Public Hearing**

**1. Environmental Assessment No. EA-1265 for a Conditional Use Permit for a New Wireless Communications Facility.**

**Address:** 1904 E. El Segundo Boulevard

Planning Manager Greg McClain informed the Planning Commission that he will withdraw item no. H1 from the agenda and it will be rescheduled for the December 12, 2019 meeting as there was an error in the notice and it needs to be re-noticed.

**2. Environmental Assessment No. EA-41189 for a Municipal Code Amendment Related to Wireless Facilities in the Public Rights-of-Way.**

**Address:** Citywide

Planning Manager Greg McClain informed the Planning Commission that written communication was received from an AT&T representative informing Staff that they received a late copy of the ordinance and have extensive comments. Staff needs more time to address these comments and may meet with the AT&T representative. Greg is recommending the dais continue the item to the December 12, 2019 meeting.

**MOTION:** Continue the item to the December 12, 2019 Planning Commission meeting.

**Moved by Commissioner Wingate, second by Commissioner Hoeschler.  
Motion carried, 4-0, by the following vote:  
Ayes: Newman, Wingate, Keldorf, and Hoeschler.**

**I. Continued Business—Public Hearing**

None.

**J. Report from Planning and Building Safety Director or designee.**

None.

**K. Upcoming Agenda Items and Schedule**

None.

**L. Planning Commissioners' Comments**

Commissioner Wingate informed the Community that neighboring residents have a petition going opposing the TopGolf development and urged El Segundo residents to be cautious if asked to sign any documents.

**M. Adjournment**—the meeting adjourned at 5:41 pm. The next meeting is scheduled for November 28, 2019 at 5:30 pm.

PASSED AND APPROVED ON THIS 14th DAY OF NOVEMBER 2019.

\_\_\_\_\_  
Sam Lee, Director of Planning and Building Safety

\_\_\_\_\_  
Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**October 10, 2019**

**A. Call to Order**

Chair Baldino called the meeting to order at 5:30 p.m.

**B. Roll Call**

Present: Chair Baldino  
Present: Vice Chair Newman  
Present: Commissioner Keldorf  
Present: Commissioner Wingate  
Absent: Commissioner Hoeschler

**C. Pledge of Allegiance**

Commissioner Keldorf led the pledge.

**D. Public Communications**

None.

**E. Consent Calendar**

None.

**F. Call items from Consent Calendar**

- 1. Environmental Assessment No. EA-1266 Administrative Use Permit No. 19-02 for a Wireless Communications Facility.**

**Address:** 300 N. Continental Boulevard

**MOTION:** Approve Environmental Assessment No. EA-1266 and Administrative Use Permit No. 19-02 for a Wireless Communication Facility.

**Moved by Commissioner Wingate, second by Vice Chair Newman.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

**G. Written Communications (other than what is included in Agenda packets)**

None.

**H. New Business—Public Hearing**

2. **Environmental Assessment No. EA-1268 for an ordinance requiring certain private developers to provide artwork on-site or pay an in-lieu fee to the City.**

**Address:** Citywide

Library Director Melissa McCollum and the Arts and Cultural Advisory Committee representative Michael Kreski presented the staff report. The proposed ordinance amends 15 (Zoning Code) of the El Segundo Municipal Code to establish the on-site artwork requirement in the amount of one percent of building valuations (design and construction costs).

Chair Baldino, Vice Chair Newman, and Commissioner Wingate disclosed that they met with Ava Sweeney and Bernard to review the revisions made to the ordinance and the goals of the program. Commissioner Keldorf disclosed that she had email exchanges with Ava Sweeney and Bernard regarding EA-1268.

**Chair Baldino opened public communication.**

None.

**Chair Baldino closed the public communication.**

**MOTION:** Adopt Resolution No. 2875, recommending the City Council to adopt EA-1268 an ordinance requiring certain private developers to provide artwork on-site or pay an in-lieu fee to the city.

**Moved by Vice Chair Newman, second by Commissioner Keldorf.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

I. **Continued Business—Public Hearing.**

3. **Consideration and possible action regarding an appeal by Karen Wolcott and Christopher McPherson of the Planning and Building Safety Director's decision relating to an application for a building permit to construct an accessory dwelling unit within an existing garage at 945 Sheldon Street. (continued from September 12, 2019 meeting).**

**Address:** 945 Sheldon Street

Chair Baldino excused himself from participating in item no. 13 as he owns property within 500 feet of 945 Sheldon Street.

City Attorney David King made the Planning Commission aware that the applicant requested a continuance to January 23, 2020 and advised Chair Baldino to not recuse from the dais unless the item is discussed. The applicant is aware that the state bill was adopted and signed by the governor yesterday. Staff will draft an ordinance that

follows the state's legislation and present it to the Planning Commission and City Council for adoption.

**MOTION:** Continue the item to the January 23, 2020 Planning Commission meeting.

**Moved by Commissioner Wingate, second by Commissioner Keldorf.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

4. **Environmental Assessment No. EA-1259 for an adjustment to reduce the width of the driveway from 12 feet to 11 feet 6 inches; and a reduction of the interior dimension in one garage from 20 feet to 19 feet 6 inches and Vesting Tentative Map No. VTPM 82684: to allow the construction of three residential condominium units.**

**Address:** 436 Sierra Street

Planning Manager Gregg McClain summarized the staff report. The applicant is requesting approval to construct three residential condominium units with one at-grade garage and a semi-subterranean parking level. In addition to the subdivision, the project includes an Adjustment to allow the semi-subterranean two-car garages to have an interior width of 19'6" rather than the required 20'0"; and to allow the driveway to have a width of 11'3" rather than the required 12'0".

**Chair Baldino opened the public communication.**

None.

**Chair Baldino closed the public communication.**

**MOTION:** Approve Environmental Assessment No. EA-1259 for an adjustment to reduce the width of the driveway from 12 feet to 11 feet 6 inches; and a reduction of the interior dimension in one garage from 20 feet to 19 feet 6 inches and Vesting Tentative Map No. VTPM 82684: to allow the construction of three residential condominium units.

**Moved by Commissioner Wingate, second by Chair Baldino.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

5. **2019-2020 Capital Improvement Program (CIP) with the City of El Segundo General Plan (continued from August 22, 2019 meeting)**

**Address:** Citywide

City Engineer Lifan Xu (Public Works Department) reviewed the redefined scope with the Planning Commission. The City Hall enhancements would include window replacements, new security doors, and security cameras.

- Chair Baldino inquired if CPAC scored the proposed capital improvement project to enhance the security at City Hall. Lifan advised that CPC has not scored the proposed project.
- City Attorney David King informed the Planning Commission that City Council did discuss the project and found that the proposed redefined scope is consistent with the City of El Segundo General Plan. The item is being presented for formality as the Planning Commission still needs to adopt Resolution No. 2871.

**Chair Baldino opened the public communication.**

None.

**Chair Baldino closed the public communication.**

**MOTION:** Adopt Resolution No. 2871.

**Moved by Commissioner Wingate, second by Commissioner Keldorf.**

**Motion carried, 4-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, and Keldorf.**

**J. Report from Planning and Building Safety Director or designee.**

Planning and Building Safety Director Sam Lee informed the Planning Commission that in early November Staff will present an item for discussion, the item being short-term rentals.

**K. Planning Commissioners' Comments**

Commissioner Keldorf inquired when development impact fees will be reviewed. Gregg advised that once the TopGolf project is resolved we can start addressing that.

Chair Baldino inquired how the development impact fees are analyzed and if the public safety fee could be increased to try and use those funds to pay down the pension costs. Gregg informed the Planning Commission that there are consultants that consider every legal and justifiable expense that can be funded by these fees.

Commissioner Wingate inquired about the court appearance of the person that owns the party house on Virginia Street. David advised that the issue with the property owner was resolved and the property owner agreed to comply with certain rules. The city did file a criminal complaint against a person who was living in the garage and that issue was resolved as well.

**L. Adjournment**—the meeting adjourned at 6:39 pm. The next meeting is scheduled for October 24, 2019 at 5:30 pm.

PASSED AND APPROVED ON THIS 10th DAY OF OCTOBER 2019.

\_\_\_\_\_  
Sam Lee, Director of Planning and Building Safety

\_\_\_\_\_  
Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**September 19, 2019**

**A. Call to Order**

Commissioner Wingate called the meeting to order at 5:30 p.m.

**B. Roll Call**

Present: Commissioner Keldorf  
Present: Commissioner Hoeschler  
Present: Commissioner Wingate  
Absent: Chair Baldino  
Absent: Vice Chair Newman

**C. Pledge of Allegiance**

Commissioner Hoeschler led the pledge.

**D. Public Communications**

None.

**E. Consent Calendar**

None.

**F. Call items from Consent Calendar**

None.

**G. Written Communications (other than what is included in Agenda packets)**

None.

**H. New Business—Public Hearing**

- 1. Environmental Assessment No. EA-1259, Adjustment No. 19-02, for an 11-foot 6-inch driveway width and 19-foot 6-inch interior garage dimension, and Subdivision No. 19-04 and Vesting Tentative Map No. 82684 to allow construction and subdivision for a three-unit residential condominium within the multifamily residential (R-3) zone.**

Planning Manager Gregg McClain requested that EA-1259 be continued to the next meeting on October 10, 2019.

**MOTION:** Approval to continue item EA-1259 to the next meeting on October 10, 2019.

**Moved by Commissioner Hoeschler, second by Commissioner Keldorf.  
Motion carried, 3-0, by the following vote:  
Ayes: Keldorf, Wingate, and Hoeschler.**

**2. Consideration and possible action regarding an appeal by Karen Wolcott and Christopher McPherson of the Planning and Building Safety Director's decision relating to an application for a building permit to construct an accessory dwelling unit within an existing garage at 945 Sheldon Street.**

City Attorney David King presented the staff report. David reviewed the state and city regulations regarding accessory dwelling units (ADU). State legislation allows for the conversion of accessory structures into ADUs within units contained with an existing space of a single-family residence or accessory structure including but not limited to a studio, pool house, or similar structure, and allows local municipalities to designate areas for ADUs. The City of El Segundo Municipal Code does not allow garages to be converted into ADUs because the state legislature did not list a garage as an accessory structure. Assembly member Bloom introduced a bill that would specifically address garage conversions into ADUs. The staff is recommending the Planning Commission to continue the item to the next meeting because by October 10, 2019 staff will know if the bill got passed. Once the bill is passed the city will amend the code to comply.

**Commissioner Wingate opened the public communication.**

- The appellants and their representative Ryan Patterson were present to answer any questions.
- Ryan informed the Commissioners that the appellants began to receive compliance letters to convert the unpermitted livable space back to its original use (a garage). Aiming to be good residents, the appellants applied for permits to legally convert the garage into an ADU and the Building Safety Director denied the proposal as city code does not allow garages to be converted into ADUs.
- The appellants believe the city code is not in compliance with state legislation. Not only does the city code defines a garage as an accessory structure but the state legislature has other sections where garage conversions into ADUS are being addressed.
- The Housing and Community Development State Agency submitted a letter to the city advising its noncompliance with the state legislature in this area and others.

**Commissioner Wingate closed the public communication.**

**MOTION:** Continue the item to the next meeting on October 10, 2019.

**Moved by Commissioner Hoeschler second by Commissioner Keldorf.  
Motion carried, 3-0, by the following vote:  
Ayes: Keldorf, Wingate, and Hoeschler.**

**I. Continued Business—Public Hearing.**

None.

**J. Report from Planning and Building Safety Director or designee.**

Planning Manager Gregg McClain shared the upcoming Agenda with the dais.

**K. Planning Commissioners' Comments**

None.

**L. Adjournment**—the meeting adjourned at 6:25 pm. The next meeting is scheduled for October 10, 2019 at 5:30 pm.

PASSED AND APPROVED ON THIS 12th DAY OF September 2019.

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Sam Lee, Director of Planning and Building Safety

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Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**August 22, 2019**

**A. Call to Order**

The meeting was called to order at 5:30 p.m.

**B. Roll Call**

Present: Chair Baldino  
Present: Vice Chair Newman  
Present: Commissioner Keldorf  
Present: Commissioner Hoeschler  
Present: Commissioner Wingate

**C. Pledge of Allegiance**

Commissioner Keldorf led the pledge.

**D. Public Communications**

Fire Chief extended an invitation to the Commission and the public to attend a meeting scheduled for Monday, September 9<sup>th</sup>, 11:30 am - 1 pm regarding the Fire Departments' accreditation process.

**E. Consent Calendar**

None.

**F. Call items from Consent Calendar**

None.

**G. Written Communications (other than what is included in Agenda packets)**

None.

**H. New Business—Public Hearing**

**1. 2019-2020 Capital Improvement Program (CIP) with the City of El Segundo General Plan**

City Engineer Lifan Xu (Public Works Department) presented the staff report regarding the proposed fiscal year 2019-2020 Capital Improvement Program (CIP), highlighted some of the major projects, and concluded the presentation informing the Commission that Planning staff believes the CIP is consistent with the City of El Segundo General Plan.

**Chair Baldino opened the public communication.**

None.

**Chair Baldino closed the public communication.**

- Vice Chair Newman inquired about the projects and how they make it on the list for the fiscal year. Lifan stated that the projects are ranked based on their priority. Every year each department reevaluates the projects, and only the high-priority ones are resubmitted for consideration. Some projects can potentially fall off the list.
- Chair Baldino questioned why CPAC has not reviewed the proposed city hall security project and why no specific scope is included in the CIP for review.
- The Planning Commission requested an explanation on how the allocated money for the city hall security project would be spent and suggested for this project to be reviewed by CPAC. Lifan informed them that a narrative was not provided for what the project would intel.
- City Attorney David King reminded the Commissioners that their role is to determine if the CIP complies with the goals and policies of the general plan rather than provide recommendations regarding individual projects that should be on the list for fiscal year 2019-2020.
- The dais provided consensus to approve all items except for item 8. They would like for staff to provide a narrative on item 8 at the next meeting and are recommending item 8 to go through the CPAC review process.

**MOTION:** To adopt all the items within Resolution No. 2868 as they comply with the general plan consistency, except for item number eight (8). To adopt Resolution No. 2868, making a General Plan Consistency finding for the proposed fiscal year 2019-2020 Capital Improvement Program (CIP), except for item number eight (8) in the CIP

**Moved by Vice Chair Newman, second by Chair Baldino.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Keldorf, Wingate, and Hoeschler.**

**2. EA- 1200 Site Plan Review and Conditional Use Permit (CUP) for the Nash Street Extension**

Planning Manager Gregg McClain introduced the CSG consultant Gena Guisar who later presented the staff report. Gregg informed the Planning Commission that the CUP was removed from consideration as the approval already in place is not in question. The proposed drive-through location can be addressed through the site plan review. Gena reviewed the proposed site plan modifications with the Planning Commission. The modifications include the removal of the existing parking lot and the construction of six new buildings totaling 65,650 square feet (net) in area to accommodate one 2-story medical office building, one bank, two restaurant buildings, and two drive-through fast food restaurants.

**Chair Baldino opened the public communication.**

- The applicant representative Lionel Uhry el Uhry, stated that he was present to answer any questions.
- The Planning Commission discussed the relocation of the entrance on the east side of the property. The applicant is unable to relocate the entrance on the east side of the property as it would interfere with Raytheon's agreement requirements.

**Chair Baldino closed the public communication.**

- The Planning Commission shared their concerns regarding the traffic flow as you exit the drive-throughs and the possible traffic buildup the drive-throughs could create on the east side of the property. Gena advised that the exit east of Nash only allows for a right turn. This exit is only intended to serve the Raytheon campus. Directional signage will be implemented to inform the public that the exit east of Nash only provides access to the Raytheon campus. If the public ignores the signage, they will end up at the Raytheon guard shack where they will be instructed to turn around via a roundabout.
- The Planning Commission discussed possibly including a condition requiring the applicant provide a parking lot attendant. If complaints arise, the applicant will have to provide a parking lot attendant to ensure traffic does not impede traffic on public streets, including Nash.
- The dais provided consensus to add the proposed language to the elements of approval, should the established drive-through queue in either drive-through back up onto public streets (including Nash St.) and conflict with traffic on public streets (including Nash St.) then a parking lot attendant must be there to direct traffic.

**MOTION:** Adopt Resolution No. 2869 approving the Site Plan Review for the construction of six new buildings totaling 65,650 square feet (net) in the area to accommodate one 2-story medical office building, one bank, two restaurant buildings, and two drive-through fast food restaurants; including the proposed language to the elements of approval.

**Moved by Commissioner Wingate, second by Commissioner Hoeschler.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Keldorf, Wingate, and Hoeschler.**

**I. Continued Business—Public Hearing.**

None.

**J. Report from Planning and Building Safety Director or designee.**

None.

**K. Planning Commissioners' Comments**

Chair Baldino thanked Commissioner Hoeschler for attending the City Council meeting.

**L. Adjournment**—the meeting adjourned at 7:13 pm. The next meeting is scheduled for September 12, 2019 at 5:30 pm.

PASSED AND APPROVED ON THIS 22nd DAY OF AUGUST 2019.

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Sam Lee, Director of Planning and Building Safety

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Ryan Baldino, Planning Commission Chair



**MINUTES OF THE  
EL SEGUNDO PLANNING COMMISSION  
Regularly Scheduled Meeting**

**June 28, 2018**

**A. Call to Order**

Chair Baldino called the meeting to order at 5:30 p.m.

**B. Roll Call**

Present: Chair Baldino  
Present: Vice Chair Newman  
Present: Commissioner Keldorf  
Present: Commissioner Wingate  
Present: Commissioner Hoeschler

**C. Pledge of Allegiance**

Commissioner Newman led the pledge.

**D. Public Communications**

None.

**E. Consent Calendar**

**1. Consideration and possible other action regarding approval of Planning Commission Meeting Minutes:**

- April 26, 2018

**MOTION:** Approve the Planning Commission Meeting Minutes.

**Moved by Vice Chair Newman, second by Chair Baldino.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, Hoeschler, and Keldorf.**

**F. Call items from Consent Calendar**

None.

**G. Written Communications (other than what is included in Agenda packets)**

None.

**H. New Business—Public Hearing**

**2. Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the Smoky Hollow Specific Plan (SHSP) update project.**

**Address:** Citywide

Principal Planner Paul Samaras presented the staff report and reviewed the proposed updates to the Smoky Hollow Specific Plan and what entitlements would be required for the project. The proposed updates include a revised zoning map, new non-permitted uses, updated permitted uses with and without additional restrictions, and development standard changes addressing (setbacks, height, FAR, Community Benefits Plan, landscape, open space areas, loading requirements, vehicle access, parking lots, parking and bicycle parking), administrative processes for adjustments, and the public realm. A draft (EIR) Environmental Report was released for public comments and identifies impacts and their significance.

**Chair Baldino opened public communication.**

- Kimberly Christensen who represents a major stakeholder and property owner in Smoky Hollow, expressed a slight concern with the mandate to eliminate and reduce curb cuts as they believe it could not be accomplished by all properties. Other than that, they are in support for the proposed changes.
- Pete Romano who owns property in Smoky Hollow expressed his concern about angled parking affecting the loading docks.

**Chair Baldino closed public communication.**

**Comments from the dais and staff:**

- Vice Chair Newman inquired why live/work is not an acceptable use in the zoning area. Paul advised that very little interest was expressed for this use in the area based on the public input received.
- Commissioner Wingate inquired what the process would be if someone in the Smoky Hollow area wants a larger living space after the specific plan is adopted. Planning Manager Greg McClain explained that a specific plan amendment would need to occur in which they would start studying it and doing the analysis. The process would take a few months until it is presented to the Planning Commission and then presented to City Council for consideration/adoption.
- Greg informed the Planning Commission that the housing concerns in the Smoky Hollow area can be addressed in the coming years through the housing element. Staff will begin to work on the housing element soon as it is due in three years; additional research would be completed then.
- Chair Baldino requested an update from Staff regarding the progress of re-stripping streets and how many bike lanes they have been able to add. A report of what has been done and what is scheduled to get done would be ideal.
- Commission discussion ensued and there was a consensus to make a minor modification to the document by including an adjustment process for driveways.

**MOTION:** Adopt Resolution No. 2837 recommending that City Council approve Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the Smoky Hollow Specific Plan (SHSP) update project, as well as the addition to include an adjustment process for driveways to be approved at the director level and asking City Council for input and their recommendations on the live work residential missing part of this specific plan.

**Moved by Vice Chair Newman, second by Commissioner Keldorf.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, Hoeschler, and Keldorf.**

## **I. Continued Business—Public Hearing**

### **3. Environmental Assessment No. EA-1210 and Zone Text Amendment No. ZTA 17-08 for calculating building height.**

**Address:** Citywide

Planning Manager Greg McClain informed the Planning Commission that the changes were primarily on page 5 and are illustrated in the memo they received. Assistant Planner Maria Baldenegro presented the staff report and reviewed the proposed zone text amendment to add and update definitions and establish comprehensive provisions for calculating building height in the City.

**Chair Baldino opened public communication.**

- Mark Tellez who owns multiple properties in Smoky Hollow expressed his support for the proposed changes in calculating building height.
- David Balian expressed his support for the proposed changes.
- Kimberly Christensen who represents a major stakeholder and property owner in Smoky Hollow is in support of the proposed changes.

**Chair Baldino closed public communication.**

**MOTION:** Adopt Resolution No. 2840.

**Moved by Commissioner Wingate, second by Vice Chair Newman.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, Hoeschler, and Keldorf.**

### **4. Environmental Assessment EA-1198 and Zone Text Amendment ZTA 17-06 to establish a parking in-lieu fee program for Smoky Hollow.**

**Address:** Citywide

Planning Manager Greg McClain informed the Planning Commission that nothing has changed as presented last time. The staff report addresses the text amendment to amend El Segundo Municipal Code (ESMC) Chapter 15-15 (Off-street parking and loading) to allow the payment of parking in-lieu fees for the purpose of meeting the parking requirements for a property, create a new ESMC Chapter 15-29 to establish

a process for paying in-lieu fees, and establish an area encompassing the Smoky Hollow Specific Plan and certain adjacent commercial properties where payment of in-lieu fees would be applicable. In addition, the staff report contains an analysis and a recommendation for the City Council on setting the specific in-lieu fee level and payment method.

**Chair Baldino opened public communication.**

None.

**Chair Baldino closed public communication.**

**MOTION:** Adopt Resolution No. 2827 recommending that City Council approve Environmental Assessment EA-1198 and Zone Text Amendment ZTA 17-06 to establish a parking in-lieu fee program for Smoky Hollow.

**Moved by Commissioner Wingate, second by Commissioner Hoeschler.**

**Motion carried, 5-0, by the following vote:**

**Ayes: Baldino, Newman, Wingate, Hoeschler, and Keldorf.**

**J. Report from Planning and Building Safety Director or designee.**

None.

**K. Upcoming Agenda Items and Schedule**

None.

**L. Planning Commissioners' Comments**

Commissioner Hoeschler inquired if RFPs for The Lakes will come to the Planning Commission. Planning Manager Greg McClain stated that they will not and it will be decided by City Council; however, depending on which proposal is selected there is a high probability that there will be general plan amendments, specific plan changes, zone text amendments, conditional use permits, and AUPs involved that require Planning Commission input.

**M. Adjournment**—the meeting adjourned at 8:13 pm. The next meeting is scheduled for July 12, 2018 at 5:30 pm.

PASSED AND APPROVED ON THIS 28th DAY OF JUNE 2018.

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Sam Lee, Director of Planning and Building Safety

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Ryan Baldino, Planning Commission Chair

**MINUTES OF THE MEETING  
OF THE PLANNING COMMISSION  
OF THE CITY OF EL SEGUNDO, CALIFORNIA**

**November 12, 2015**

**A. CALL TO ORDER**

Chair Baldino called the meeting to order at 5:30 p.m.

**B. PLEDGE OF ALLEGIANCE**

Commissioner Wingate led the Pledge.

**C. ROLL CALL**

PRESENT: Chair Baldino  
PRESENT: Vice Chair Newman  
PRESENT: Commissioner Nisley  
PRESENT: Commissioner Nicol  
PRESENT: Commissioner Wingate

**D. PUBLIC COMMUNICATIONS**

None.

**E. CONSENT CALENDAR**

1. Approval of Planning Commission Meeting Minutes

- October 22, 2015

**MOTION:** N/A – to follow as the item was pulled from the consent calendar.

**F. CALL ITEMS FROM CONSENT CALENDAR**

Chair Baldino Pulled Agenda Item E-1 requesting to modify the minutes due to typos.

Planning Manager Kimberly Christensen read the two typos in the minutes and acknowledged the revision of them.

**MOTION:** Approve the October 22,2015 Planning Commission Meeting Minutes as amended.

**MOVED BY:** Commissioner Wingate, seconded by Vice Chair Newman.

**MOTION CARRIED:** 5-0, by the following vote:

**AYES:** Baldino, Newman, Nisley, Nicol, and Wingate

**G. WRITTEN COMMUNICATIONS**

None.

**H. NEW BUSINESS – PUBLIC HEARING**

## 2. Environmental Assessment No. EA-1132 and Zone Text Amendment No. ZTA 15-01

**Address:** Citywide

Assistant Planner Maria Baldenegro presented the staff report. The proposed project is a Zone Text Amendment to delete El Segundo Municipal Code (ESMC) Chapter 10-2 'Water Conservation in Landscaping'; to add ESMC Chapter 15-15A 'Water Conservation in Landscaping' regarding the applicability of Water Conservation in Landscaping; to amend ESMC Section 15-1-6 'Definitions' to add definitions of hardscape, softscape, and xeriscaping and to clarify the use of artificial turf; to amend ESMC Section 15-2-14 regarding the requirements for landscaping; and to amend certain landscaping sections in certain zoning districts in ESMC Title 15. The proposed Ordinance addresses the requirements in Governor Brown's Drought Executive Order (EO B-29-15) of April 1, 2015, which directed the California Department of Water Resources (DWR) to update the State's Model Water Efficient Landscape Ordinance ("MWELO"). The DWR prepared an updated MWELO to serve as a template for cities, which was approved by the California Water Commission on July 15, 2015. Cities within the State of California must adopt the updated MWELO. The MWELO requires all cities to monitor the water that is used in the irrigation of grass, shrubs, trees, and other plants in landscaped areas. The proposed Ordinance is applicable to all new landscaping projects equal to or greater than 500 square feet and to all rehabilitated landscaped areas equal to or greater than 2,500 square feet. The proposed Ordinance meets the requirements described and defined by the DWR.

- Commissioner Nicol expressed his concerns with limiting the allowable percentage of artificial turf residents can have in the front yard and is proposing to remove this language. The dais provided consensus to do this. The dais is requesting to add language stating how the "Planning and Building Safety director will review the changes for compliance." The section of adjustments should come out of the ordinance as well.
- Chair Baldino inquired where in the state law it is addressed that any person in violation of the chapter is found guilty of a misdemeanor. Maria advised that on state stamp page 72 of the state water ordinance dated July 9<sup>th</sup> section 4.9.2.2 identifies that each local agency can establish the penalties. The penalty was established previously by the City, and Staff carried it over. The City Attorney David King informed the Planning Commission that this can be revised to allow a warning before any criminal penalties. Building Official Paige Vaughan stated that the department does issue citations on a regular basis. Before the citations come into play, they provide warnings to the residents. Chair Baldino proposed to add the language to allow a warning before any criminal penalties.

**Chair Baldino opened public communication.**

None.

**Chair Baldino closed public communication.**

**MOTION:** Recommend approval to adopt Resolution No. 2785 approving Environmental Assessment No. EA-1132 and Zone Text Amendment No. ZTA 15-01 with the modifications stated previously in section 15-2-14 regarding landscape and section 15-15-16 penalties for violation and enforcement.

**MOVED BY:** Chair Baldino, seconded by Commissioner Nicol.

**MOTION CARRIED:** 5-0, by the following vote:

**AYES:** Baldino, Newman, Nisley, Nicol, and Wingate

**I. CONTINUED BUSINESS – PUBLIC HEARING**

None.

**J. REPORT FROM PLANNING AND BUILDING SAFETY DIRECTOR**

Planning Manager Kimberly Christensen provided an update of the items that will be presented at the next meeting.

**K. PLANNING COMMISSIONERS COMMENTS**

Vice Chair Newman reminded everyone of the downtown open house event.  
Chair Baldino invited everyone out to the “ladies night out” Ed Foundation event.

**L. OTHER BUSINESS**

None.

**M. ADJOURNMENT**

Chair Baldino adjourned the meeting at 6:55pm. The next schedule meeting is for December 10, 2015 at 5:30pm.

PASSED AND APPROVED ON THIS 12TH DAY OF NOVEMBER 2015

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**Sam Lee, Secretary of**  
the Planning Commission  
and Director of the  
Planning and Building Safety Department

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**Ryan Baldino, Chairman**  
Planning Commission  
City of El Segundo, California



**Planning Commission Agenda Statement**

**Meeting Date:** October 27, 2022

**Agenda Heading:** New Business

**Item Number:** H.2

**TITLE:**

2021-2029 Housing Element Update - 6<sup>th</sup> Cycle

(Environmental Assessment No. EA 1271 and General Plan Amendment No. GPA 19-04)

**RECOMMENDATION:**

1. Adopt Resolution No. 2926 recommending City Council approve the Revised 2021-2029 Housing Element.

**BACKGROUND:**

Government Code § 65588 requires that cities periodically review and revise their Housing Element of their General Plans. The Housing Element is one of the 10 required elements in the City’s General Plan. The Housing Element must be consistent with the goals, policies and objectives of the other General Plan Elements.

**Regional Housing Needs Assessment (RHNA)**

As of 2021, SCAG’s RHNA allocation (“fair share” of the regional total) for El Segundo is a total of 492 units. The 492 housing units for El Segundo are out of the anticipated total regional construction need of 1,341,928 units (812,060 of which are in the Los Angeles County). In addition to its current RHNA allocation, the City is responsible for making up a 29-unit shortfall from the 5<sup>th</sup> Cycle Housing Element period. Thus, the total requirement for El Segundo during the 6<sup>th</sup> Cycle Housing Element period is 521 units. Table No. 1 below illustrates the allocation into the four income categories.

**Table No. 1: City of El Segundo RHNA Allocation**

<b>Income Category</b>	<b>5<sup>th</sup> Cycle Carryover</b>	<b>6<sup>th</sup> Cycle RHNA</b>	<b>Total RHNA</b>	<b>Percent</b>
<b>Extremely/Very Low Income</b>	18	189	207	39.7%
<b>Low Income</b>	11	88	99	19.0%
<b>Moderate Income</b>	0	84	84	16.1%
<b>Above Moderate Income</b>	0	131	131	25.1%
<b>Total</b>	29	492	521	100.0%

## City Council Approval

On February 1, 2022, the City Council adopted the Housing Element for the 8-year planning period extending from October 15, 2021 to October 15, 2029 (6<sup>th</sup> cycle). The City submitted it to the Department of Housing and Community Development (HCD) on February 11, 2022.

## HCD review

On April 8, 2022 HCD sent the City a comment letter requesting changes and clarifications. The HCD comment letter is attached to this report as Exhibit No. 3. Since receiving HCD comments, staff has worked with the City's consultant to revise and update the Housing Element to address HCD's comments.

## DISCUSSION:

This section includes an outline of HCD's April 8, 2022 comments and a summary of the major revisions to the Housing Element. HCD comments are divided into three categories:

### HCD Comments

#### A. Housing Needs, Resources, and Constraints

Affirmatively Furthering Fair Housing:

##### 1. *Outreach*

HCD requested the City elaborate on its outreach efforts and obtain community feedback specifically related to the requirement for affirmatively furthering fair housing (AFFH).

##### 2. *Identified Sites and Affirmatively Furthering Fair Housing (AFFH)*

HCD requested additional analysis demonstrating that affordable housing sites are not segregated from the rest of the community.

##### 3. *Local Data and Knowledge*

HCD requested additional local data regarding El Segundo's specific fair housing issues.

##### 4. *Other Relevant Factors*

HCD requested additional information on factors that may have historically impeded housing choices and mobility, such as zoning, demographics, governmental and nongovernment spending, etc.

5. *Goals, Actions, Metrics, and Milestones*

HCD requested updates to the goals and actions to reflect the analysis and identify fair housing issues in the Housing Element. In addition, HCD requested specific actions, metrics, and milestones to enhance housing mobility, increase housing choices and affordability.

Sites Inventory:

1. *Realistic capacity*

HCD requested that the capacity of certain sites be recalculated to address errors.

2. *Suitability of Nonvacant Sites*

HCD requested additional analysis demonstrating market conditions, development trends and past experience with converting existing uses. HCD also pointed out that the adopted Sites Inventory heavily relied on nonvacant sites for most of its lower-income units and requested additional analysis demonstrating that existing uses will not impede additional residential development.

3. *Environmental Constraints*

HCD requested additional information regarding how environmental conditions may affect housing development on the identified sites during the planning period.

4. *Infrastructure*

HCD requested additional information regarding the provision of adequate water sewer infrastructure capacity to accommodate and prioritize future affordable housing needs.

5. *Electronic Site Inventory*

HCD requested the City utilize standard forms and definitions when it submits its electronic sites inventory.

Analysis of potential and actual governmental constraints upon the maintenance and development of housing:

1. *Land Use Controls*

HCD requested additional analysis of development standards and land use controls that may constrain future residential development.

2. *Processing and Permit Procedures*

HCD requested additional information regarding the discretionary review process and its impact on approval certainty.

3. *Fees and Exaction*

HCD requested analysis of the fees for discretionary applications, including conditional use permits, that apply to residential developments.

4. *Reasonable Accommodation*

HCD requested the City establish clear written procedures to address reasonable accommodation requests.

B. Housing Programs

1. Identify actions to make sites available during the planning period with appropriate zoning and development standards:

HCD requested additional analysis demonstrating an adequate number of housing sites and feasibility of development on the selected sites. In addition, HCD requested additional information to ensure the success of Program 7 (Lot Consolidation).

2. Remove governmental and nongovernmental constraints to the maintenance and development of housing:

HCD requested revisions to Housing Element programs to reduce governmental constraints on housing development. In addition, HCD requested clarification regarding the permitting process for large group homes.

3. Promote and affirmatively further fair housing opportunities:

HCD requested additional information and revisions to programs to satisfy the AFFH requirements for specific and meaningful actions to overcome fair housing issues.

C. Public Participation

1. HCD requested additional information on how the City will reach out to lower-income and special needs households and neighborhoods:

HCD's complete comments are attached to this report as Exhibit No. 3.

**Housing Element Revisions**

To meet the City's RHNA requirements, the housing element identifies properties in the City where new housing can be accommodated, including:

1. Potential Accessory Dwelling Unit (ADU) construction

Based on ADU permit trends from 2018-2022, staff estimates at least 120 ADUs will be permitted over the course of the Housing Element planning period (2021-

2029). This exceeds the previous projection of 80 units over the same period in the adopted Housing Element. A substantial proportion of these units are expected to be affordable in the very low, low, and moderate-income categories. Table No. 2 shows the anticipated breakdown of the projected ADUs into income categories.

2. Entitled projects

a. 203-209 Richmond Street:

The City recently approved entitlements for mixed-use project in the Downtown Specific Plan (DSP) at 203-209 Richmond Street. The project will be constructed during the Housing Element planning period (2021-2029) and will result in four above moderate income (market rate) units.

b. Pacific Coast Commons:

The City approved the Pacific Coast Commons project after the Housing Element was adopted, so now it is incorporated in the entitled projects. The project results in 231 market rate units, 29 low income units and 3 very low-income units.

These entitled projects make a substantial contribution toward the City’s RHNA requirements, as shown in Table No. 2 below. These projects also justify the feasibility of additional mixed-use projects along the Pacific Coast Highway corridor.

**Table No. 2: Remaining RHNA Obligations**

<b>Income Category</b>	<b>Total RHNA</b>	<b>Projected ADUs</b>	<b>Entitled Projects</b>	<b>Remaining RHNA</b>
<b>Extremely/Very Low Income</b>	<b>207</b>	<b>20</b>	<b>3</b>	<b>184</b>
<b>Low Income</b>	<b>99</b>	<b>52</b>	<b>29</b>	<b>18</b>
<b>Moderate Income</b>	<b>84</b>	<b>7</b>	<b>0</b>	<b>77</b>
<b>Above Moderate Income</b>	<b>131</b>	<b>41</b>	<b>235</b>	<b>0</b>
<b>Total</b>	<b>521</b>	<b>120</b>	<b>267</b>	<b>279</b>

After considering potential ADU construction and the entitled projects above, the overall RHNA obligation decreases from 521 to 279 units. Staff anticipates the City will meet the remaining number through the rezoning of properties described below.

3. Increase Overlay densities in the residential sites inventory

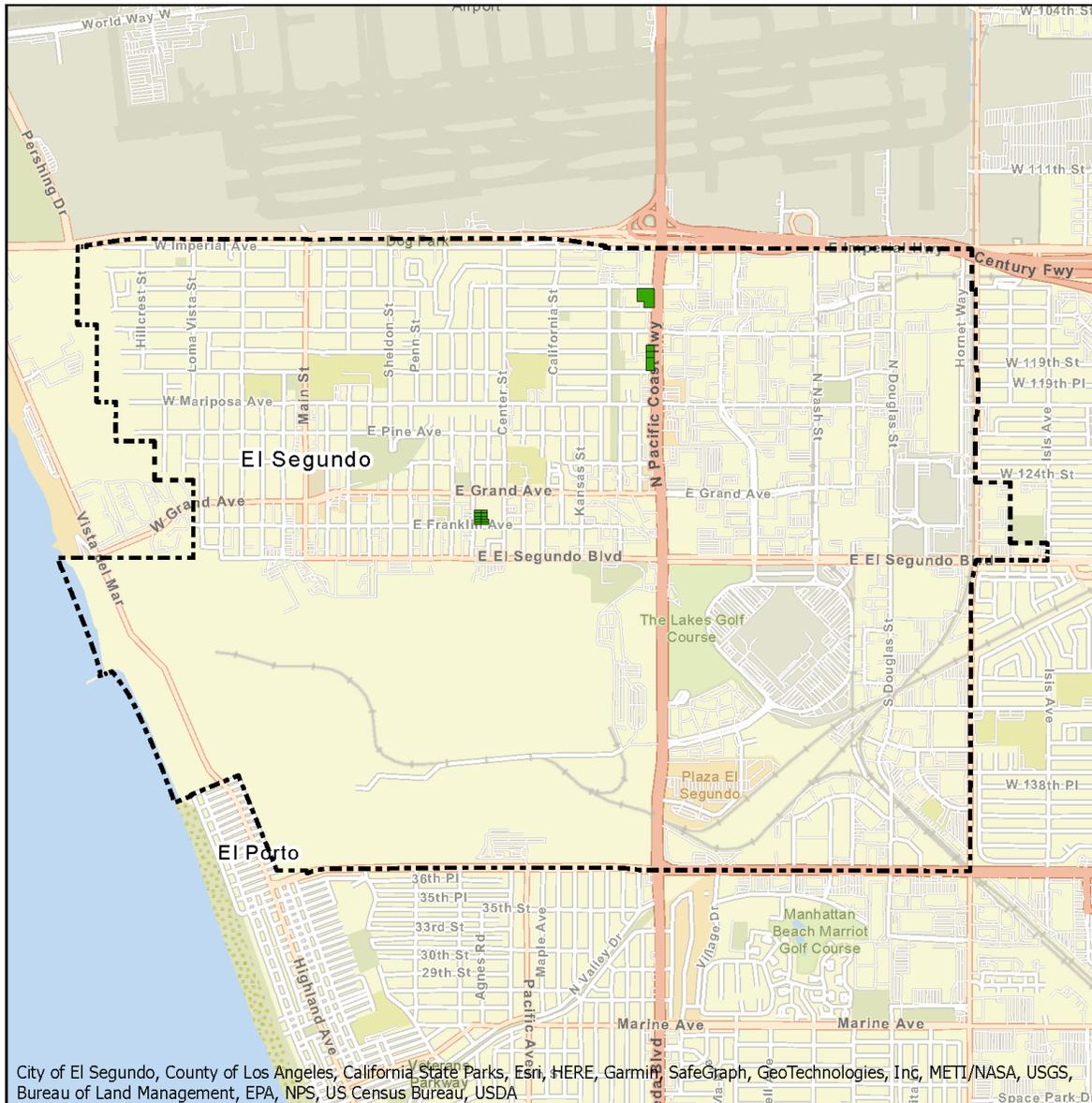
The revised Housing Element retains the RHNA Mixed Use Overlay (MU-O) and the RHNA Housing Overlay (HO) but increases substantially the proposed density ranges.

For the Mixed Use Overlay density increases from 40-50 to 75—85 units per acre and for the Housing Overlay it increases from 30-40 to 60-70 units per acre, respectively.

4. Decrease the number of sites in the residential sites inventory

The number of sites decreases from 15 to seven in the Mixed-Use Overlay and decreases from five to four in the Housing Overlay. Although the total number of sites decreases from 20 to 11, capacity continues to meet the minimum RHNA requirements due to the increase in density described above. Figures No. 1 and 2 below show the locations of the sites in the proposed overlays.

**Figure No. 1 - Sites Inventory Mixed-Use Overlay**



City of El Segundo, County of Los Angeles, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

**City of El Segundo Housing Element Update 2021-2029  
 Sites Inventory: Mixed Use Overlay Sites**

- Mixed Use Overlay Sites
- City Boundary

N




0    1,500    3,000  
 Feet

Figure No. 2 - Sites Inventory Housing Overlay - Redevelopment sites



5. R-3 Neighborhood Rezoning

The proposed Housing Overlay encompasses many parcels within four large R-3 zoned neighborhoods. Staff conducted a financial feasibility study, which demonstrated that parcels in the overlay have the potential for redevelopment at the proposed higher densities. However, for the purpose of addressing RHNA and HCD requirements, the number of qualifying sites was reduced to four. Figure No. 3 below shows the location of the Housing Overlay.

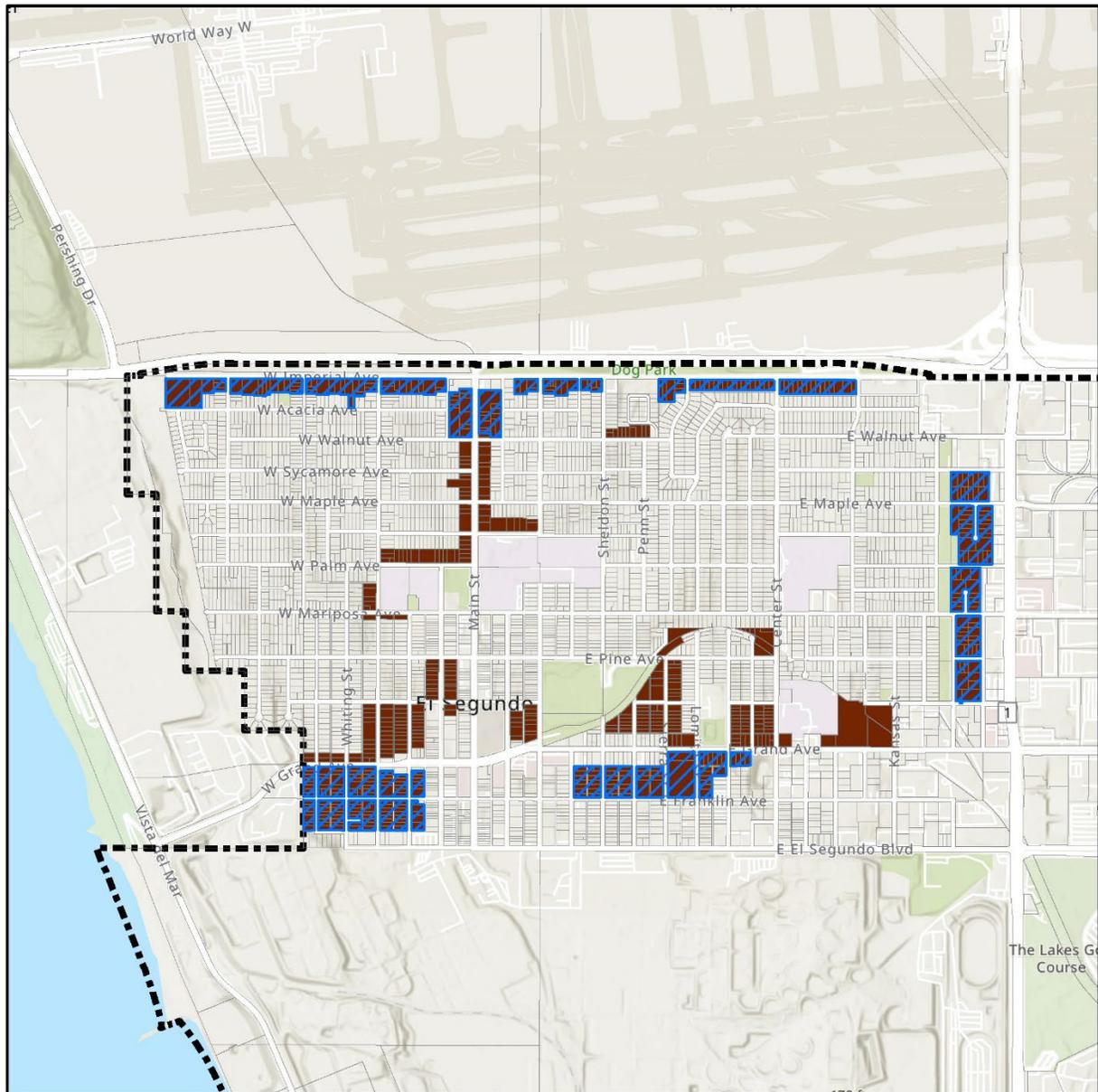
6. Projected Sites Inventory Capacity and RHNA

Table No. 3 below shows the updated number of units projected in the Sites Inventory in comparison with the City’s RHNA requirement.

**Table 3 - Comparison of Sites Inventory and RHNA**

	<b>Lower</b>	<b>Moderate</b>	<b>Above Moderate</b>	<b>Total</b>
Overall RHNA (including 5 <sup>th</sup> Cycle Carryover)	<b>306</b>	<b>84</b>	<b>131</b>	<b>521</b>
ADUs	<b>72</b>	<b>7</b>	<b>41</b>	<b>120</b>
Entitled Projects	<b>32</b>	<b>0</b>	<b>235</b>	<b>267</b>
<b>Rezoning</b>				
Mixed Use Overlay	<b>124</b>	<b>86</b>	<b>136</b>	<b>346</b>
Housing Overlay	<b>133</b>	<b>100</b>	<b>99</b>	<b>332</b>
<b>Total Capacity</b>	<b>361</b>	<b>193</b>	<b>511</b>	<b>1,065</b>
Surplus/Shortfall	<b>55</b>	<b>109</b>	<b>380</b>	<b>544</b>
	<b>18%</b>	<b>130%</b>	<b>290%</b>	<b>104%</b>

Figure No. 3 - Sites Inventory Housing Overlay



-  Housing Overlay
-  R3 Zoning
-  Parcels
-  City Boundary

### City of El Segundo R3 Zoning with Housing Overlay

0 1,000 2,000  
US Feet



## 7. Housing Programs

In addition to the Sites Inventory, the adopted Housing Element included implementing several programs during the 2021-2029 planning period that aim to preserve the existing housing stock and encourage construction of new housing. The programs cover the following areas/activities:

- Residential Sound Insulation (RSI)
- Code Compliance Inspection Program
- Accessory Dwelling Units (ADU)
- Inclusionary Housing Ordinance and Affordable Housing Strategy
- Urban Lot Split
- Provision of Adequate Sites
- Monitoring of No Net Loss (SB 166)
- Lot Consolidation
- El Segundo Municipal Code (ESMC) Amendments

A full description, including implementation timelines and revisions made to these programs, is provided in the revised Housing Element (Exhibit No. 2).

Staff believes the revised Housing Element identifies adequate sites and provides programs that are feasible to implement and will benefit the City. However, if the Planning Commission has concerns regarding any of the proposed revisions, staff recommends the Planning Commission identify those concerns so staff can make City Council aware of the concerns when the document is presented to City Council for review.

### **GENERAL PLAN AMENDMENT:**

ESMC Section 15-27-3 sets forth the findings required for the City to approve a General Plan Amendment. The findings, along with staff's analysis, are listed below:

#### **1. The amendment must be consistent with the General Plan**

The Housing Element update is consistent with the Land Use Element of the General Plan in that it identifies locations for new housing without affecting the character of existing single-family residential neighborhoods. Further, there is no evidence that the proposed housing sites inventory and housing programs conflict with any of the goals, policies, and objectives of the General Plan.

#### **2. The amendment is necessary to serve the public health, safety, and general welfare.**

The Housing Element update is necessary to serve the public health, safety, and general welfare, in that it identifies programs to help maintain and improve the existing housing stock in the City. In addition, it identifies sites and proposes new development standards to facilitate the development of additional housing in the community, which

contribute to improving the existing jobs-housing balance in the City. Further, the Housing Element identifies sites and proposes programs that facilitate the development of housing that is affordable to households of various income levels and thus will provide equal housing opportunities to all parts of the community.

### **3. The proposed update to the Housing Element is in the public interest.**

The Housing Element update is in the public interest, in that through the implementation of its policies and programs it will help achieve the following goals:

- Preserve and protect the existing housing stock by encouraging the rehabilitation of deteriorating dwelling units and the conservation of the currently sound housing stock.
- Provide sufficient new, affordable housing opportunities in the City to meet the needs of groups with special requirements, including the needs of lower and moderate- income households.
- Provide opportunities for new housing construction in a variety of locations and a variety of densities.
- Remove governmental constraints on housing development.
- Provide housing opportunities including ownership and rental, fair-market and assisted, in conformance with open housing policies and free of discriminatory practices.

For the reasons indicated above, staff believes that the proposed Housing Element update is consistent with the General Plan and the required General Plan Amendment findings of approval can be made.

#### **ENVIRONMENTAL REVIEW:**

In accordance with Public Resources Code § 15063 (CEQA), a Negative Declaration of was prepared. The document was sent to the State Clearinghouse and to various other agencies for review and comment. The review and comment period began on November 26, 2021 and ends on December 27, 2021. During the public comment period, the City received no comments that were relevant to the initial study/Negative Declaration.

As shown in the Initial Study, the project will not result in or create any significant impacts to Aesthetics, Agriculture and Forest Resources, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation/Traffic, or Utilities and Service Systems.

On February 1, 2022, the City Council adopted the Negative Declaration for the Housing Element. After reviewing the revisions to the Housing Element, staff believes that the revisions are in conformance with and do not change the conclusions of the Negative Declaration. As a result, no subsequent environmental analysis or document is required.

A conformance memo prepared by the City's environmental consultant and explaining the reasoning for relying on the adopted Negative Declaration is attached as Exhibit No. 5.

**Next steps**

After Planning Commission and City Council review the document and make any changes, staff will submit the revised document to HCD for review. Staff recommends that the Planning Commission adopt the attached resolution recommending approval of the revised Housing Element to the City Council.

**PREPARED BY:** Paul Samaras, AICP, Principal Planner *AS*

**REVIEWED BY:** Eduardo Schonborn, AICP, Planning Manager

**APPROVED BY:** Michael Allen, AICP, Community Development Director *MAA*

**ATTACHED SUPPORTING DOCUMENTS:**

1. Draft Planning Commission Resolution No. 2926
2. Draft Revised 2021-2029 Housing Element (strikethrough/underline version)
3. HCD Comment Letter Dated April 8, 2022
4. Responses to HCD Comments
5. CEQA Conformance Memo

## RESOLUTION NO. 2926

### **A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE ENVIRONMENTAL ASSESSMENT NO. EA-1271 AND ADOPT GENERAL PLAN AMENDMENT NO. 19-04 (2021-2029 HOUSING ELEMENT), AMENDING THE HOUSING ELEMENT OF THE EL SEGUNDO GENERAL PLAN.**

The Planning Commission of the City of El Segundo does resolve as follows:

**SECTION 1:** The Planning Commission finds and declares that:

- A. In accordance with California law, the City is required to prepare a Housing Element for its General Plan every 8 years. The next planning cycle runs from October 15, 2021 through October 15, 2029 for jurisdictions within the Southern California Association of Governments (“SCAG”) region;
- B. In general, the Housing Element must identify and analyze existing and projected housing needs and establish goals, policies, and quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing within the City’s jurisdiction;
- C. The City Council directed that the 2021-2029 Housing Element be prepared;
- D. The City held a community meeting on April 13, 2021, a joint City Council and Planning Commission study session on June 14, 2021, and a Planning Commission public workshop on September 30, 2021. These meetings were opportunities to provide the community an overview of the Housing Element process including a review of applicable state law and the Regional Housing Needs Assessment (“RHNA”); community profile information and an existing conditions report; and an overview of the existing Housing Element Goals, Policies, and Objectives;
- E. Based on comments received from the public, governmental agencies, the Planning Commission and the City Council, the Housing Element was prepared for submission to the California Department of Housing and Community Development (“HCD”) for review and certification;
- F. In addition, the City reviewed the project’s environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*, “CEQA”), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, *et seq.*, the “CEQA Guidelines”);

- G. An Initial Study of Environmental Impacts was prepared pursuant to the requirements of CEQA Guidelines § 15063. The Initial Study demonstrated that the proposed project would not cause any significant environmental impacts. A Negative Declaration was prepared and circulated for public review and comment from November 26, 2021 to December 27, 2021;
- H. A Notice of Intent to adopt a Negative Declaration was prepared, posted and circulated pursuant to CEQA Guidelines § 15072 to allow the public, responsible and trustee agencies to review and comment on the Negative Declaration;
- I. On February 1, 2022, the City Council adopted a Negative Declaration and approved the Housing Element at a public hearing;
- J. On April 8, 2022, HCD submitted a comment letter to the City requesting revisions before certifying the Housing Element. Staff, working with the City's consultant, has revised the Housing Element to address HCD's comments;
- K. The Community Development Department completed its review and scheduled a public hearing regarding the revised 2021-2029 Housing Element before this Commission on October 27, 2022; and
- L. On October 27, 2022, the Planning Commission held a duly noticed public hearing to receive public testimony and other evidence regarding the Housing Element update including, without limitation, information set forth in the staff report.

SECTION 2: Factual Findings and Conclusions. The Planning Commission finds the following:

- A. The purpose of revising the Housing Element of the General Plan is to refine and make appropriate adjustments to the programs, goals, policies and objectives to comply with state law and to address concerns raised by the community regarding housing needs in the City in furtherance of the general welfare of the City.
- B. The proposed Housing Element identifies and analyzes existing and projected housing needs. It also provides a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The Housing Element identifies and proposes the rezoning of adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and makes adequate provisions for the existing and projected needs of all economic segments of the community as required by Government Code § 65583.

- C. The proposed Housing Element will facilitate the creation of 521 housing units as required by the RHNA within the 2021-2029 planning period.
- D. The proposed new housing programs will protect and preserve existing housing stock and encourage and facilitate the provision of housing for all economic segments of the community.
- E. During the preparation of the Housing Element Update, the public, civic organizations, public agencies and other community groups were provided the opportunity to participate in the preparation of the Element at meetings held on April 13, 2021, June 14, 2021, and September 30, 2021 as required by Government Code § 65351.

SECTION 3: *Environmental Assessment.* The Planning Commission finds that the Negative Declaration (“ND”) prepared for the draft 2021-2029 Housing Element was completed in compliance with the requirements of CEQA and the CEQA Guidelines and reflects the independent judgment of the City. The revisions to the Housing Element are in conformance with and do not change the conclusions of the ND. The Commission has reviewed and considered the ND, together with all of the comments received during the public review process, the revisions to the Housing Element, and, based on the totality of the evidence in the record, finds that there is no substantial evidence that the proposed project will have a significant effect on the environment, cumulative or otherwise.

SECTION 4: *General Plan Findings.* Based on the findings of fact set forth herein and the totality of the evidence in the record, the Planning Commission finds as follows:

- A. The proposed update to the Housing Element is consistent with the General Plan.

The Housing Element update will further all other objectives, goals and policies of applicable elements of the General Plan and will not obstruct their attainment. The Housing Element establishes goals, policies, and programs to preserve the existing housing stock and to encourage construction of new residential units, including affordable housing, without affecting the character of existing single-family residential neighborhoods. The proposed Housing Element will allow the City to achieve these goals in a manner that is consistent with the Land Use Element, in that before the implementation of the proposed housing overlays, the General Plan Land Use Element will be amended to ensure consistency with the densities contemplated in those overlays.

- B. The amendment is necessary to serve the public health, safety, and general welfare.

The Housing Element update is necessary to serve the public health, safety, and general welfare, in that it identifies programs to help maintain and improve the

existing housing stock in the City. In addition, it identifies sites and proposes new development standards to facilitate the development of additional housing in the community, which contribute to improving the existing jobs-housing balance in the City. Further, the Housing Element identifies sites and proposes programs that will facilitate the development of housing that is affordable to households of various income levels and thus will provide equal housing opportunities to all segments of the community.

C. The proposed updated to the Housing Element is in the public interest.

The Housing Element update is in the public interest, in that through the implementation of its policies and programs it will help achieve the following goals:

1. Preserve and protect the existing housing stock by encouraging the rehabilitation of deteriorating dwelling units and the conservation of the currently sound housing stock.
2. Provide sufficient new, affordable housing opportunities in the City to meet the needs of groups with special requirements, including the needs of lower and moderate- income households.
3. Provide opportunities for new housing construction in a variety of locations and a variety of densities.
4. Remove governmental constraints on housing development.
5. Provide housing opportunities including ownership and rental, fair-market and assisted, in conformance with open housing policies and free of discriminatory practices.

SECTION 5: Recommendations. Based upon the foregoing findings and the evidence in the record as a whole, the Planning Commission recommends that the City Council:

- A. Approve Environmental Assessment No. EA-1271 to find that the ND prepared for the 2021-2029 Housing Element was completed in compliance with the requirements of CEQA and the CEQA Guidelines, and the proposed revisions to the Housing Element in Exhibit "A" are in conformance therewith and do not change the ND's conclusions.
- B. Approve the revised 2021-2029 Housing Element attached as Exhibit "A" and incorporated herein by this reference.

SECTION 6: Reliance on Record. Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the action proposed in this Resolution. The findings and determinations constitute the independent findings and determinations of the Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 7: Limitations. The Planning Commission's analysis and evaluation of the action proposed in this Resolution is based on the best information currently available. It is inevitable that in evaluating an action, that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of such action is the Planning Commission's knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 8: Summaries of Information. All summaries of information in the findings which precede this section are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

SECTION 9: This Resolution will remain effective unless superseded by a subsequent resolution.

SECTION 10: A copy of this Resolution will be made available to any person requesting a copy and to the City Clerk for scheduling the City Council's consideration of the Planning Commission's recommendations herein.

PASSED, APPROVED AND ADOPTED this 27<sup>th</sup> day of October, 2022.

\_\_\_\_\_  
Ryan Baldino, Chairperson  
City of El Segundo Planning Commission

ATTEST:

\_\_\_\_\_  
Michael Allen, Secretary

Baldino -  
Newman -  
Hoeschler -  
Keldorf -  
Maggay -

APPROVED AS TO FORM:  
Mark D. Hensley, City Attorney

By: \_\_\_\_\_  
Joaquin Vazquez, Assistant City Attorney

**RESOLUTION 2926  
EXHIBIT "A"  
Revised 2021-2029 Housing  
Element**



# CITY OF EL SEGUNDO HOUSING ELEMENT UPDATE

October 2022

Community Development Department  
350 Main Street  
El Segundo, CA 90245 (310) 524-2350

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# 1. INTRODUCTION

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The City of El Segundo was incorporated in 1917 and is located in the South Bay Region of Los Angeles County, approximately 20 miles southwest of downtown Los Angeles (see [Figure 1-1](#)). The City occupies an area of 5.46 square miles, and is home to 16,777 residents according to 2020 Department of Finance (DOF) estimates. The City is bordered on the north by the Los Angeles International Airport; on the west by the Pacific Ocean; to the south by the city of Manhattan Beach; and to the east by the 405 Freeway. These barriers isolate El Segundo's residential and downtown communities from other South Bay communities. [Figure 1-1](#) depicts El Segundo's regional location and City boundaries respectively.

According to DOF estimates, there were a total of 7,463 dwelling units in the City in 2020. All of the residential population is located west of Pacific Coast Highway on approximately 532.8 acres of land. The office/industrial/commercial areas east of Pacific Coast Highway include a broad range of businesses including aerospace, computer related companies, and travel related companies; several of these are Fortune 500 companies.

The City's stock of 7,463 dwelling units is characterized by a relatively even balance between single and multi-family residences; 2020 DOF estimates document a majority of the City's dwelling units (55.7%) are renter-occupied. Similar to other communities in the South Bay area, home prices have increased dramatically since adoption of the current Housing Element making both owner occupied and rental housing units less affordable. However, compared with neighboring jurisdictions, El Segundo still provides a range of housing opportunities to the varied income levels of residents in the community.

This 2021-2029 Housing Element of El Segundo's General Plan sets forth the City's strategy to preserve and enhance the community's residential character, expand housing opportunities for all economic segments, and provide guidance and direction for local government decision-making in all matters relating to housing.

Figure 1-1: Regional Location Map



## **A. CALIFORNIA STATE HOUSING ELEMENT LAW**

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California State Housing Element Law (Government Code §§ 65580, *et seq.*) establishes the requirements for Housing Elements of the General Plan. Specifically, Government Code § 65588 requires that local governments periodically review and revise the Housing Element of their General Plans according to a statutory timeline.

El Segundo's Housing Element was last updated in 2013 for the 2013-2021 planning period and as part of the fifth update cycle for jurisdictions within the Southern California Association of Governments (“SCAG”) region. The Element sets forth a strategy to address the City’s identified housing needs, including specific implementing programs and activities. This sixth cycle update of the Housing Element is an eight-year plan, extending from October 15, 2021 to October 15, 2029. Other General Plan elements typically address a 10- to 20-year planning horizon.



### **1. Regional Housing Needs Assessment**

In accordance with Government Code § 65584, projected housing needs for each city and county in the Southern California region are prepared by SCAG under a process known as the Regional Housing Needs Assessment (RHNA). RHNA allocates regional housing needs by income level among member jurisdictions.

California law established the planning period for the current RHNA from June 30, 2021 to October 15, 2029. SCAG’s allocation for El Segundo is 492 units. The 492 housing units for El Segundo are out of the anticipated total construction need of 1,341,928 units in the SCAG region (812,060 of which are in the Los Angeles County). The allocation of 492 units for El Segundo is broken down into the four categories as follows: 189 very low income households, 88 low income households, 84 moderate income households, and 131 above moderate income households.

## **B. ORGANIZATION OF THE HOUSING ELEMENT**

---

The Housing Element sets forth housing goals and policies for El Segundo to address the City’s existing and projected needs. Specific housing programs to implement these goals and policies will be identified in the Housing Program section of the updated document. The updated El Segundo Housing Element will be comprised of the following major components:

1. An assessment of past housing achievements.
2. An analysis of the City's population, household and employment base, and the characteristics of the City's housing stock.
3. An updated evaluation of housing need.
4. Preparation of an inventory of potential housing sites in the community.

- a. An examination of governmental and non-governmental constraints on the production, maintenance, and affordability of housing.
  - b. Preparation of a Housing Program to address El Segundo's identified housing needs, including housing goals, policies and programs.
5. An assessment of fair housing.

## C. RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

---

The City of El Segundo General Plan is comprised of the following ten elements: 1) Land Use; 2) Economic Development; 3) Circulation; 4) Housing; 5) Open Space and Recreation; 6) Conservation; 7) Air Quality; 8) Noise; 9) Public Safety; and 10) Hazardous Materials and Waste Management. The Housing Element complements the other General Plan elements. As portions of the General Plan are amended in the future, the Housing Element will be reviewed to ensure internal consistency is maintained. Pursuant to California law, the City will be updating the Safety Element to address recent changes regarding high fire hazards and severe weather conditions.



## D. PUBLIC PARTICIPATION

---

Government Code § 65583 (c)(7) states that, “[t]he local government shall make 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.”

As part of this Housing Element update, the City conducted multiple outreach activities to solicit public input. These included:

- April 13, 2021 - Community meeting to obtain input on housing needs and suggestions for programs and policies
- City webpage on Housing Element Update (<https://www.elsegundo.org/housing-element>)
- Community Survey through Mentimeter
- YouTube Video regarding Housing Element Update (<https://youtu.be/SC9DJxxGQq8>)
- Social media postings (Facebook, Twitter, Instagram, YouTube, and City website)
- June 14, 2021 – Joint Planning Commission and City Council meeting to discuss the selection of sites for RHNA

- September 30, 2021 – Planning Commission meeting to discuss the Draft Housing Element

- February 1, 2022 – City Council meeting to consider and adopt the Housing Element

The City submitted the adopted Housing Element for HCD review on February 7, 2022 and received HCD’s review letter on April 8, 2022. Additional revisions are necessary to address HCD comments. In response to HCD comments, the City made additional revisions to the adopted Housing Element, including revising its strategy for meeting the Regional Housing Needs Assessment. Revisions are made available for public review for seven days prior to the October 27, 2022 meeting (see below).

- October 27, 2022 – Planning Commission public hearing to consider and make a recommendation on the revised Housing Element

- November 15, 2022 – City Council to review the revised Housing Element

All meetings were advertised through social media, postcards to agencies and organizations that serve low and moderate income and special needs residents, local businesses, nonprofit organizations, and religious facilities. Notices of meetings were also published in El Segundo Herald. The Housing Element responded to public comments by continuing to adjust the sites inventory after each public meeting.

## **E. SOURCES OF INFORMATION**

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The Housing Element needs assessment is based primarily on the sources listed below:

1. SCAG Certified 2014-2018 American Community Survey data (5-year estimates)
2. 2015-2019 ACS data (5-year estimates)
3. City of El Segundo Municipal Code, Title 15 (Zoning Regulations), 2020
4. SCAG Regional Housing Needs Assessment, 2020
5. Comprehensive Housing Affordability Strategy (CHAS) data (based on the 2013-2017 ACS), 2020.
6. California Department of Housing and Community Development (HCD) Affirmatively Furthering Fair Housing (AFFH) Data Viewer, 2021.

## 2. COMMUNITY PROFILE

Assuring the availability of adequate housing for all social and economic sectors of the present and future population is an important goal for El Segundo. To achieve this goal requires an assessment of the housing needs of the community and region. This section discusses the demographic, socio-economic, and housing characteristics of the City of El Segundo in an effort to determine the specific housing needs of the City and its residents.

### A. POPULATION

#### 1. Population Growth Trends

The 2000 Census reported that the City of El Segundo’s population was 16,033 persons, marking a population increase of over five percent since the 1990 Census. This growth rate was slightly less than the seven percent for Los Angeles County as a whole. Cities surrounding El Segundo, such as Manhattan Beach and Redondo Beach, experienced growth patterns similar to El Segundo, with decreases in population in the 1970s and modest increases in the 1980s. The 2010 Census reported that the population of El Segundo had increased to 16,654, representing an increase in the population of approximately four percent for the ten-year period from 2000 to 2010.



As of 2020, the Department of Finance (DOF) determined that the City's population numbered 16,777, an increase of less than one percent in the ten years since the 2010 U.S. Census. This rate of growth is lower than the rate of growth for Los Angeles County and in the middle of the spectrum in comparison to El Segundo’s adjacent communities as shown in [Table 2-1](#).

**Table 2-1: Population Growth Trends**

Jurisdiction	2000	2010	2020	Change	
				2000-2010	2010-2020
<b>El Segundo</b>	<b>16,033</b>	<b>16,654</b>	<b>16,777</b>	<b>3.90%</b>	<b>0.74%</b>
Hawthorne	84,112	84,293	86,903	0.20%	3.10%
Hermosa Beach	18,556	19,506	19,614	5.10%	0.55%
Inglewood	112,580	109,673	111,971	-2.60%	2.10%
Manhattan Beach	33,852	35,135	35,250	3.80%	0.33%
Redondo Beach	63,261	66,748	66,994	5.50%	0.37%
Los Angeles County	9,519,338	9,818,605	10,172,951	3.10%	3.61%

Source: 2000 and 2010 U.S. Census; DOF E-1 Population Estimates, January 2020.

## 2. Age Characteristics

Age distribution is an important indicator in determining the future demand of certain types of housing. Traditional assumptions indicate that the young adult population (20 to 34 years old) has a trend of choosing apartments, low to moderate cost condominiums, and smaller single-family units. The adult population (35 to 65 years old) is the primary market for moderate to high-end apartments, condominiums, and larger single-family homes. This age group traditionally has higher incomes and larger household sizes. The senior population (65 years and older) generates demand for low to moderate cost apartments and condominiums, group quarters, and mobile homes. Table 2-2 shows the age distribution of the population of the City of El Segundo from 2000 to 2018, and the proportionate age distribution of all Los Angeles County residents in 2018.

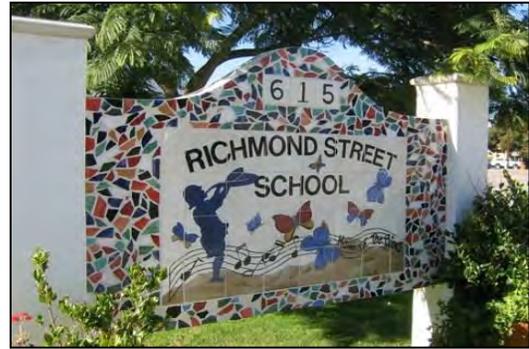
**Table 2-2: El Segundo Age Distribution**

Age Group	2000		2010		2018		LA County % of Total
	Persons	% of Total	Persons	% of Total	Persons	% of Total	
Under 5	956	6.0%	831	5.0%	1,274	7.6%	6.2%
5-9	1,069	6.6%	920	5.5%	1002	5.9%	6.0%
10-14	1,037	6.4%	1,180	7.1%	1,047	6.2%	6.2%
15-19	856	5.3%	1,140	6.8%	978	5.8%	6.5%
20-24	715	4.4%	768	4.6%	701	4.2%	7.3%
25-34	2,855	18.0%	2,511	15.1%	2,435	14.4%	15.9%
35-44	3,348	21.8%	2,671	16.0%	2,505	14.9%	13.8%
45-54	2,444	15.2%	3,076	18.5%	2,829	16.7%	13.6%
55-64	990	6.9%	1,879	11.3%	2,128	12.6%	11.7%
65-74	794	4.9%	888	5.3%	1,185	7.0%	7.2%
75+	735	4.5%	790	4.7%	766	4.5%	5.6%
<b>Total</b>	<b>16,033</b>	<b>100.0%</b>	<b>16,654</b>	<b>100.0%</b>	<b>16,850</b>	<b>100.0%</b>	<b>100.0%</b>
Median Age	36.4		39.2		38.7		36.2

Source: 2000 and 2010 Census; ACS 2014-2018 (5-Year Estimates), Table S0101.

As shown in Table 2-2, the 2018 American Community Survey (ACS) indicated median age in El Segundo of 38.7 years is slightly higher than the County median age of 36.2 years. While the City has seen a drop in the young adult (age 25-34) and mid-adult (age 35-44) populations, the City witnessed proportional and numeric growth during the last 20 years in its older-adult populations (age 45-64). These increases are likely attributed to the previous existing young adult populations continuing to live in El Segundo. Additionally, the City encourages housing options that allow residents to remain in the community as they age.

These characteristics of an employment center with comparatively modest housing costs have resulted in stable neighborhoods and a tightening of the housing market in El Segundo. El Segundo is a predominantly renter-occupied community, with approximately 56 percent of all households occupied by renters ([Table 2-3](#)). Associated with growth in the young and mid-adult populations, this may be an indication of the potential need for increasing first-time homebuyer opportunities in the City.



Between 2010 and 2018, there was a 30 percent increase in the City’s early school age population (age 0-9 years) and decrease of nearly 13 percent in population for children ages 10 to 19. This trend typically reflects a population with younger families. Enrollment statistics provided by the California Department of Education for the El Segundo Unified School District are provided in [Table 2-3](#). [Table 2-4](#) provides enrollment data at Vistamar School.

**Table 2-3: School Enrollment by Grade - El Segundo Unified School District**

Grade	2015	2016	2017	2018	2019	2020
K	237	264	284	260	256	304
1	219	181	222	236	211	219
2	219	225	188	226	228	204
3	238	217	241	198	222	228
4	213	241	232	254	297	228
5	235	219	252	239	255	211
6	278	286	252	284	278	283
7	263	287	278	268	280	277
8	276	262	291	274	267	279
9	300	334	317	329	318	325
10	318	298	319	316	321	326
11	345	314	287	315	301	320
12	336	343	306	275	319	298
<b>Total</b>	<b>3,477</b>	<b>3,471</b>	<b>3,469</b>	<b>3,474</b>	<b>3,453</b>	<b>3,502</b>

Source: California Department of Education, 2020.

**Table 2-4: School Enrollment by Grade – Vistamar School**

Grade	2013	2020
9	53	56
10	69	69
11	81	77
12	59	67
<b>Total</b>	<b>262</b>	<b>269</b>

Source: Vistamar School, 2013; California Department of Education, 2020.

### 3. Race and Ethnicity

Table 2-5 shows the changes in the racial/ethnic composition of El Segundo between 2000 and 2018. There were several dramatic shifts in the years between 2000 and 2018. The most notable of these changes were increases in the Other/Two or More Races and Black populations, although these groups represent just about 13.3 percent of the City’s total population. El Segundo’s ethnic composition continues to be predominately White at 64.0 percent of the population. However, this represents a decrease from 2000 when the White population comprised 79.7 percent of the population total.

**Table 2-5: El Segundo Racial and Ethnic Change 2000 to 2018**

Race/Ethnicity	2000		2010		2018		Change 2000-2010		Change 2010-2018	
	Persons	% of Total	Persons	% of Total	Persons	% of Total	#	%	#	%
White (Non-Hispanic)	12,356	79.7%	11,515	69.1%	10,780	64.0%	-841	-6.8%	-735	-6.4%
Hispanic/Latino	1,765	11.4%	2,609	15.7%	2,178	12.9%	844	47.8%	-431	-16.5%
Asian/Pac. Islldr. (Non-Hispanic)	1,052	6.8%	1,457	8.7%	1,638	9.7%	405	38.5%	181	12.4%
Black (Non-Hispanic)	181	1.2%	321	1.9%	628	3.7%	140	77.3%	307	95.6%
Am. Indian (Non-Hispanic)	52	0.3%	40	0.2%	21	0.1%	-12	-23.1%	-19	-47.5%
Other/Two or More Races (Non-Hispanic)	87	0.6%	712	4.3%	1,605	9.5%	625	718.1%	893	125.4%
<b>Total</b>	<b>15,493</b>	<b>100.0%</b>	<b>16,654</b>	<b>100.0%</b>	<b>16,850</b>	<b>100.0%</b>	<b>1,161</b>	<b>7.5%</b>	<b>196</b>	<b>1.2%</b>

Source: 2000, and 2010 U.S. Census; ACS 2014-2018 (5-Year Estimates), Table DP05.

El Segundo’s ethnic make-up does not reflect the racial diversification that is occurring elsewhere in Los Angeles County. A greater proportion of the City’s residents are White, compared to 26.3 percent of the County, while persons from the Hispanic and Black groups comprise a smaller proportion of the City’s population than they do County-wide (48.5 percent Hispanic and 7.9 percent Black). The distribution of the American Indian population is nearly equal to that of the County (0.2 percent American Indian) but the Other Races/Two or More Races population of 9.5 percent is higher than the countywide population of 2.5 percent.

## 4. Employment

As shown in [Table 2-6](#), the 2014-2018 American Community Survey (ACS) reports that there were 9,801 El Segundo residents in the labor force, representing a labor force participation rate of 73.5 percent of persons ages of 16 and over. A majority of the City's residents are employed in management, business, science, and arts occupations (55.7 percent) or in sales and office occupations (20.6 percent). The unemployment rate reported in the ACS was 8.0 percent, compared to the countywide unemployment rate of 6.8 percent.

A general measure of the balance of a community's employment opportunities with the needs of its residents is through a “jobs-housing balance” test. A balanced community would have a match between employment and housing opportunities so that most of the residents could also work in the community. Comparing the number of jobs in El Segundo in 2020 (over 70,000) to the 2018 ACS population estimates (16,850) indicates a high job-population ratio of approximately 4.2:1.<sup>1</sup> This is reflective of the large employment base in El Segundo. Large employers include the Chevron Refinery as well as major aerospace corporations such as the Aerospace Corporation, Boeing Corporation and Raytheon. In addition, El Segundo is a community whose daytime population far exceeds the nighttime population due to the large employment base in the City. The City’s large employment base relative to the small number of housing units indicate that there may be a need to continually seek ways to add housing in the community. According to SCAG, the City’s employment base was estimated at 48,300 in 2016 and is projected to reach 52,400 by 2045.<sup>2</sup>

**Table 2-6: Jobs Held by El Segundo Residents**

Job Category	Number	Percent
Management, Business, Science, and Arts	5,005	55.7%
Service Occupations	926	10.3%
Sales and Office Occupations	1,851	20.6%
Natural Resources, Construction, and Maintenance Occupations	508	5.6%
Production, Transportation, and Material Moving Occupations	703	7.8%
<b>Total Employed Persons</b>	<b>8,993</b>	<b>100.0%</b>
Total Persons in Labor Force (16 years and over)	9,801	--
Source: ACS 2014-2018 (5-Year Estimates), Table DP03.		

<sup>1</sup> El Segundo Chamber of Commerce Community & Business Directory, 2020.

<sup>2</sup> Southern California Association of Governments (SCAG) Demographics and Growth Forecast, 2020.

## B. HOUSEHOLD CHARACTERISTICS

Information on household characteristics is an important indicator of housing needs in a community. Income and affordability are best measured at the household level, as are the special needs of certain groups, such as large-family households or female-headed households.

### 1. Household Composition and Size

The Bureau of the Census defines a “household” as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, or unrelated persons sharing living quarters. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households. The characteristics of the households in a city are important indicators of the type of housing needed in that community.

[Table 2-7](#) below describes the household characteristics for El Segundo. According to the 2014-2018 ACS, there were 6,639 households in the City of El Segundo, about 62.4 percent of which were family households. This proportion is less than that of Los Angeles County, where 66.8 percent of all households consisted of families. Single-person households represent the second largest household group in the City, comprising about 29.6 percent of all households. The remaining 8.0 percent of households fall into the unrelated non-family household category, which consist of unrelated persons living together.



**Table 2-7: El Segundo Household Characteristics**

Household Type	2000		2010		2018	
	Number	Percent	Number	Percent	Number	Percent
Total Population	16,033	100.0%	16,654	100.0%	16,850	100.0%
In Group Quarters	23	0.1%	66	0.4%	36	0.2%
Total Households	7,060	100.0%	7,085	100.0%	6,639	100.0%
Average Household Size	2.27		2.34		2.53	
Families	3,908	55.3%	4,105	57.9%	4,145	62.4%
Single Households	2,420	34.2%	2,254	31.8%	1,963	29.6%
Unrelated Non-Family Households	732	10.3%	726	10.2%	752	8.0%

Source: 2000 and 2010 U.S. Census; ACS 2014-2018 (5-Year Estimates), Tables DP02 and B09019.

Household size is an important indicator of a source of population growth. A city’s average household size can depend on household trends such as a trend towards larger families will increase the city’s average household size over time while, average household size will often decline in communities where the population is aging.

Between 2010 and 2018, the average persons per household in El Segundo increased slightly from 2.34 to 2.53 persons per household. The average household size in the City is significantly less than

the estimates for the County of Los Angeles (3.00 persons per household in 2018) and is fairly comparable with the relatively small average household sizes of all of El Segundo’s neighboring communities. Average household size in nearby cities is shown in [Table 2-8](#).

**Table 2-8: Average Household Size**

City	Persons Per Household
<b>El Segundo</b>	<b>2.53</b>
Hawthorne	2.96
Hermosa Beach	2.19
Inglewood	2.96
Manhattan Beach	2.63
Redondo Beach	2.45
Los Angeles County	3.00
Source: ACS 2014-2018 (5-Year Estimates), Table DP02.	

## 2. Overcrowding

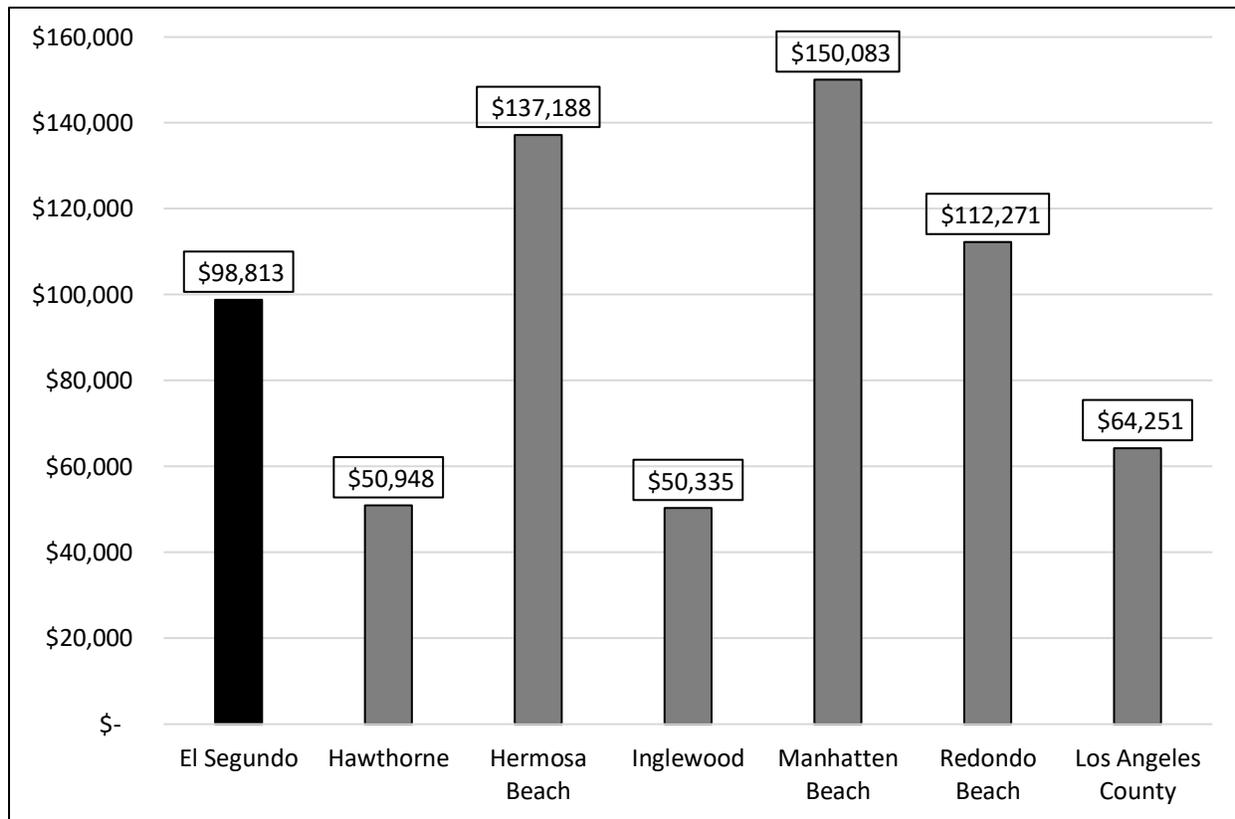
The federal government defines an overcrowded household as one with more than one occupant per room, excluding bathrooms, kitchens, hallways, and porches. Overcrowding in households results from either a lack of affordable housing (which forces more than one household to live together) and/or a lack of available housing units of adequate size.

According to the 2014-2018 ACS, 3.1 percent (207 households) of households in El Segundo were living in overcrowded conditions, compared to 11.4 percent Countywide. Approximately 1.4 percent of households in the City were considered severely overcrowded. Overcrowding among renter-households was more prevalent than among owner-households. Of the total 207 overcrowded households, 136 were renter-occupied households. In contrast, of the total overcrowded households, only 34.3 were owner-occupied households. The ACS indicates that 96.9 percent of the households in El Segundo have less than 1.00 person per room; therefore, overcrowding of households does not appear to be a primary issue for the City.

## 3. Household Income and Income Distribution

Income is a major factor in evaluating the affordability of housing in a community. According to the 2014-2018 ACS the median household income in El Segundo was \$98,813 per year, which is significantly more than the County median household income of \$64,251 per year. In comparison with its neighbors, the median household income in El Segundo was higher than that of Hawthorne and Inglewood; somewhat lower than Redondo Beach; and significantly lower than Hermosa Beach and Manhattan Beach. [Figure 2-1](#) shows that El Segundo’s median household income was nearly double that of neighboring communities Hawthorne and Inglewood but lower than that of neighboring beach communities.

**Figure 2-1: Median Household Income – 2018**



Source: ACS 2014-2018 (5-Year Estimates), Table S1901.

To facilitate the analysis of income distribution among households in communities, the Health and Safety Code groups households into categories by income. Income categories are determined as a percentage of the Area Median Income (AMI) and then adjusted for household size in the following manner:

- Extremely Low Income – 0 to 30 percent AMI
- Very Low Income – 31 to 50 percent of the AMI
- Low Income – 51 to 80 percent of the AMI
- Moderate Income – 81 to 120 percent of the AMI
- Above Moderate Income – above 120 percent of the AMI

The ACS does not collect information on the number of households belonging to each of the income categories described above. However, the Southern California Association of Governments (SCAG), in preparing the Regional Housing Needs Assessment (RHNA), has developed income distribution data for its member jurisdictions ([Table 2-9](#)). As shown below, between 2014 and 2018, approximately 25 percent of the City’s households earned lower incomes, while approximately 16 percent earned moderate incomes. During this same period, Los Angeles County as a whole had a higher proportion of lower income households (41 percent).

**Table 2-9: Income Distribution – 2018**

Income Group	El Segundo	L.A. County
Very Low Income	13%	26%
Low Income	12%	15%
Moderate Income	15%	16%
Above Moderate	61%	43%
Total	100%	100%

Source: SCAG RHNA Calculator, March 2021, based on 2014-2018 ACS.

#### 4. Housing Affordability and Overpayment

The HUD Comprehensive Housing Affordability Strategy (CHAS) provides detailed information on housing needs by income level for different types of households in El Segundo. Detailed CHAS data based on the 2013-2017 ACS data is displayed in (Table 2-10). Housing problems considered by CHAS include:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter-households had a higher level of housing problems (44.3 percent) compared to owner-households (35.5 percent).
- Large family renter-households had the highest level of cost burden regardless of income level (49.7 percent).
- Very low income and low-income households had the highest incidence of housing problems (79.7 percent and 72.3 percent, respectively).

**Table 2-10: Housing Assistance Needs of Lower Income Households – 2017**

Household by Type, Income, and Housing Problem	Renters				Owners				Total
	Elderly	Small Families	Large Families	Total Renters	Elderly	Small Families	Large Families	Total Owners	
<b>Extremely Low (0-30% HAMFI)</b>	85	150	50	455	50	40	0	105	560
% with any housing problem	--	--	--	78.0%	--	--	--	38.1%	70.5%
% with cost burden >30%	35.3%	80.0%	100.0%	75.8%	28.0%	25.0%	0.0%	38.1%	68.8%
% with cost burden > 50%	0.0%	80.0%	100.0%	64.8%	8.0%	25.0%	0.0%	28.6%	58.0%
<b>Very Low Income (31-50% HAMFI)</b>	50	280	4	400	165	15	25	215	615
% with any housing problem	--	--	--	93.8%	--	--	--	53.5%	79.7%
% with cost burden >30%	60.0%	100.0%	100.0%	93.8%	50.9%	100.0%	100.0%	53.5%	78.9%
% with cost burden >50%	30.0%	78.6%	100.0%	75.0%	32.7%	100.0%	100.0%	48.8%	65.9%
<b>Low Income (51-80% HAMFI)</b>	95	260	0	575	105	25	15	165	740
% with any housing problem	--	--	--	76.5%	--	--	--	57.6%	72.3%
% with cost burden >30%	52.6%	82.7%	0.0%	73.9%	37.1%	80.0%	100.0%	54.6%	70.3%
% with cost burden > 50%	0.0%	0.0%	0.0%	7.8%	13.3%	80.0%	100.0%	39.4%	14.9%
<b>Moderate Income (81-100% HAMFI)</b>	125	105	20	460	65	110	35	260	720
% with any housing problem	--	--	--	46.7%	--	--	--	59.6%	51.4%
% with cost burden >30%	28.0%	9.5%	0.0%	39.1%	36.9%	54.6%	71.4%	59.6%	45.9%
% with cost burden > 50%	0.0%	9.5%	0.0%	2.2%	30.8%	36.4%	71.4%	38.5%	15.3%
<b>Above Moderate Income (100%+ HAMFI)</b>	105	925	75	1,790	455	1,305	155	2,215	4,005
% with any housing problem	--	--	--	14.0%	--	--	--	14.7%	14.4%
% with cost burden >30%	0.0%	6.0%	26.7%	5.0%	4.4%	13.7%	9.7%	14.0%	10.0%
% with cost burden > 50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.9%	0.5%
<b>Total Households</b>	460	1,720	149	3,680	840	1,495	230	2,960	6,640
% with any housing problem	--	--	--	44.3%	--	--	--	24.5%	35.5%
% with cost burden >30%	31.5%	39.5%	49.7%	38.5%	21.6%	19.0%	34.8%	24.0%	31.9%
% with cost burden > 50%	3.3%	20.4%	36.2%	17.7%	11.0%	6.0%	28.4%	10.8%	14.6%

Note: This table presents the percent of households with housing problems by tenure, income, and household type. For example, 78.0 percent of the extremely low income renter-households had housing problems compared to 38.1 percent of the extremely low income owner-households with housing problems. Data presented in this table are based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% total due to the need to extrapolate sample data out to total households. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

Elderly Households = 1- to 2-person households with elderly persons aged 62+

Small Families = 2- to 4-person family households

Large Families = 5+ person family households

Other non-family households are not included in this table.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), based on 2013-2017 ACS data.

## 5. Special Needs Groups

Certain segments of the population may have particular difficulties in finding decent, affordable housing due to their special needs. These special needs groups, as defined by State housing element law, include the elderly, disabled persons, large households, female-headed households, farm workers, extremely low-income households and the homeless. In addition, military households are a group with special housing needs in El Segundo. [Table 2-11](#) summarizes the numbers of households/persons in each of these special needs groups in the City of El Segundo.

**Table 2-11: El Segundo Special Needs Groups**

Special Needs Groups	Number of Households or Persons	Owners		Renters		Percent of Total Households/ Persons
		No.	%	No.	%	
Households that Include at Least One Senior (person age 65 or over)	1,448	--	--	--	--	21.8%
Senior-Headed Households	1,277	877	68.7%	400	31.3%	19.2%
Senior Living Alone	461	232	50.3%	229	49.7%	6.9%
Persons with Disabilities	1,306	--	--	--	--	7.8%
Large Households*	390	226	57.9%	164	42.1%	5.8%
Single-Parent Households	417	--	--	--	--	6.3%
Female-Headed Households with Children (no husband present)	318	--	--	--	--	4.8%
Farmworkers**	12	--	--	--	--	0.1%
Armed Forces***	29	--	--	--	--	0.2%
People Living in Poverty	1,306	--	--	--	--	7.8%
Homeless	47	--	--	--	--	0.3%

Notes:  
 \*=ACS 2012-2016 (5-Year Estimates), Table B25009. ACS 2014-2018 (5-Year Estimates) data not available.  
 \*\*=All farming, fishing, and forestry occupations.  
 \*\*\*= Percentage of population 16 years and over.  
 -- = Data not available.

Single-Parent Households: A single-parent household is headed by either a male or female householder, no spouse present but have children under the age of 18.  
 Female Headed Households with Children: A single parent household whose householder is a female.  
 Sources: ACS 2014-2018 (5-Year Estimates), Tables DP02, DP03, S2501, S2502, and S1701; Los Angeles Homeless Services Authority (LAHSA), 2020 Homeless Count by Community/City.

## **SENIORS**

The ACS shows that roughly 19.2 percent of the City's households were headed by elderly persons age 65 and above. Of these approximately 1,277 households, 461 consisted of elderly persons living alone ([Table 2-11](#)). Members of this subpopulation of the elderly may have special needs for assistance with finances, household maintenance, and other routine activities. This is particularly true of persons aged 75 and older who are more likely to be among the “frail elderly.”

The 2014-2018 ACS also indicates that there were at least 158 persons age 65 and over living below the poverty level. This indicates that there may be a need for additional affordable senior housing. CHAS data shown in [Table 2-10](#) indicates that housing problems were an issue for elderly both renter and owner lower income households, with 60.0 percent of very low income renter and 50.9 percent of very low income owner households experiencing a housing cost burden. In all income categories, more elderly renter-households (31.5 percent) experienced a housing cost burden than owner-households (21.6 percent).

## **Resources**

The special needs of seniors can be met through a range of services, including congregate care, rent subsidies, shared housing, and housing rehabilitation assistance. According to Community Care Licensing Division records, one adult day care facility with a capacity to serve 40 persons and two adult residential facilities with a capacity to serve 10 persons are also located in the City. Senior residents also have access to various classes, programs, activities, and services, such as transportation and outreach coordination, at the Joslyn Community Center.

Park Vista is a 97-unit senior housing project for seniors capable of independent living. Rents are restricted to levels of affordable to very low income households, and occupancy is limited to El Segundo residents with incomes that fall below moderate income levels. Discussions with management at Park Vista indicate that there is a need for further affordable senior housing facilities as there are extensive waiting lists for such facilities in the City with an approximate waiting time of one and a half to two years. Additionally, management at Park Vista indicated that there is a need for assisted living facilities in the City.

## **PERSONS WITH DISABILITIES**

Physical and mental disabilities can hinder access to traditionally designed housing units as well as potentially limit the ability to earn adequate income. As shown in [Table 2-12](#), the 2014-2018 ACS indicates that approximately 7.8 percent of El Segundo's population has some form of work or mobility/self-care difficulty.

Cognitive difficulties were the most common amongst residents under 65 years of age. Of the disabled population aged 65 years and older, ambulatory and independent living difficulties were the most common. The ACS estimates that 357 residents aged 65 years and older experience a hearing or vision difficulty, compared to only 258 residents under 65 years old.

Although no current comparisons of disability with income, household size, or race/ethnicity are available, it is reasonable to assume that a substantial portion of disabled persons would be within the federal Housing Choice Voucher Program (commonly known as Section 8) [Title 24 of the Housing

and Urban Development Act Part 982] income limits, especially those households not in the labor force. Furthermore, most lower income disabled persons are likely to require housing assistance.

Their housing need is further compounded by design and location requirements, which can often be costly. For example, special needs of households with wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, elevators, and other interior and exterior design features.

There are no zoning or building regulations or special approval procedures that unfairly inhibit or discourage the development of housing for disabled persons. The City’s **Community Development** Department implements the provisions of the California Building Code and the regulations of the Americans with Disabilities Act (ADA) in their routine application and enforcement of building code requirements.

**Table 2-12: El Segundo Disability Status of Non-Institutional Persons**

Disability Type	Less than 65 Years Old	Percent of Total Population*	65+ Years Old	Percent of Total Population*
With a hearing difficulty	167	0.99%	235	1.40%
With a vision difficulty	91	0.54%	122	0.73%
With a cognitive difficulty	363	2.16%	153	0.91%
With an ambulatory difficulty	178	1.06%	295	1.75%
With a self-care difficulty	41	0.24%	88	0.52%
With an independent living difficulty	164	0.98%	238	1.42%
<b>Total with disability</b>	<b>746</b>	<b>4.44%</b>	<b>560</b>	<b>3.33%</b>
* = Noninstitutionalized population. Note: Some residents have more than one disability. Source: ACS 2014-2018 (5-Year Estimates), Table S1810.				

**Persons with Developmental Disabilities**

A recent change in California law requires that the Housing Element discuss the housing needs of persons with developmental disabilities. As defined by Welfare and Institutions Code § 4512, “developmental disability” means

“a disability that originates before an individual attains 18 years of age; continues, or can be expected to continue, indefinitely; and constitutes a substantial disability for that individual. [T]his term shall include intellectual disability, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.”<sup>3</sup>

<sup>3</sup> Welfare and Institutions Code § 4512 as amended by SB 816, effective January 1, 2014.

This definition also reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities. 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. This equates to 253 persons in the City of El Segundo with developmental disabilities, based on the 2014-2018 ACS population. According to the State’s Department of Developmental Services, as of June 2020, the Westside Regional Center, serving the Los Angeles region from Malibu to El Segundo, served 7,834 residents with developmental disabilities. Most of these individuals were residing in a private home and 66 percent of these persons with developmental disabilities were under the age of 21.

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.

### **Resources**

Housing options for persons with disabilities include three community care facilities. Combined, these facilities offer a capacity of 50 beds. Residents with disabilities can also benefit from a range of services offered by various agencies throughout Los Angeles County and South Bay region, such as, the Westside Regional Center, Ability First, Team of Advocates for Special Kids, and the Disabled Resources Center.

### **LARGE HOUSEHOLDS**

According to the 2012-2016 ACS, only 5.8 percent of all households in the City of El Segundo consisted of large households ([Table 2-11](#)). In contrast to many communities where large households consist predominately of renters, 58.0 percent of all large households in El Segundo were owner-households.

Large households are defined as those with five or more members. A large family household is a household with five or more related members. The special needs of this group are based on the limited availability of adequately sized, affordable housing units. Because of housing stock limitations, and the fact that large families often have lower incomes, they are frequently subjected to overcrowded living conditions. The increased strain which overcrowding places on housing units only serves to accelerate the pace of unit deterioration.

According to the 2014-2018 ACS, approximately 42.9 percent of the City’s housing stock is comprised of three or more-bedroom units. Therefore, the City has more than an adequate supply of housing units to accommodate the needs of its large family households.

## **Resources**

Large households in El Segundo can benefit from the general housing programs and services offered by the City. The Section 8 Housing Choice Vouchers program also extends assistance to large households with overcrowding and cost burden issues.

## **SINGLE-PARENT HOUSEHOLDS**

A single-parent household is headed by either a male or female householder, no spouse present but have children under the age of 18. Single-parent households often require special consideration and assistance due to their greater need for affordable and accessible day care, health care, and other supportive services. In particular, female-headed households with children tend to have lower-incomes than other types of households, a situation that limits their housing options and access to supportive services.

Among the single-parent households, female-headed households tend to have more need for housing assistance, compared to male-headed households; female-headed households often have lower incomes. The 2014-2018 ACS indicates that there are 777 female-headed households in the City of El Segundo, 318 of which have children under the age of 18. These numbers account for approximately 11.7 percent and 4.8 percent respectively of all households in the City.

## **Resources**

El Segundo's single-parent households can benefit from the City's general affordable housing programs for lower income households including Housing Choice Vouchers. Single-parent households in El Segundo can also benefit from various services offered by the City, especially child care services. The El Segundo Teen Center offers year-round recreational and special interest classes to youth and teen residents. Additional opportunities for youth of all ages include various aquatic, drama, arts and craft, exercise and fitness, and sports programs.

A number of service agencies located in areas surrounding El Segundo provide services including emergency and transitional shelter, food distribution, vouchers for various needs, and rental and utility assistance that can benefit lower income single-parent households living in poverty or who are at risk of becoming homeless.

## **FARMWORKERS**

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farmworkers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. The 2014-2018 ACS reported that less than one percent (12 persons) of the City of El Segundo's residents were employed in farming, forestry, and fishing occupations.

Regionally, according to the USDA Census on agricultural population, there were 413 farms in Los Angeles County and 3,266 farmworkers.

## **Resources**

Due to El Segundo's urban setting and nominal farmworker population, the special housing needs of this group can generally be addressed through overall programs for housing affordability.

## **MILITARY PERSONNEL**

According to the 2014-2018 ACS, there were 29 persons in the labor force employed in military occupations ([Table 2-11](#)). The U.S. Air Force base in El Segundo directly employs approximately 6,300 individuals (military, civilian and contractor), the majority of whom are military personnel.

### **Resources**

Housing for base personnel is provided by Tierra Vista, including four unique neighborhoods at or near Fort MacArthur and San Pedro, approximately 22 miles south-east of Los Angeles Air Force Base. There are currently a total of 592 units, including two-, three- and four-bedroom units to accommodate all military ranks and their families. The four neighborhoods and number of units offered at each include:

- Fort MacArthur—356 two, three- and four-bedroom apartments/townhomes, and 20 three- and four-bedroom single-family homes
- Pacific Heights I—91 three- and four-bedroom single-family homes
- Pacific Heights II—74 three- and four-bedroom single-family homes
- Pacific Crest—71 three- and four-bedroom single-family homes

## **RESIDENTS LIVING BELOW THE POVERTY LEVEL**

Families with incomes below the poverty level, typically with extremely low and very low incomes, are at greatest risk of becoming homeless and typically require special programs to assist them in meeting their rent and mortgage obligations so as to not become homeless. The 2014-2018 ACS identified 7.8 percent of all El Segundo residents as living below the poverty level ([Table 2-11](#)). Approximately 5.0 percent of family households in the City were living in poverty, while 7.9 percent of families with children were living below the poverty level. These households need assistance with housing subsidies, utility and other living expense subsidies, and other supportive services.

### **Resources**

There are limited opportunities to address the housing needs of persons living with incomes below the poverty level in El Segundo. However, the needs of this special needs group are taken into consideration and are generally addressed through the City's overall programs for housing affordability.

A number of service agencies located in areas surrounding El Segundo provide services including emergency and transitional shelter, food distribution, vouchers for various needs, and rental and utility assistance that can benefit lower income single-parent households living in poverty or are at risk of becoming homeless.

## **EXTREMELY LOW INCOME HOUSEHOLDS**

Extremely low income (ELI) households earning 30 percent or less than the area median income may be exposed to housing problems at a higher rate. As shown in Table 2-13, 68 percent of ELI households experience one or more housing problem and 67 percent are cost burdened. ELI renter-households experience housing problems at a higher rate than ELI owners; 70 percent of ELI renters are cost burdened compared to only 57.6 percent of owners.

**Table 2-13: Housing Problems and Cost Burden of ELI Households**

	Owner	Renter	Total
<u>With one or more Housing Problem</u>	57.6%	72.5%	68.1%
<u>Cost Burdened</u>	57.6%	70.0%	67.3%
<b>Total Households</b>	<b>165</b>	<b>400</b>	<b>565</b>
<u>Source: HUD CHAS Data (based on 2014-2018 ACS), 2021.</u>			

### **Resources**

As discussed above, there are limited opportunities to address housing needs for ELI households in El Segundo. The Housing Choice Voucher (HCV) program represents a significant resource for addressing ELI housing needs. Specifically, HUD policy requires dedicating the majority of new vouchers to ELI households. For additional assistance, see the resources outlined above under *Residents Living Below the Poverty Level*.

### **HOMELESS**

According to the 2020 Los Angeles County Homeless Services Authority (LAHSA) Homeless Count, the overall homeless population in Los Angeles County was 54,291 persons. The same study estimated that there were 47 homeless persons in El Segundo (Table 2-11). All 47 homeless persons in El Segundo were unsheltered. The City saw a significant increase in homeless persons since 2019, when there were only 18 unsheltered persons.

### **Resources**

There are no emergency shelters or transitional housing facilities in the City of El Segundo. The closest shelters are located five miles away in Redondo Beach or in nearby Lawndale. However, the Salvation Army continues to provide the Police Department with nominal funding on an ad hoc basis to assist homeless persons that come through El Segundo. These funds are used to provide fast food coupons, and bus fare, which would allow transportation to overnight facilities. Since they are located outside of El Segundo, any resident homeless population would seek emergency or transitional shelter in an outside jurisdiction such as Redondo Beach, Lawndale, Long Beach, Carson or San Pedro. Table 2-14 lists some of the key service providers for homeless persons in the South Bay region capable of servicing the needs of homeless persons in El Segundo.

**Table 2-14: Inventory of Homeless Services and Facilities in the South Bay Region**

Organization	Services Provided
1736 Family Crisis Center (562) 388-7652 (310) 370-5902	Provides beds for up to 15 women with children under 18 who are victims of domestic violence. Shelter for adolescents at risk of becoming homeless is also provided. Services include referrals to homeless shelters and outpatient counseling. Stays of up to 6 months are permitted.
Harbor Interfaith Shelter 663 W 10 <sup>th</sup> Street San Pedro, CA 90731 (310) 831-0589	Provides 20 single-bedroom units for families and children for up to 90 days. Provides food services to the public.
People Assisting the Homeless (PATH) (323) 644-2200	Provides services including employment programs, outreach, eviction prevention, and interim housing.
The Good Seed 1230 Pine Avenue Long Beach, CA 90813 (855) 968-8452	Provides supportive housing, job training, comprehensive services, and individual planning to youths aged 18 to 25 experiencing homelessness.
St. Margaret's Center 10217 S. Inglewood Avenue Lennox, CA 90304 (310) 672-2208	Provides advocacy, counseling services, emergency food, immigration services and utility bill assistance to individuals in the South Bay area.
U.S. Veterans Initiative 733 Hindry Avenue Inglewood, CA 90304 (310) 486-0025	Provides services, including case management, employment assistance, job placement, counseling, and drug and alcohol free housing to veterans experiencing homelessness

### 3. HOUSING CHARACTERISTICS

The Census defines a housing unit as a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other person in the building and which have direct access from the outside of the building or through a common hall. A community's housing stock is the compilation of all its housing units.

#### A. HOUSING GROWTH

According to the Department of Finance (DOF) Housing Estimates, there are 7,463 dwelling units in El Segundo, an increase of 53 units (0.72 percent) since 2010. This growth rate is significantly lower than the housing growth rate for the County of Los Angeles (4.2 percent). A comparison of housing growth trends for El Segundo and neighboring cities is provided in Table 3-1. According to the DOF, during the same period, El Segundo's population is estimated to have grown by 123 persons (0.74 percent). There has been a slight increase in the average household size from 2.34 in 2010 to 2.35 in 2020.

**Table 3-1: Housing Growth Trends in El Segundo and Neighboring Communities**

Jurisdiction	Housing Units		Change 2010-2020
	2010	2020	
<b>El Segundo</b>	<b>7,410</b>	<b>7,463</b>	<b>0.72%</b>
Hawthorne	29,869	30,634	2.56%
Hermosa Beach	10,162	10,092	-0.69%
Inglewood	38,429	38,688	0.67%
Manhattan Beach	14,929	15,032	0.69%
Redondo Beach	30,609	30,892	0.92%
City of Los Angeles	1,413,995	1,517,755	7.34%
Los Angeles County	3,445,076	3,590,574	4.22%
Sources: 2010 U.S. Census; DOF E-5 Population and Housing Estimates, January 2020.			

#### B. HOUSING TYPE AND TENURE

Table 3-2 provides the breakdown of the City's housing stock in 2010 and 2020 by unit type. As shown, while single-family detached homes remain the predominant housing type. During the ten-year period, there was a slight decrease in the proportion of single-family detached homes, while all other home types, single-family attached and multi-family housing, increased slightly proportionately. Due to the scarcity of vacant residential land in the City, most of the housing unit growth has been accommodated through redeveloping existing lower density residential, and particularly of smaller multi-family projects with 2-4 units. As indicated previously, in 2018, the proportion of owner-occupied households in El Segundo (44.3 percent) is significantly lower than that of renter-occupied households (55.7 percent). Table 3-3 and Table 3-4 indicate household sizes by tenure in El Segundo and elderly households by tenure and age.

**Table 3-2: El Segundo Comparative Housing Unit Mix in 2010-2020**

Housing Type	2010		2020	
	No. of Units	% of Total	No. of Units	% of Total
Single-Family				
Detached	3,174	42.8%	3,195	42.8%
Attached	354	4.8%	366	4.9%
<b>Total</b>	<b>3,528</b>	<b>47.6%</b>	<b>3,561</b>	<b>47.7%</b>
Multi-Family				
2-4 Units	767	10.4%	789	10.6%
5+ Units	3,100	41.8%	3,098	41.5%
<b>Total</b>	<b>3,867</b>	<b>52.2%</b>	<b>3,887</b>	<b>52.1%</b>
Mobile Homes	15	0.2%	15	0.2%
<b>Total Housing Units</b>	<b>7,410</b>	<b>100.00%</b>	<b>7,463</b>	<b>100.0%</b>
<b>Total Occupied</b>	<b>7,085</b>	<b>95.6%</b>	<b>7,111</b>	<b>95.3%</b>
Owner-occupied*	3,139	44.3%	3,150	44.3%
Renter-occupied*	3,946	55.7%	3,961	55.7%
Vacancy Rate	4.4%		4.7%	
* = ACS 2010 and 2018 (5-Year Estimates). Sources: DOF E-5 City/County Population and Housing Estimates, 2010-2020; ACS 2010 and 2018 (5-Year Estimates), Table DP04.				

**Table 3-3: El Segundo Household Size by Tenure**

	1- 4 Persons		5+ Persons		Total	
	Number	Percent	Number	Percent	Number	Percent
Owner	2,703	43.0%	226	58.0%	2,929	43.9%
Renter	3,580	57.0%	164	42.0%	3,744	56.1%
<b>Total*</b>	<b>6,283</b>	<b>94.2%</b>	<b>390</b>	<b>5.8%</b>	<b>6,673</b>	<b>100.0%</b>
* = Percent of total households Source: ACS 2012-2016 (5-Year Estimates), Table B25009.						

**Table 3-4: El Segundo Elderly Householders by Tenure by Age**

Householder Age	Owners	Renters	Total
65-74 years	554	221	775
75 plus years	323	179	502
<b>Total</b>	<b>877</b>	<b>400</b>	<b>1,277</b>
Source: ACS 2014-2018 (5-Year Estimates), Table S2502.			

## C. AGE AND CONDITION OF HOUSING STOCK

Table 3-5 shows the age of the housing stock in El Segundo. In general, housing over 30 years old is usually in need of some major rehabilitation, such as a new roof, foundation work, plumbing, etc. The majority (about 88.8 percent) of El Segundo's housing units were constructed before 1990. This represents a significant proportion of the City's housing stock and indicates that preventative maintenance will be essential to ward off widespread housing deterioration. Some households, such as seniors who have owned their homes for many years and have relatively low house payments, may just be able to afford their monthly housing costs. For such households, the cost of major repairs or renovation may be impossible.

The **Community Development** Department maintains statistics pertaining to the condition of the City's housing stock. According to the **Community Development** Department, there are relatively few substandard dwellings in the City. In 2014-2021, 538 residential violations of the El Segundo Municipal Code property maintenance standards were reported. Most building violations are related to property maintenance issues, such as trash and debris or overgrown vegetation. Some violations related to the illegal conversion of garages and accessory structures to dwellings and single-family to multi-family unit conversions. The City estimates that only a very small portion of the City's housing stock (less than one percent) is in need of substantial rehabilitation. No housing units within the City are in need of replacement.

**Table 3-5: Age of Housing Stock**

Structures Built	Number	Percent
2014 or later	15	0.2%
2010 to 2013	66	0.9%
2000 to 2009	364	5.2%
1990 to 1999	335	4.8%
1980 to 1989	933	13.4%
1970 to 1979	902	12.9%
1960 to 1969	1,039	14.9%
1950 to 1959	1,909	27.4%
1940 to 1949	744	10.7%
1939 or earlier	668	9.6%
Total	6,975	100.0%

Source: ACS 2014-2018 (5-Year Estimates), Table DP04.

## D. HOUSING COSTS

### 1. Housing Prices

In October 2020, the median sales price for single-family homes, condos, and new homes was \$1,466,000. Since October 2019, the median home price in El Segundo increased by 67.4 percent.

Geographical comparisons of housing prices are shown in Table 3-6. The median sales prices of homes in El Segundo was above those in Hawthorne (\$730,000), Inglewood (\$720,000), and Redondo Beach (\$1,076,000) and exceeded the Countywide median of \$715,000. Median home prices remained below those in Hermosa Beach (\$1,650,000) and far below those in Manhattan Beach (\$2,850,000).

**Table 3-6: Median Home Sales Prices (Regional Comparison) October 2020**

Jurisdiction	Single Family Homes, Condos, and New Homes		
	# of Sales	Median Sale Price	% Change from 2019
<b>El Segundo</b>	<b>14</b>	<b>\$1,466,000</b>	<b>67.4%</b>
Hawthorne	44	\$730,000	-6.1%
Hermosa Beach	21	\$1,650,000	-1.7%
Inglewood	43	\$720,000	20.0%
Manhattan Beach	53	\$2,850,000	48.1%
Redondo Beach	99	\$1,079,000	-1.9%
Co. of Los Angeles	7,602	\$715,000	15.3%

Source: Corelogic.com California Home Sale Activity by City, October 2020.

## 2. Housing Rental Rates

The median contract rent for El Segundo according to the 2014- 2018 ACS was \$1,785 per month. This was lower than the median rent in Manhattan Beach (\$2,499), Hermosa Beach (\$2,143), and Redondo Beach (\$1,987) but higher than the median in Hawthorne (\$1,188), Inglewood (\$1,267), the City of Los Angeles (\$1,376), and Los Angeles County (\$1,390) (Table 3-7).



The ACS also indicated that nearly 12 percent of the City’s housing stock were renter-occupied single-family detached homes and 2.2 percent were renter-occupied attached units (includes condominiums or townhouses). Renter-occupied multifamily units (2 or more units) accounted for 41.7 percent of the total housing stock (Table 3-8).

**Table 3-7: 2018 Median Housing Rental Rates**

Jurisdiction	Median Gross Rent
<b>El Segundo</b>	<b>\$1,785</b>
Hawthorne	\$1,188
Hermosa Beach	\$2,143
Inglewood	\$1,267
Manhattan Beach	\$2,499
Redondo Beach	\$1,987
City of Los Angeles	\$1,376
County of Los Angeles	\$1,390

Source: ACS 2014-2018 (5-Year Estimates), Table DP04.

**Table 3-8: Tenure by Number of Units in Structure**

Tenure by Units in Structure	Number	Percent
<b>Total Housing Units</b>	<b>6,639</b>	<b>---</b>
<b><i>Owner-Occupied</i></b>	<b><i>2,938</i></b>	<b><i>44.3%</i></b>
1-unit detached	2,276	34.3%
1- unit attached	209	3.2%
2 units	31	0.8%
3 - 4 units	25	0.4%
5 or more units	397	6.0%
Other Unit Types	0	0.0%
<b><i>Renter-Occupied</i></b>	<b><i>3,701</i></b>	<b><i>55.8%</i></b>
1-unit detached	790	11.9%
2-units attached	143	2.2%
2 units	157	2.4%
3 – 4 units	669	10.1%
5 or more units	1,942	29.3%
Other Unit Types	0	0.0%
Source: ACS 2014-2018 (5-Year Estimates), Table B25032.		

A review of Zillow, Craigslist, and Westside Rentals, a rental real estate service; indicates that rental rates in El Segundo are fairly comparable to those in immediate coastal neighboring cities. A summary of the rental rate ranges by unit size is shown below in Table 3-9, as compiled from a recent review of the sources listed above. In November 2020, 135 units were listed for rent in El Segundo. Rents for these housing units ranged from \$1,100 for a one-bedroom unit to \$10,263 for a four-bedroom unit. These rent ranges are based on the City’s vacant rental units only and not all rental units in general. This rent survey was an attempt to approximate the cost of rental housing in the City. The median rent level in El Segundo ranged from \$1,825 for a studio to \$5,995 for a four-bedroom unit.

A sample of rental unit availability in Hermosa Beach and Manhattan Beach from Westside Rentals reveals that rental housing opportunities are more plentiful in comparison to El Segundo. However, El Segundo had a much narrower monthly rental rate range in comparison. Rent ranged from \$1,300 for a studio apartment to \$60,000 for a four-bedroom home in Hermosa Beach, while Manhattan Beach rental prices ranged from \$1,500 for a one-bedroom apartment to \$100,000 for a five-bedroom home.

**Table 3-9: Median Rents in El Segundo November 2020**

Bedroom	Number Listed	Median Rent	Average Rent	Rent Range
Studio	15	\$1,825	\$1,885	\$1,300-\$2,580
1	32	\$2,000	\$1,999	\$1,100-\$2,500
2	68	\$2,663	\$2,727	\$1,900-\$4,500
3	13	\$3,300	\$3,589	\$2,900-\$4,800
4+	7	\$5,995	\$6,220	\$4,200-\$10,263
Total	135	\$2,550	\$2,725	\$1,100-\$10,263
Note: Some rental units may have been advertised on more than one rental website. Sources: Zillow, 11/6/2020 (50 listings); Craigslist, 11/6/2020 (28 listings); Westside Rentals, 11/6/2020 (57 listings).				

### 3. Housing Costs and Affordability

The costs of home ownership and renting can be compared to a household’s ability to pay for housing to determine the general affordability of a community’s housing stock. HUD conducts annual household income surveys to determine the maximum affordable housing payments that could be made. In evaluating affordability, it should be noted that the maximum affordable price refers to the maximum amount that could be paid by households in the top of their respective income category. Households in the lower end of each category have less available income and therefore may experience some level of overpayment.



Table 3-10 shows the annual income for extremely low, very low, low, and moderate-income households by the size of the household and the maximum affordable housing payments based on the federal standard of 30 percent of household income. From these income and housing cost limits, the maximum affordable home prices and rents are determined. The table also shows the maximum amounts that households at different income levels can pay for housing each month (e.g., rent, mortgage and utilities) without exceeding the 30 percent housing cost-to-income ratio. The maximum affordable payments can be compared to current market prices for single-family homes, condominiums, and apartments to determine what types of housing opportunities a household can afford.

Comparison of these maximum affordable housing costs with the sales price data shown previously in Table 3-6, indicates that not even moderate income households (up to 120 percent AMI) would be able to afford single-family homes sold in El Segundo. It should be noted however that asking prices can often be higher than actual sales prices. At a maximum affordable purchase price of about \$347,334, it is not likely that low income households (80 percent AMI) could afford even a small condominium unit. The high price of single-family housing indicates that the opportunities for home ownership in the City are limited for lower and moderate income groups. In addition, the down payment and closing costs may still represent a significant obstacle to home purchase.

Table 3-6 and Table 3-7 suggest that larger low-income households are able to afford lower priced one- and two-bedroom apartments in El Segundo. Extremely low and very low-income households (50 percent AMI) may experience limited affordability for rental units in El Segundo. Rental options

exist for moderate-income households (120 percent AMI) in El Segundo; however even moderate-income households may struggle to find appropriately priced rentals.

The Housing Element acknowledges that opportunities to accommodate housing affordable to lower income households in El Segundo are limited. This is based on surveys conducted to determine rental rates for apartment units in El Segundo (Table 3-7) as well as information gathered to determine for-sale housing costs (single-family homes, condominiums, and new homes). Similar to other cities in this region of the South Bay (Redondo Beach, Manhattan Beach, Hermosa Beach), El Segundo's housing rental and for-sale costs remain relatively high because of the desirability of the City's location.

The City is pursuing a number of initiatives to expand affordable housing opportunities. These include entering an Exclusive Negotiating Agreement (ENA) with Many Mansions to serve as the City's Affordable Housing Services Provider to develop and manage affordable units, services, and programs. Many Mansions will prepare an Affordable Housing Strategic Plan for City Council consideration in December 2021.

**Table 3-10: Housing Affordability Matrix (2020)**

Household	Annual Income <sup>1</sup>	Affordable Costs (All Costs)	Estimated Utility Allowance, Taxes & Insurance <sup>2</sup>		Affordable Rent	Affordable Home Price
			Utilities	Taxes, Ins., HOA (Ownership)		
<b>Extremely Low-Income (0-30% AMI)</b>						
1-Person	\$23,700	\$593	\$151	\$207	\$442	\$61,790
2-Person	\$27,050	\$676	\$166	\$237	\$510	\$72,096
3-Person	\$30,450	\$761	\$190	\$266	\$571	\$80,244
4-Person	\$33,800	\$845	\$223	\$296	\$622	\$86,069
5-Person	\$36,550	\$914	\$264	\$320	\$650	\$86,953
<b>Very Low Income (31-50% AMI)</b>						
1-Person	\$39,450	\$986	\$151	\$345	\$836	\$129,241
2-Person	\$45,050	\$1,126	\$166	\$394	\$960	\$149,182
3-Person	\$50,700	\$1,268	\$190	\$444	\$1,077	\$166,966
4-Person	\$56,300	\$1,408	\$223	\$493	\$1,185	\$182,427
5-Person	\$60,850	\$1,521	\$264	\$532	\$1,257	\$191,020
<b>Low Income (51-80% AMI)</b>						
1-Person	\$63,100	\$1,578	\$151	\$552	\$1,427	\$230,524
2-Person	\$72,100	\$1,803	\$166	\$631	\$1,637	\$265,026
3-Person	\$81,100	\$2,028	\$190	\$710	\$1,837	\$297,157
4-Person	\$90,100	\$2,253	\$223	\$788	\$2,030	\$327,179
5-Person	\$97,350	\$2,434	\$264	\$852	\$2,170	\$347,334
<b>Moderate Income (81-120% AMI)</b>						
1-Person	\$64,900	\$1,623	\$151	\$568	\$1,472	\$238,233
2-Person	\$74,200	\$1,855	\$166	\$649	\$1,689	\$274,020
3-Person	\$83,500	\$2,088	\$190	\$731	\$1,897	\$307,435
4-Person	\$92,750	\$2,319	\$223	\$812	\$2,096	\$338,527
5-Person	\$100,150	\$2,504	\$264	\$876	\$2,240	\$359,325
<p>Assumptions: 2020 income limits; 30% of household income spent on housing; LACDA utility allowance; 35% of monthly affordable cost for taxes and insurance; 10% down payment; and 3% interest rate for a 30-year fixed-rate mortgage loan. Taxes and insurance apply to owner costs only; renters do not usually pay taxes or insurance.</p> <p>Sources: California Department of Housing and Community Development 2020 Income Limits; Los Angeles County Development Authority (LACDA), 2020 Utility Allowance Schedule; Veronica Tam &amp; Associates, 2020.</p>						

## E. ASSISTED RENTAL HOUSING AT-RISK OF CONVERSION

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California law requires the Housing Element to identify, analyze and propose programs to preserve housing units that are currently restricted to low-income housing use and will become unrestricted and possibly lost as low income housing. Based on review of Federal and State subsidized housing inventories, and confirmed by interviews with City staff, there are no “Assisted Housing Projects” at risk in El Segundo, as defined by Government Code § 65583 (A) (8).

The City owns Park Vista, a 97-unit senior housing project developed in 1984 using City funds. The project is operated and regulated by the non-profit El Segundo Senior Citizens Housing Corporation. The Articles of Incorporation for the corporation require units in Park Vista to be available only to low income seniors in perpetuity. The City has no plans to convert this affordable housing project to market-rate housing.

## 4. HOUSING CONSTRAINTS

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Market conditions, environmental conditions, and governmental programs and regulations affect the provision of adequate and affordable housing. Housing Element law requires a city to examine potential and actual governmental and non-governmental constraints to the development of new housing and the maintenance of existing units for all income levels. Market, governmental, and environmental constraints to housing development in El Segundo are discussed below.

### A. MARKET CONSTRAINTS

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#### 1. Construction Costs

One cost factor associated with residential building is the cost of building materials, which can comprise a significant portion of the sales price of a home. An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data is national and does not consider regional differences and does not include the price of the land upon which the building is built. The national average for development costs per square foot for apartments and single-family homes in August 2020 are as follows:

- Type I or II, Multi-Family: \$130.52 to \$168.94 per sq. ft.
- Type V Wood Frame, Multi-Family: \$113.88 to \$118.574 per sq. ft.
- Type I or II, One and Two Family Dwelling: \$136.62 to \$157.40 per sq. ft.
- Type V Wood Frame, One and Two Family Dwelling: \$123.68 to \$131.34 per sq. ft.

The unit costs for residential care facilities generally range between \$143.75 and \$199.81 per square foot. These costs are exclusive of the costs of land and soft costs, such as entitlements, financing, etc. The City's ability to mitigate high construction costs is limited without direct subsidies. Another factor related to construction cost is development density. With an increase in the number of units built in a project, overall costs generally decrease as builders can benefit from the economies of scale.

Variations in the quality of materials, type of amenities, labor costs and the quality of building materials could result in higher or lower construction costs for a new home. Pre-fabricated factory built housing, with variation on the quality of materials and amenities may also affect the final construction cost per square foot of a housing project. Furthermore, the unit volume - that is the number of units being built at one time - can change the cost of a housing project by varying the economies of scale. Generally, as the number of units under construction at one time increases, the overall costs decrease. With a greater number of units under construction, the builder is often able to benefit by making larger orders of construction materials and pay lower costs per material unit.

Density bonuses granted to a project can serve to reduce per unit building costs and thus help mitigate this constraint. The granting of a density bonus provides the builder with the opportunity to create more housing units and therefore more units for sale or lease than would otherwise be allowed without the bonus. Since greater units can potentially increase the economy of scale, the bonus units could potentially reduce the construction costs per unit. This type of cost reduction is of particular benefit

when density bonuses are used to provide affordable housing. Allowances for manufactured housing in residential zones also addresses housing cost constraints by avoiding the use of costly building materials and construction techniques that can drive up the costs of housing.

## **2. Land Costs**

The price of raw land and any necessary improvements is a key component of the total cost of housing. The diminishing supply of land available for residential construction combined with a fairly steady demand for such development has served to keep the cost of land high and rising in southern California. In addition, the two factors which most influence land holding costs are the interest rate on acquisition and development loans, and government processing times for plans and permits. The time it takes to hold land for development increase the overall cost of the project. This cost increase is primarily due to the accrual of interest on the loan, the preparation of the site for construction and processing applications for entitlements and permits.

Due to its desirable location, land costs in El Segundo are high. High land costs in this area of the South Bay are a constraint to the construction of affordable housing. Residentially designated vacant land in El Segundo is virtually non-existent. A Zillow search showed two lots available for sale in neighboring communities (Inglewood and Playa del Rey) for approximately \$1 million for 0.12 acre.

## **3. Availability of Mortgage and Rehabilitation Financing**

The availability of financing affects a person's ability to purchase or improve a home. Interest rates are determined by national policies and economic conditions, and there is little that local government can do to affect these rates. Jurisdictions can, however, offer interest rate write-downs to extend home purchasing opportunities to a broader economic segment of the population. In addition, government-insured loan programs may be available to reduce mortgage down payment requirements.

Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants.

As shown in Table 4-1, a total of 621 households applied for loans, either conventional or government-backed, to purchase homes in El Segundo in 2017. Approval rates were higher for government-backed purchase loans with an approval rate of 77 percent, in comparison to only 45 percent of conventional loan applications being approved. However, 36 percent of conventional purchase loans were either withdrawn or closed for incompleteness. The approval rate was 67 percent for refinance loans and 71 percent for home improvement loans. Given the high rates of approval for home purchase, refinance, and improvement loans, financing was generally available to El Segundo residents.

**Table 4-1: Disposition of Home Purchase and Improvement Loan Applications**

Loan Type	Total Applications	% Originated	% Approved Not Accepted	% Denied	% Other
Government Backed Purchase	213	74.65%	2.35%	7.04%	15.96%
Conventional Purchase	11	45.45%	0.00%	18.18%	36.36%
Refinance	48	58.33%	8.33%	14.58%	18.75%
Home Improvement	349	67.05%	4.30%	11.75%	16.91%
<b>Total</b>	<b>621</b>	<b>68.60%</b>	<b>3.86%</b>	<b>10.47%</b>	<b>17.07%</b>

Note: Percent Other includes loan applications that were either withdrawn or closed for incompleteness.  
Source: www.LendingPatterns.com, 2017.

#### 4. Timing and Density

Housing growth in the City has been limited due to the lack of vacant residentially designated land. Multi-family land was developed primarily prior to the incorporation of the City under County standards and are at or above the City’s allowable densities. The majority of the recent residential construction activities have been the recycling of single-family homes and construction of Accessory Dwelling Units (ADU). Pending projects (see Housing Resources section) tend to reach the high end of the density range.

Time lapse between project entitlement and building permit issuance can be a constraint to housing development. Typically, this time lapse can be about three to six months and primary a function of developer’s ability to respond quickly to needed corrections for construction documents. However, the City allows developers to submit building permit applications for projects -at their own risk- concurrently with the entitlements. This can shorten the time lapse to as little as 2-4 weeks, with building permits issued shortly after entitlement approval. Building permit can be applied online through the City’s website.

#### B. ENVIRONMENTAL CONSTRAINTS

As a City with a variety of both large and mid-size industrial, commercial and manufacturing uses, numerous environmental related factors are present which pose constraints to residential development within El Segundo. Historically, less than 25 percent of the land within the City has been used for residential development. The remaining land has been used primarily for a mixture of light and heavy industrial purposes, including oil refineries, aircraft and space vehicle manufacturing, a United States Air Force Base, chemical production, research and development uses, retail, large scale corporate offices, restaurants, and hotels. The development invested in these properties is substantial, making conversion to residential uses economically infeasible. When sufficient amounts of these properties have become available for redevelopment, the City has permitted residential uses in a mixed-use environment west of Pacific Coast Highway, provided that infrastructure issues could be successfully addressed, and residential uses could be buffered from non-residential uses.

In comparison to other areas in Los Angeles County, the City of El Segundo is heavily affected by traffic, air quality, odor and safety issues related to flight operations at Los Angeles International

Airport. Those residential areas located near the northern boundaries of the City are particularly subject to these impacts. The Circulation, Air Quality, and Noise Elements of the City’s General Plan all contain policies that seek to minimize the negative effects upon these residential areas, and help ensure the protection of area residents.

Many of the industries operating in El Segundo use hazardous materials in their operations and have sites that are contaminated by toxins. Since heavy industry is a significant land use in the City, hazardous materials use and management is a serious consideration. Heavy manufacturing comprises about 30 percent of the City’s area. Additionally, heavy industrial uses are located immediately adjacent to the City’s western boundary, which include the Hyperion Treatment Plant and Scattergood Power Generation Station. Housing opportunities are limited near or adjacent to these heavy industrial uses. Although industries in El Segundo generate a diverse mix of hazardous waste, heavy industrial uses within the City must conform to the policies of the Hazardous Materials Element of the General Plan.

Despite the environmental constraints discussed above, they have had no significant impact on the City’s ability to construct and maintain housing in those areas and zones in the City where residential development is currently permitted, including non-residential zones. Further, the ability to construct and maintain housing at maximum densities has not been affected by environmental constraints. Established residential areas and several non-residentially zoned areas in the City are buffered from industrial uses and, as previously noted, the City has implemented policies in its General Plan that address and minimize the negative effects these uses may have on residential areas of the City. Finally, none of the parcels included in the Vacant and Underutilized Parcel Inventory of this element (see Appendix) are significantly constrained environmentally. All of the listed parcels are supported by existing infrastructure and can be developed with units based on permitted densities. Furthermore, there are no wetlands, flood plains, earthquake zones, or other natural hazards areas in the City that would constrain residential development in the City.

## **C. GOVERNMENTAL CONSTRAINTS**

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Housing affordability is affected by factors in both the private and public sectors. In the public sector, additional city government requirements can contribute to the reduction of the affordability and availability of new housing although the intent of local legislative action is to maintain or improve the quality of life within a community. Necessary land use controls, site improvement requirements, building codes, fees, and other local programs intended to improve the urban environment can add cost and perhaps time delays to the construction of new housing projects.

### **1. Compliance with Transparency in Development Regulations**

The El Segundo City website provides a full array of information regarding development regulations and procedures under the [Community Development](#) Department webpages:

- Apply for a building permit
- Planning application
- Zoning Code
- Plan check
- Building safety
- Report a code violation

- Planning
- Record requests
- Maps

Specifically, the City offers online building permit application.

## 2. Land Use Controls

The Land Use Element of El Segundo General Plan sets forth the City's policies for regulation of land uses within the City's jurisdiction. These policies, together with zoning regulations for implementing the General Plan, establish the location, amount and distribution of land to be allocated for various land uses within the City. The El Segundo General Plan and El Segundo Municipal Code ("ESMC") provide for a range of residential land use development densities as follows:

- a) Single-Family Residential (R-1) (8 du/ac) – a maximum of one dwelling unit per parcel with a minimum parcel size of 5,000 square feet (ESMC §15-4A-2; Land Use Element Objective LU 3-1, Policy LU3-1.1, Policy LU3-1.2).

An accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU) is permitted by right throughout any zone where residential uses are permitted. In no case may an R-1 property proposed to be used for a second dwelling unit consist of more than one lot. Attached ADUs must not be 50 percent or more of the total floor area of the combined dwellings. Detached ADUs must not exceed 1,200 square feet (ESMC §15-4E-3).

- b) Two-Family Residential (R-2) (12 du/acre) – up to 2 units per lot with a minimum of 7,000 square feet required per lot (ESMC §15-4B-2 and Land Use Element Objective LU 3-2 and Housing Element Policy 3.2).

Third and/or fourth ADUs are permitted in the R-2 Zone. One ADU or 25 percent of the existing multi-family dwelling units, whichever is greater, is permitted. Two detached ADUs are allowed per lot with an existing multi-family dwelling. Attached ADUs must not be 50 percent or more of the total floor area of the combined dwellings. Detached ADUs must not exceed 1,200 square feet (ESMC §15-4E-3; Housing Element Policies 3.7 and 4.1).

- c) Multi-Family Residential (R-3) (18 du/acre, 27 du/acre) – Multi-family residential with up to 27 dwelling units per acre. On property of 15,000 square feet or less, one unit for every 1,613 square feet is allowed. A fraction of a lot greater than 1,075 square feet will allow an additional unit (ESMC §15-4C-5).

On property greater than 15,000 square feet in size, one unit for every 2,420 square feet of lot area is allowed. A fraction of a lot greater than 1,613 square feet will allow an additional unit (ESMC §15-4C-5).

This Housing Element includes a program action to increase the R-3 zone density from 27 units per acre to 30 units per acre. The different lot areas per unit based on lot size will also be removed to encourage lot consolidation.

- d) Neighborhood Commercial (C-2) – residential uses as an accessory use on the floor above street level only with a maximum density of 10 units per acre (ESMC §15-5B-3 and Housing Element Policy 4.1).
- e) Downtown Commercial (C-RS) – residential uses as an accessory use on the floor above street level only, above a ground floor use, with a maximum density of 10 dwelling units per acre (ESMC §15 5A-3 and Housing Element Policy 4.1).
- f) Downtown Specific Plan (DSP) – The DSP regulates 25.8 acres within the City’s downtown area. The majority of the lots within the DSP are 25-feet wide by 140-feet deep and 3,500 square feet in area. The DSP does not permit the development of any new residential units except owner and/or tenant occupied units at the ratio of one per legal building site or business establishment (whichever is greater) up to a density of 10 dwelling units per acre (above ground floor commercial use). (Housing Element Policy 4.1).
- g) Medium Density Residential (MDR) – In addition to the residential categories described above, the MDR zone is used as a type of “floating zone” which can be activated within certain areas of the Smoky Hollow Specific Plan and used in place of the base zone regulations. If the MDR zone is activated, R-3 zoning standards will apply (ESMC §15 7A-2, §15 7A-3 and Ordinance No. 1573). This Housing Element includes a program action to increase the R-3 zone density from 27 units per acre to 30 units per acre and remove the different lot areas per unit based on lot size will also be removed to encourage lot consolidation

The Land Use Element of the General Plan documents the residential build out in the City at 7,674 residential units. By 2020, it was estimated that there were 7,463 residential units in the City, 211 units less than the projected build-out. Based on just residentially designated land, the City does not offer adequate capacity for the Regional Housing Needs Assessment (RHNA) for the 6<sup>th</sup> cycle Housing Element.

**SMOKY HOLLOW SPECIFIC PLAN AREA**

The Smoky Hollow Specific Plan was updated in 2018. Smoky Hollow is a light industrial/manufacturing region located in central El Segundo, generally bounded by Standard Street to the west, El Segundo Boulevard to the south, Pacific Coast Highway to the east, and Grand Avenue to the north. The project area encompasses approximately 94.3 acres. Residential units other than accessory caretaker units are not permitted in the Smoky Hollow Specific Plan area. The Plan includes a Medium Density Residential (MDR) Overlay Zone. The MDR Overlay Zone is considered a “floating zone” that can be activated once a need is identified. The MDR Overlay Zone may be used in place of current Smoky Hollow Specific Plan zoning designations. As stated before, this Housing Element includes an action to increase the implementing zoning standards - R-3 density to 30 units per acre and remove the different lot areas per unit based on lot size.

**DOWNTOWN SPECIFIC PLAN**

In 2000, the City adopted a Downtown Specific Plan in order to enhance the Downtown environment. The Plan area is a small, distinct district approximately two blocks by five blocks in size and is currently developed with commercial, residential and public uses. Future development is anticipated to be similar in nature. The current zoning allows for a maximum of 276 dwelling units within the Plan area. This equates to one unit per 25 foot wide lot (12.5 dwelling units per acre), not including the Civic

Center site. As of September 2021, there are approximately 83 residential units in the Plan area. The City’s residential sites inventory includes a number of properties in the Downtown Specific Plan area with a total capacity of 26 units.

**DENSITY BONUS**

The City complies with Government Code §56915 regarding density bonus requirements. This Housing Element includes a program to amend the ESMC to comply with the State Density Bonus law.

**3. Residential Development Standards**

The City’s residential development standards are within and typical of the range of standards of other nearby cities. The density, setback, and other standards regulating residential development within the City are in concert with those being used by other surrounding municipalities. The ESMC limits all residential building heights to 32 feet and two stories. Residential development standards for the City of El Segundo are as summarized below in Table 4-2.

**Table 4-2: El Segundo Residential Development Standards**

Zone	Min. Lot Area	Min. Front Setback	Min. Rear Setback	Min. Side Setbacks	Max. Height	Parking Requirements	Max. Lot Coverage
R-1	5,000 s.f.	22 ft./30 ft. total when combined with rear yard	5 ft.	3 - 6 ft. 10 % Modulation Required	32 ft./2 stories for pitched roofs 26 ft./2 stories for flat roofs	2 spaces/unit & 1 additional space for du >3,500 sf <sup>3</sup>	40 - 60% <sup>1</sup>
R-2	7,000 s.f.	20 ft./30 ft. when combined with rear yard	5 ft.	3 - 5 ft. 10% Modulation Required	32 ft./2 stories for pitched roofs 26 ft./2 stories for flat roofs	2 spaces/unit & 1 additional space for du >3,500 sf <sup>3</sup>	50%
R-3	7,000 s.f.	15 ft.	10 ft.	3 - 5 ft. 10%	32 ft./2 stories for pitched roofs 26 ft./2 stories for flat roofs	2 spaces/unit plus 1 visitor space/3 units	53%
MDR (SHSP) <sup>3</sup>	7,000 s.f.	15 ft. <sup>4</sup>	10 ft.	3-5 ft. 10% <sup>4</sup>	32 ft./2 stories for pitched roofs 26 ft./2 stories for flat roofs	2 spaces/unit plus 1 visitor space/3 units	53%
<p>Notes:</p> <ol style="list-style-type: none"> <li>1. Lot coverage permitted varies according to specific conditions on the site.</li> <li>2. The ESMC requires covered parking for each housing type as follows:               <ol style="list-style-type: none"> <li>a. Single-family dwelling – fully enclosed two-car garage for each home;</li> <li>b. Two-family dwelling – fully enclosed two-car garage per unit;</li> </ol> </li> </ol>							

- c. Multiple-family dwelling – enclosed in a carport (excluding guest parking spaces which are allowed to be uncovered). Multiple-family dwellings include apartments, condominiums and townhouses.
- 3. Designated as “floating zone.”
- 4. The setback along Grand Avenue shall be 30 ft. minimum for properties east of Kansas Street, whether it is for a front or side yard.

Source: City of El Segundo Municipal Code.

The City’s residential development standards (building setbacks, height requirements, parking and lost coverage standards) as shown in Table 4-2 above, do not act as a constraint on the development of housing in the City. Furthermore, they allow the achievement of the maximum allowable density permitted by the respective zoning designation, including up to 27 units per acre in the R-3 Zone. Over the last few years, many R-3 properties have been redeveloped to higher intensity residential uses. Most of these are condominium development with larger units. Some examples include the following:

- 335 Penn Street (0.13 acre) – three-unit project (achieved 23 units per acre)
- 231 Virginia Street (about 0.18 acre) – three-unit project (achieved 17 units per acre)
- 535 Richmond Street (0.16 acre) – two-unit project (achieved 12.5 units per acre)
- 701-705 West Maple Street (0.30 acre) – six-unit project (achieved 20 units per acre)
- 224 Whiting Avenue (0.13 acre) – three-unit project (achieved 23 units per acre)

The ESMC allows the Planning Commission to approve a 20 percent reduction in the number of required parking spaces for any use in any zone in the City. The City used to allow tandem parking spaces for properties in its R-3 Zones; however, the City eliminated the allowance for tandem spaces in the R-3 Zone after observing over time that these tandem spaces were mostly utilized by residents for purposes other than parking vehicles. Residents made use of tandem parking spaces for storage or for habitable uses, which resulted in numerous illegal conversions and nuisance complaints.

To encourage redevelopment of R-3 sites that are currently occupied by lower intensity residential uses such as single units and duplexes, the City is proposing to increase the R-3 density to 30 units per acre and remove the different lot areas per unit based on lot size. As part of this Zoning amendment, the City will also evaluate the height restriction, setbacks, lot coverage, and parking requirements as constraints to housing development. Specifically, the City will adjust parking requirements based on unit size to encourage the development of a range of housing unit sizes.

While tandem parking may not be appropriate citywide, allowing tandem parking for affordable housing projects could serve to enhance the financial feasibility of affordable housing in El Segundo. The City will consider reducing certain development standards (such as parking requirements) for income-restricted residential units. Examples of reduced parking requirements for residential uses may include allowing tandem parking, allowing compact parking spaces, and reducing the number of enclosed parking spaces.

Housing development potential in El Segundo based on existing zoning is limited. As part of this Housing Element update, the City is proposing to create a Housing Overlay (O) and a Mixed Use Overlay (MU-O) that allow up to 70 units per acre and 85 units per acre, respectively. These new zoning designations offer new opportunity in the City and require new development standards for implementation. This Housing Element includes a program action to ensure appropriate development

standards (parking, height, setbacks, lot coverage, etc.) are established to allow the achievement of maximum density on sites identified in the inventory.

#### 4. Provisions for a Variety of Housing Types

Housing element law requires jurisdictions to identify available sites in appropriate zoning districts with development standards that encourage the development of a variety of housing types for all income levels, including multi-family rental housing, factory-built housing, mobile homes, emergency shelters, and transitional housing.

In addition to single-family dwellings, the City offers a variety of housing opportunities that are available to residents of all economic segments, as well as some of the more vulnerable members of the community, including lower income households, seniors, and the homeless. These housing opportunities include multi-family dwellings, mobile homes, second units, and a number of special needs housing options. The following discussion outlines how the City provides for these types of housing:

Table 4-3 El Segundo Housing Types Permitted by Zoning District

Residential Use	Zone District								
	R-1	R-2	R-3	MDR	DSP	C-2	CRS	SH-W	SH-E
Single-Family Detached	P	P	P	P	--	--	--	--	--
Single-Family Attached	P	P	P	P	P	P	P	--	--
2-4 Dwelling Units	--	--	P	P	--	p <sup>1</sup>	p <sup>1</sup>	--	--
5 + Dwelling Units	--	--	P	P	--	p <sup>1</sup>	p <sup>1</sup>	--	--
Manufactured Homes	P	P	P	P	--	--	--	--	--
Mobile-Home Parks	CUP	CUP	--	--	--	--	--	--	--
2 <sup>nd</sup> Dwelling Unit	P	P	--	--	--	--	--	--	--
Caretaker Unit	--	--	--	--	--	--	--	P	P
Residential Care < 6 <sup>2</sup>	P	P	P	P	--	--	--	--	--
Senior Citizen Housing	--	--	CUP	CUP	--	--	--	--	--
Live/ Work	--	--	--	P	--	--	--	--	--

P=Permitted by Right in Zoning District; CUP=Conditional Use Permit Required; -- = Not Permitted

Notes:

1. Maximum number of units is dependent upon the density allowed in each zone, based upon General Plan density and size of parcel.
2. The City permits licensed residential care facilities with fewer than six persons by right (California Welfare and Institutions Code Sections 5115 and 5116) in all residential zones in the City. Furthermore, residential care and group homes in residential zones are not restricted by distance requirements.

Source: City of El Segundo Municipal Code.

**Multi-Family Rental Housing:** Multiple-family housing is the predominant dwelling type in the City. The Department of Finance (DOF) estimated that in 52 percent of the total housing units were multi-family in 2020. The total number of multi-family housing units has remained stable over the previous decade as single and two family homes in the R-3 Zone, are replaced with new multiple-family units in two-story apartment buildings. The City’s zoning regulations provides for multiple-

family units in the R-3, C-2, and CRS zones as well as the MDR zone of the Smoky Hollow Specific Plan (SHSP) area.

**Mobile Homes/Manufactured Housing:** The City provides for mobile or manufactured homes within its residential zoning districts if they meet specific standards. Both mobile homes and manufactured housing units must be certified according to the National Manufactured Housing Construction and Safety Standards Act of 1974 and cannot have been altered in violation of applicable law. The units must also be installed on a permanent foundation in compliance with all applicable building regulations and the Health and Safety Code.

Mobile home parks are conditionally permitted in R-1 and R-2 zones. Development standards are subject to regulations codified in the State Health and Safety Code. However, given the unique site planning considerations of mobile home parks, CUP is a typical process for most jurisdictions in reviewing mobile home park proposals. However, mobile home park is not an efficient use of land given the high land costs and limited vacant land. Development of new mobile home parks has limited potential in urbanized areas such as El Segundo.

**Second, Third and Fourth Units:** The City's zoning regulations provide for ADUs or JADUs in any zone where residential uses are permitted. ADUs and JADUs are restricted to the following densities:

- One ADU or JADU per lot within a proposed or existing single-family dwelling or existing accessory structure;
- One detached or attached to an accessory structure ADU that may be combined with one JADU per lot with a proposed or existing single-family dwelling;
- Multiple ADUs within the portions of existing multi-family dwelling structures that are not used as livable space, provided each unit complies with State building standards for dwellings;
- One ADU or 25 percent of the existing multi-family dwelling units, whichever is greater, within an existing multi-family dwelling;
- Two detached ADUs per lot with an existing multi-family dwelling.

**Residential Care Facilities:** A community residential care facility is defined as a facility licensed for 24 hour care pursuant to the Community Care Facilities Act. In accordance with California law, the ESMC permits licensed residential care facilities with fewer than six persons by right in all residential zones. Furthermore, residential care facilities and group homes are not restricted by distance requirements in these zones. However, the ESMC does not explicitly address the provision of residential care facilities for seven or more persons. This Housing Element includes a program to address large residential care facilities.

Senior Housing: Senior housing is conditionally permitted in R-3 and MDR zones. The CUP requirement was originally put in place with the intention of granting senior housing higher density and lower parking requirements. However, such incentives are also offered under the State Density Bonus law. Therefore, the Housing Element includes an action to remove the CUP requirement for senior housing. Senior housing will be treated as a residential use to be similarly permitted in zones where residential uses are permitted.

**Emergency Shelters:** California law requires that local jurisdictions strengthen provisions for addressing the housing needs of the homeless, including the identification of a zone or zones where emergency shelters are allowed as a permitted use without discretionary approval. Health and Safety Code § 50801(e) defines emergency shelters as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or fewer by a homeless person. There are currently no emergency shelters for the homeless within the City.

The City amended the Municipal Code to permit emergency shelters in the Light Manufacturing (M1) zones through Ordinance 1497. The M1 zone is compatible with emergency shelter uses and is located in close proximity to personal services (e.g., shopping centers, banks, etc.) and transit opportunities (Green Line stations, bus routes, and transit stops). The typical industrial uses found in this zone are “clean” industrial uses such as research and development firms, engineering and architectural design firms, and office uses with nearby restaurants and other such amenities located close by. Overall, 90 parcels totaling 257 acres are zoned M1 and adequate to accommodate the City’s unsheltered homeless population of 47 persons as of 2020 Point-in-Time Count by the Los Angeles Homeless Services Authority. However, amendments to the ESMC are needed to remove the separation requirements pertaining to uses other than another shelter. State law allows local jurisdictions to establish a 300-foot distance requirement from another shelter only.

Furthermore, AB 139 requires the City to base the needs for emergency shelter on the:

- Most recent homeless point-in-time count conducted before the start of the planning period;
- Number of beds available on a year-round and seasonal basis;
- Number of shelter beds that go unused on an average monthly basis within a one-year period; and
- percentage of those in emergency shelters that move to permanent housing solutions.

AB 139 also requires that parking for emergency shelters be based on staffing level only. The City will amend the ESMC to comply with State law requirements on emergency shelters.

**Low Barrier Navigation Center (LBNC):** AB 101 requires jurisdictions to permit Low Barrier Navigation Centers that meet specified requirements by-right in mixed use zones and other nonresidential zones permitting multifamily residential development. The bill also imposes a timeline for cities to act on an application for the development of a Low Barrier Navigation Center. The provisions of AB 101 are effective until 2026. The City will amend the ESMC to address the provision of LBNC.

**Transitional Housing:** “Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance (Government Code § 65582 (h)). There are currently no transitional housing facilities within the City.

Government Code § 65583, transitional housing constitutes a residential use and therefore local governments cannot treat it differently from other types of residential uses (e.g., requiring a use permit when other residential uses of similar function do not require a use permit). This Housing Element includes a program to amend the ESMC to address the provision of transitional housing.

**Supportive Housing:** “Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists 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 (Government Code Section 65582 (f)).

“Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code § 4500, *et seq.*) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people (Government Code Section 65582 (g)).

Furthermore, additional amendments to the City’s Zoning Code are required to address AB 2162, which streamlines affordable housing developments that include 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units whichever is greater, on sites that are zoned for residential use. Such supportive housing, if located within ½ mile from transit, is not subject to minimum parking requirements. This Housing Element includes a program to address the provision of supportive housing.

**Single Room Occupancy (SRO) Housing:** The ESMC does not contain specific provisions for SRO units. The City is currently in the process of amending the ESMC to conditionally permit SRO units in the Multi-family Residential (R-3) Zone. The City would also establish appropriate development standards in the ESMC for SRO units.

**Farmworker/Employee Housing:** Under California Health and Safety Code § 17021.6, farmworker housing up to 12 units or 36 beds must be considered an agricultural use and permitted in any zoning district that permits agricultural uses. The ESMC was amended in 2014 to remove agriculture as a permitted use in the Open-Space (O-S) Zone.

Additionally, California Health and Safety Code § 17021.5 covers the provision of employee housing. Specifically, employee housing for six or fewer employees is to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. The City amended the ESMC to comply with State law regarding employee housing during the 2013-2021 Housing Element cycle.

## **HOUSING FOR PERSONS WITH DISABILITIES**

**Land Use Controls:** Welfare and Institutions Code § 5115 and 5116 declare that mentally and physically disabled persons are entitled to live in normal residential surroundings. The use of property for the care of six or fewer persons with disabilities is a residential use for the purposes of zoning. A State-authorized or certified family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. The City has not established any distance requirement between any facilities. This Housing Element includes a program to amend the ESMC to address the provision of residential care facilities for seven or more persons.

**Definition of Family:** The ESMC defines “family” as “an individual or two (2) or more persons living together as a single household in a dwelling unit.” This definition does not constrain the development of housing for persons with special needs.

**Building Codes:** The City enforces Title 24 of the California Code of Regulations that regulates the access and adaptability of buildings to accommodate persons with disabilities. Furthermore, Government Code § 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators consisting of three or more rental units or four or more condominium units are subject to the following building standards for persons with disabilities:

- The primary entry to the dwelling unit must be on an accessible route unless exempted by site impracticality test;
- At least one powder room or bathroom must be located on the primary entry level served by an accessible route;
- All rooms or spaces located on the primary entry level must be served by an accessible route. Rooms and spaces located on the primary entry level and subject to this chapter may include, without limitation, kitchens, powder rooms, bathrooms, living rooms, bedrooms, or hallways;
- Common use areas must be accessible; and
- If common tenant parking is provided, accessible parking is required.

The City has not adopted unique restrictions that would constrain the development of housing for persons with disabilities. Compliance with provisions of the Code of Regulations, California Building Code, and federal Americans with Disabilities Act (ADA) is assessed and enforced by the Building Division of the Community Development Department as a part of the building permit submittal.

**Reasonable Accommodation:** Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the zoning regulations to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

In 2011, the City adopted Reasonable Access Accommodation regulations to provide an administrative review process for reasonable accommodation requests. In addition, the ESMC contains an administrative adjustment process to request deviations from the standards and number of parking spaces. One of the primary reasons for this request is to address reasonable accommodation needs. Furthermore, the ESMC also provides for an administrative process to grant adjustments for minor exceptions for nonconforming uses and structures. The City has utilized this section of the ESMC to issue an approval for a house to exceed the allowable lot coverage with an addition that involved a tower to house an elevator shaft in a single-family home for a disabled resident.

The reasonable accommodation procedures are located in the Zoning Code, which is Title 15 of the El Segundo Municipal Code (ESMC). In summary, the reasonable accommodation process is administrative in nature. It involves submittal of a written request, review by the Community Development Director, and issuance of an approval letter. The ESMC was recently amended by

Ordinance 1629, which has not yet been codified. Ordinance 1629 reorganized certain chapters in the Zoning Code, including those addressing reasonable accommodation procedures. In the amended ESMC, this topic is addressed in Chapter 15-22 (Administrative Determinations, Administrative Use Permits and Adjustments), specifically section 15-22-4(A)(7), which permits Adjustments to any development standard to make reasonable accommodations for disabled persons. The process/procedures for reviewing and approving Adjustment requests for reasonable accommodations can be found in the amended ESMC in Chapter 15-23 (Director Discretionary Decisions). However, Ordinance 1629 inadvertently removed reasonable accommodation from the fast-tracking processing. This is an oversight and this Housing Element includes a zoning text amendment to expressly indicate that reasonable accommodation is processed with an Administrative Adjustment.

## **5. Development and Planning Fees**

The City collects various fees from developers to cover the costs of processing permits and providing necessary services and infrastructure. Certain of these fees are typically collected upon filing of an application for development projects that require discretionary approval. City development and impact fees are posted on the City's website on the Planning Division webpage at <https://www.elsegundo.org/government/departments/community-development-department/planning-division>

Development in Single Family Residential (R-1), Two Family Residential (R-2) and Multi-Family Residential (R-3) Zones does not require entitlements except for the subdivision of land, residential condominiums, and site plan review for developments involving more than 10 residential units. Table 4-4 provides a listing of development entitlement fees the City charges for residential development. Entitlements and fees for those entitlements, other than for subdivisions of land, condominiums, and site plan review are limited primarily in the Medium Density Residential (MDR) Zone. In addition, there may be other fees assessed depending upon the circumstances of the development. For example, the builder may need to pay an encroachment fee for sidewalks, curbs, and gutters if their installation is needed. The fees listed in Table 4-4 are those entitlement fees that are typically charged for residential development.

All residential projects involving 10 or fewer units go through ministerial review and involve only issuance of building (and related grading permits). While the fee for Conditional Use Permits is the largest planning fee, **currently no residential development is required to go through either Administrative Use Permits or Conditional Use Permits, except for senior housing and mobile home parks. This Housing Element includes an action to remove the CUP requirement for senior housing and development of new mobile home parks is unlikely.** Therefore, these processes or fees are not constraints to residential development.

**Table 4-4: El Segundo Planning Fees**

Fee Type	Fee
Administrative Use Permit	\$3,235
Lot Line Adjustment	\$1,359
Lot Merger	\$1,359
Conditional Use Permit	\$11,438
Tentative Parcel Map Review	\$5,212
Tentative Tract Map Review <sup>1</sup>	\$5,212
Variance Review	\$7,453
Zone Text Amendment/Zone Change	Deposit
Site Plan Review	Deposit
Note:	
1. Plus \$269 per lot for every lot over 4.	
Source: City of El Segundo Planning Division, 2020.	

## 6. Development Impact Fees

Development impact fees are also collected for development projects. In accordance with California law, these are collected at the time the City issues certificates of occupancy. For example, for any new construction greater than 500 square feet there is a school fee collected. However, there are no “Quimby” (parkland dedication), art or childcare fees required for any new development projects. Impact fees charged by the City (fire, police, library and traffic) are required for new and expanded development and the fees must be paid before the City issues a certificate of occupancy. These fees are shown in [Table 4-5](#). Solid waste collection is currently without cost to single-family residences; there is a fee for all other uses. Residents are charged a utility users tax (electric, gas, phone and water).

**Table 4-5: El Segundo Residential Development Impact Fees**

Land Use	Police	Library	Fire	Parks	Traffic Mitigation	Total*
SFR, Two-Family	\$986	\$1,233	\$431	\$1,662	\$116/unit	\$4,312
Multi-Family	\$1,314	\$1,640	\$572	\$2,209	\$69/unit	\$5,735
Caretaker	\$852	\$1,064	\$371	\$1,433	--	\$3,720
* Excludes traffic mitigation fees.						
Notes:						
1. Residential Development fees are calculated on a per dwelling basis.						
2. Fee schedule is effective January 1, 2015.						
Source: City of El Segundo Planning Division, 2021.						

Generally, overall fees (including both planning fees and development impact fees) total approximately \$4,312 per single-family unit and \$5,735 per multi-family unit. The combined costs of all fees for residential projects are low because the City requires only minimal processing of applications for new single and multi-family residences. In addition, there are no special discretionary entitlement requirements for these types of projects (such as the need to obtain a conditional use permit). New

residential projects submitted to the City for review and approval are typically “Code-compliant” projects thus eliminating the need and costs to obtain a variance from site development standards.

## 7. Building Codes and Enforcement

In addition to land use controls, local building codes affect the cost and quality of construction of new housing units. El Segundo implements the provisions of the 2019 California Building Code (after January 1, 2023, it will enforce the 2022 California Building Code as amended by the ESMC) which establishes minimum construction standards and which contains accessibility standards for the disabled for multi-family housing. These minimum standards cannot be revised to be less stringent without sacrificing basic safety considerations and amenities. No major reductions in construction costs are anticipated through revisions to local building codes. The City has adopted several local amendments to the California Building Code but all of the amendments are related to health and safety improvements for the City’s commercial uses. No amendments for residential uses were adopted. Working within the framework of the existing codes, however, the City will continue to implement planning and development techniques that lower costs and facilitate new construction where possible. Enforcement of all City codes is handled by the appropriate departments and is typically coordinated by the [Community Development](#) Department. The Planning Division enforces zoning regulations.

## 8. Local Processing and Permit Procedures

Generally, local processing times are quite comparable to those experienced in neighboring communities. Currently it takes approximately four to six weeks to review and process non-discretionary plans. Minor permits are issued in a much shorter time frame including “over-the-counter” approval and permit issuance for small interior and exterior alterations and the installation of household utilities such as water heaters. Additionally, the City allows separate grading and foundation permits before it issues building permits. City Council approval is required for zone changes, general plan amendments, specific plan amendments, zone text amendments and development agreements. Presented below are descriptions of processing procedures for typical single- and multi-family projects, including the type of permit, level of review, decision-making criteria and design review requirements.

Ministerial level. All residential projects involving 10 or fewer units go through ministerial review and involve only issuance of building (and related grading) permits, except for those projects involving discretionary applications/permits discussed below. Generally, local processing times for building and grading permits are quite comparable to those experienced in neighboring communities. Currently it takes approximately 30 days to review and process non- discretionary plans. Minor permits are issued in a much shorter time frame including “over-the-counter” approval and permit issuance for small interior and exterior alterations and the installation of household utilities such as water heaters. Additionally, the City allows separate grading and foundation permits before it issues building permits.

Planning Commission review and approval is required for discretionary permits such as Site Plan Review and Subdivisions.

The City requires a Site Plan Review permit/application for Single or Multi-Family residential projects involving more than 10 residential units (ESMC Chapter 15-25 – Site Plan Review). Subdivision permits/applications are not required by the City, but they are discretionary permits requiring Planning Commission review/approval. Only one public hearing is required before the Planning Commission for the review and approval of these types of discretionary permits. Once the City receives a complete

application, the review and approval process takes approximately 6-8 weeks.

City Council approval is required for zone changes, general plan amendments, specific plan amendments, zone text amendments and development agreements for projects regardless of size or number of units. The number of hearings/meetings for these types of discretionary permits is three: one public hearing by the Planning Commission, one public hearing by the City Council, and one public meeting by the City Council (consent agenda). Presented below are descriptions of processing procedures for typical single- and multi-family projects, including the type of permit, level of review, decision-making criteria and design review requirements. Once the City receives a complete application, the review and approval process takes approximately 8-12 weeks.

The Planning Commission and City Council public hearing process, which was recently reorganized, is described in ESMC Chapter 15-28 (See Ordinance 1629 pages 48-53).

**Subdivision and Site Plan Review.** The findings for Subdivision applications are found in ESMC Section 14-1-6. These findings are consistent with the State Subdivision Map Act (Government Code Section 66474). Given that the City is built-out and the lot sizes are relatively small, subdivision requests, particularly those involving condominium units are approved routinely as long as the physical development conforms to all applicable development standards of the zone in which it is proposed. Requirements for off-site improvements and/or dedications are minimal, due to the fact that sidewalks, roadway, and utility infrastructure is largely in place and consistent with the City's General Plan requirements.

The findings for Site Plan Review applications are found in ESMC Section 15-25-4 (See ordinance 1629 page 45 of 57):

- The proposed development, including the general uses and the physical design of the development, is consistent with the General Plan;
- The proposed development, including the general uses and the physical design of the development, is consistent with the intent and general purpose of the [Municipal] Code and any applicable development agreement; and
- The proposed development, including the general uses and the physical design of the development, will not adversely affect the orderly and harmonious development of the area and the general welfare of the City.

These findings generally ensure that a proposed project is consistent with the General Plan, the applicable ESMC development standards, and the general welfare of the City. They are not intended to inhibit development, but rather ensure that new development has beneficial impact on the community. The finding relating to adverse impact to the area may be construed as subjective. However, given that the City is built-out and the lot sizes are relatively small, site plan review requests would be approved routinely as long as the physical development conforms to all applicable development standards of the zone in which it is proposed. Nevertheless, this Housing Element includes an action to revise the findings to ensure they are objective and provide certainty in outcomes.

Requirements for off-site improvements and/or dedications are minimal, due to the fact that sidewalks, roadway, and utility infrastructure is largely in place and consistent with the City's General Plan requirements.

To facilitate residential development, the City may consider a ministerial subdivision process for projects involving 10 or fewer units.

### **SINGLE-FAMILY DWELLINGS (R-1)**

A single-family dwelling development requires approximately two to three weeks to approve from the time an applicant presents building plans to Community Development Department until a Building Permit is granted for the unit. A typical single-family dwelling only requires a building permit that conforms to all applicable development standards of the zone in which it is proposed. There is no other discretionary review required to issue the building permit unless a subdivision of land is involved. A subdivision of land is subject to the requirements of the Subdivision Map Act and the ESMC regulations regarding subdivisions. There are no design review requirements for single-family dwellings in El Segundo.

### **MULTI-FAMILY DWELLINGS (CONDOMINIUMS OR TOWNHOMES) (R-2, R-3)**

A multiple-family dwelling development (apartments or condominiums) requires approximately four to six weeks to approve from the time an applicant presents building plans to Community Development Department until a Building Permit is granted for the unit. A condominium project in El Segundo only requires a building permit if it conforms to all applicable development standards of the zone in which it is proposed. All condominium projects, however, do require a subdivision map. This process normally requires 6 to 8 weeks from the time the applicant submits a complete tentative map application until it is approved by the Planning Commission. There are no other discretionary review requirements. There are no design review requirements for multi-family development projects in El Segundo.

A multi-family residential project involving up to 10 units in El Segundo only requires a building permit if it conforms to all applicable development standards of the zone in which it is proposed (ministerial approval). This only requires approximately 30 working days to approve from the time an applicant presents building plans to Community Development Department until a Building Permit is granted for the unit. All condominium projects (regardless of size or number of units), however, do require a subdivision map. In addition, as mentioned above, all residential development projects involving more than 10 units require a Site Plan Review permit/application. The subdivision and Site Plan Review process normally requires 6 to 8 weeks from the time the applicant submits a complete application until it is approved by the Planning Commission. There are no design review requirements for multi-family development projects in El Segundo.

### **CARETAKER AND ABOVE-GROUND FLOOR UNITS**

Caretaker units are permitted in conjunction with proposed development in the City's Smoky Hollow Specific Plan West (SH-W) and East (SH-E) zones. Above-ground floor units are permitted in the City's CRS, DSP, C-2, zones. Similar to multiple-family dwelling development, these units require approximately four to six weeks to approve from the time an applicant presents building plans to Community Development Department until a building permit is granted for the unit. If the unit is to be owner-occupied, a subdivision map is required to be processed which usually requires 6 to 8 weeks

from the time the applicant submits a complete tentative map application until it is approved by the Planning Commission. There are no design review requirements for caretaker units or above-ground floor units in El Segundo, except in the Downtown Specific Plan (DSP). In addition, in 2010, the City enacted new parking regulations for caretaker units, reducing the required number of parking spaces from two spaces to one space. Residential units in the DSP Zone require 0.5 spaces per unit. The parking requirement was updated in 2017 through Ordinance 1549. Ordinance 1549 also removed the requirement that the occupant of the residential unit had to be the owner of the property or the owner of the business on the ground level.

## **9. On/Off-Site Improvement Requirements**

The City is a completely built-out community with subdivision level on and off-site improvement requirements (such as street dedication requirements) already established on almost all major arterial, secondary, and local streets in the community. Where both sides of the street are served equally in residential areas, the common right-of-way width is 60 feet with a 36-foot pavement width. In multi-family areas where street parking is permitted, a minimum of 40 feet of right-of-way is required.

## **10. Coastal Zone**

Approximately 50 acres within the City lies within the coastal zone. The area is a narrow strip, approximately 0.8 of mile wide and 200 yards in length. All of this area is zoned and has a land use designation of Heavy Industrial (M-2) and Open Space (O-S). The coastal zone is completely developed with a major electrical power generating station owned by El Segundo Power/Dynergy, a Marine Petroleum Transfer Terminal, owned by Chevron, and a Chevron automobile service station. Currently there is no residential development within the coastal zone. The General Plan, Zoning Code, and Local Coastal Plan do not allow residential development within the coastal zone. No changes are anticipated in the future which would allow the development of new residential uses in this area.

## 5. HOUSING OPPORTUNITIES

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This section of the Housing Element evaluates the potential for additional residential development that could occur in El Segundo and discusses opportunities for energy conservation in residential development.

### B. AVAILABILITY OF SITES FOR HOUSING

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#### 1. Regional Housing Needs Allocation (RHNA)

State law requires that a community provide an adequate number of sites to allow for and facilitate production of the City's regional share of housing. To determine whether the City has sufficient land to accommodate its share of regional housing needs for all income groups, the City must identify "adequate sites." Government Code § 65583 provides that adequate sites are those with appropriate zoning and development standards, with services and facilities, needed to facilitate and encourage the development of a variety of housing for all income levels. Compliance with this requirement is measured by the jurisdiction's ability to provide adequate land to accommodate the RHNA. SCAG is responsible for allocating the RHNA to individual jurisdictions within the region.

#### AB 1233 ANALYSIS

During the 5<sup>th</sup> Cycle Housing Element period, the City's RHNA was 69 units including 18 very low income units, 11 low income units, 12 moderate income units, and 28 above moderate income units. To accommodate the lower income RHNA, the City relied upon the 504 E. Imperial Avenue Specific Plan which initially included the development of 46 affordable income units. The 2013-2021 Housing Element committed to identifying replacement site should the number of affordable units provided in this Specific Plan fall short of the need to accommodate the RHNA. Ultimately, no lower income units were included as part of the 504 E. Imperial Avenue Specific Plan. In exchange, the City received an in-lieu payment of \$5.3 million. The City **has retained** Many Mansions to develop and implement the City's affordable housing strategy with this fund and other available resources. Pursuant to AB 1233, the City must carry forward the 29-unit lower income shortfall to the 6<sup>th</sup> cycle RHNA.

#### 6TH CYCLE RHNA

For the 2021-2029 Housing Element update, the City is allocated a RHNA of 492, including 189 very low income and 88 low income units. The 2014-2021 shortfall requires the City to accommodate an additional 18 very low income and 11 low income units, for a total of 521 units. The City's RHNA is shown by income level in [Table 5-1](#).

While the Housing Element covers the planning period of October 15, 2021 through October 15, 2029, the RHNA planning period is slightly different – June 30, 2021 through October 15, 2029 (i.e., 2021-2029 RHNA).

**Table 5-1: Regional Housing Needs Assessment (RHNA) 2021-2029**

Income Category	5 <sup>th</sup> Cycle Carryover	6 <sup>th</sup> Cycle RHNA	Total RHNA	Percent
Extremely/Very Low Income*	18	189	207	39.7%
Low Income*	11	88	99	19.0%
Moderate Income	0	84	84	16.1%
Above Moderate Income	0	131	131	25.1%
<b>Total</b>	<b>29</b>	<b>492</b>	<b>521</b>	<b>100.0%</b>

Note: The City has a RHNA allocation of 207 very low income units (inclusive of extremely low income units). Pursuant to State law (AB 2634), the City must project the number of extremely low income housing needs based on Census income distribution or assume 50% of the very low income units as extremely low. Assuming an even split, the City’s RHNA allocation of 207 very low income units may be divided into 104 very low and 103 extremely low income units. However, for purposes of identifying adequate sites for the RHNA allocation, State law does not mandate the separate accounting for the extremely low income category.  
 \* Includes the 5<sup>th</sup> Cycle Housing Element shortfall of 18 extremely/very low and 11 low income units.  
 Source: Southern California Association of Governments (SCAG), 6<sup>th</sup> Cycle Final RHNA Allocation Plan, 2021.

## 2. Accessory Dwelling Units (ADUs)

New State laws passed since 2017 have substantially relaxed the development standards and procedures for the construction of Accessory Dwelling Units (ADUs). In response to AB 881, the City amended the ADU ordinance in 2019 to comply with new State law, including allowing for Junior ADUs. The City reviewed its Housing Element progress reports and determined that those reports contained only partial records. The City reviewed its permit records and confirmed the following ADU permitting trend:<sup>4</sup>

- 2018 – 17 ADUs
- 2019 – 12 ADUs
- 2020 – 22 ADUs
- 2021 – 9 ADUs
- 2022 (as of August) – 13 ADUs

The City’s ADU permit records averaged to 15 units annually. During 2020, the City continued to process ADU applications received prior to or at the beginning of COVID. However, the delayed impact of COVID resulted in lower ADU activities in 2021. The impacts of COVID on the building permit trends for regular residential unit construction tend to be different from the ADU permit trends. The primary reason is that ADU construction is by individual homeowners who are already living in place. There is no urgency to pursue ADU construction during COVID, and in fact many would prefer not to come into contact with non-household members (such as construction workers) at the home site (i.e., site of ADU). Whereas, regular residential construction is pursued by developers who would be financially impacted by any delays in construction (due to interest in construction loans, expiration of entitlements, uncertainties in the future housing market, etc.)

With the removal of social distancing requirements, ADU construction and other home remodeling activities are beginning to resume to regular levels. As of August 2022, the City has already issued

<sup>4</sup> The City has submitted revised APRs that corrected its ADU activities.

building permits for 13 ADUs, indicating an upward trend of activities with a potential of 19 ADUs in 2022.

Therefore, the City projects an average of 15 ADUs annually. This Housing Element includes a program to proactively facilitate ADU development. Based on annual averages and increased City efforts, the City conservatively anticipates 120 ADUs during the eight-year planning period from 2021 and 2029. Affordability of the potential ADUs, shown in Table 5-2 is based on SCAG’s Regional Accessory Dwelling Unit Affordability Analysis as approved by HCD.

**Table 5-2: Potential Accessory Dwelling Units (ADUs)**

Income Category	ADUs	SCAG ADU Affordability
Extremely Low	18	15.0%
Very Low	2	2.0%
Low	52	43.0%
Moderate	7	6.0%
Above Moderate	41	34.0%
<b>Total</b>	<b>120</b>	<b>100.0%</b>
Source: <u>Income distribution based on</u> SCAG Regional Accessory Dwelling Unit Affordability Analysis, 2020.		

### 3. Entitled Projects

#### **203 RICHMOND STREET**

The 203 Richmond Street project was approved by the Planning Commission on July 8, 2021. The project consists of one 0.24-acre parcel (4136-024-017) located at the, now closed, City jail and accompanying surface parking. The project includes the development of three above moderate income units. The 203 Richmond Street project is located in the Downtown Specific Plan (DSP) with an allowed density of 12.5 units per acre. The site is bordered by DSP-zoned parcels to the north, east, and south, and R-3 zoned parcels to the west. This project is expected to be completed within the 6<sup>th</sup> cycle Housing Element planning period. The 203 Richmond Street project is detailed in Table 5-3.

#### **209 RICHMOND STREET**

This project is comprised of one market rate (above moderate) unit to be constructed at 209 Richmond Street. The Planning Commission approved the project on July 8, 2021. The project consists of two parcels (4136-024-008, 4136-024-009) totaling 0.16 acres. The project is located in the DSP zone and is currently used for retail. This project is detailed in Table 5-3.

#### **Pacific Coast Commons**

In March 2022, the City Council approved the Pacific Coast Common project that includes 263 units and 11,252 square feet of ground floor retail. Specifically, a total of 32 units (12 percent) will be set aside as affordable housing (29 low income and 3 very low income units). This project demonstrates that the feasibility of developing on excess surface parking, in this case for the Fairfield Inn and Suites and Aloft Hotel. The project involves also the demolition of the “food and beverage” building for Fairfield Inn and Suites. The site is currently being prepared for construction.

**Table 5-3: Entitled Projects**

Parcel Number	Acres	Address	Zone	Allowed Density	Existing Use	Affordability	Total Capacity
4136-024-017	0.24	203 Richmond St	DSP	12.5	Old City Jail/ Open-air parking lot	Above Moderate	3
4136-024-008; 4136-024-009	0.16	209 Richmond St	DSP	12.5	Retail (Haydenshapes Surfboards)	Above Moderate	1
4139-025-073 4139-025-074 4139-025-075 4139-025-076 4139-024-057 4139-024-058	3.3	PCH and Holly Avenue	Pacific Commons SP	80.0	Surface parking for the Fairfield Inn & Suites and Aloft Hotels, and a vacated restaurant	Above Moderate  Low  Very Low	263

**4. Remaining RHNA Obligations**

Accounting for entitled projects and projected ADUs, the City has a remaining RHNA of 279 units, primarily in the lower and moderate income categories.

**Table 5-4: Remaining RHNA Obligations**

Income Category	Total RHNA (from Table 5-1)	Projected ADUs	Entitled Projects	Remaining RHNA
Extremely/Very Low Income	207	20	3	184
Low Income	99	52	29	18
Moderate Income	84	7	0	77
Above Moderate Income	131	41	235	0
<b>Total</b>	<b>521</b>	<b>120</b>	<b>267</b>	<b>279</b>

**5. Residential Sites Inventory**

An important component of the El Segundo Housing Element is the identification of sites for future housing development, and an evaluation of the adequacy of those sites in fulfilling the City’s share of regional housing needs. To accomplish this, all city parcels were surveyed to determine their development capacity. Due to the lack of vacant and underutilized sites in El Segundo, the City has selected candidate sites for rezoning. Each site was analyzed in light of the development standards for its proposed zoning designation. All parcels in El Segundo were evaluated through a process of elimination based on required criteria set by the State (HCD).

Sites are selected for rezoning to one of the following designations:

- Housing Overlay (HO) with a density range of 60 to 70 units per acre
- Mixed Use Overlay (MU-O) with a density range of 75 to 85 units per acre

## METHODOLOGY FOR IDENTIFYING MIXED USE SITES

The following methodology was used to select candidate rezone sites in the City:

- The analysis was conducted by a combination of the City’s GIS system, Google Earth, a windshield field survey, and staff knowledge
- Sites with viable uses and newer buildings not likely to be redeveloped within the next 8 years were screened out.
- Sites without a realistic development capacity and site suitability were screened out.
- The City uses the following criteria to determine realistic capacity and site suitability according to:
  - City’s zoning code and policy
  - Lot size
  - Environmental constraints and adequate infrastructure
  - Development trends
- Sites were analyzed based on proximity to existing high opportunity areas (schools, parks, retail, services, transit, etc.), mixed-used potential, sites with obsolete uses (sites for lease) that have the potential for redevelopment, and substandard or irregular lots that could be consolidated.

In addition to the site conditions described above, locational advantages such as the following are also considered:

1. Within ¼ mile from school
2. Within ¼ mile from parks
3. Within ¼ mile from religious institution
4. Within ¼ mile from healthcare facility
5. Within ¼ mile from grocery store
6. Within ¼ mile from fire station
7. ¼ mile from police department

### Candidate Rezone Sites for Mixed Use Overlay (MU-O)

The City has selected four candidate rezone sites (comprising of 14 parcels, 4.47 acres). The sites will be rezoned as Mixed Use Overlay (MU-O). Currently, the sites are zoned for commercial, parking, and office uses but are considered significantly underutilized based on low existing Floor Area Ratio (FAR) and have not gone through improvements for many years. Mostly these parcels are currently used for parking. One site (703 N. PCH) has recently submitted an application for the development of 60 units, including 10 lower income units. For the remaining three sites, using a minimum density of 75 units per acre, these parcels can accommodate another 286 housing units. A complete list of the current and proposed general plan and zoning designations are included in Table 5-6. Parcels are grouped based on the potential for consolidation and the potential income distribution of RHNA sites using a conservative assumption compared to allowable under state law.

**Table 5-5: Candidate Sites for Rezoning to Mixed Use Overlay**

Site ID	Parcel Number	Acres	Address	Current GP	Current Zone	Proposed GP	Proposed Zone	Min. Density	Max. Density	Existing non-res. sf	Description	Total Capacity Based on Minimum Density
1	4139-017-040	1.83	835 N Pacific Coast Highway	Corporate Office	CO	Mixed Use Overlay	MU-O	75	85	10,283	<p>Existing use is a small bank with larger parking space. Regionwide, banking services have increasingly moved to online and many bank branches are consolidating or closing.</p> <p>This site is located within two blocks from Pacific Coast Commons, a high density residential project that involves the redevelopment of parcels with similar conditions. This site is also located within proximity to another similar site at 703 N PCH (Site 2) where there is expressed interest from developers.</p> <p>Year Built: 1980                      Existing FAR: 0.14                      ILR: 0.06                      Site meets 3 of 7 public services/amenities criteria: 1/4 mile from park, religious, and healthcare facilities.</p>	137

**Table 5-5: Candidate Sites for Rezoning to Mixed Use Overlay**

Site ID	Parcel Number	Acres	Address	Current GP	Current Zone	Proposed GP	Proposed Zone	Min. Density	Max. Density	Existing non-res. sf	Description	Total Capacity Based on Minimum Density
2	4139-018-001	0.68	703 N Pacific Coast Highway	General Commercial	C-3	Mixed Use Overlay	MU-O	75	85	7,270	This site has an application under review. The project proposes to build 60 units, including 10 low income units over a 14,000-square-foot commercial ground floor.  Year Built: 1957 Existing FAR: 0.24 ILR: 0.14	60
3	4139-018-002	0.33	739 N Pacific Coast Highway	General Commercial	C-3	Mixed Use Overlay	MU-O	75	85	NA	Lot consolidation potential (4139-002 and -003) to create a 0.66-acre site that could accommodate affordable housing. Both lots are primarily vacant.  Site meets 5 of 7 public service/amenities criteria: ¼ mile from school, park, religious facility, grocery, fire and police station.  Year Built: 1958 Existing FAR: 0 ILR: 0	25
	4139-018-003	0.33	755 N Pacific Coast Highway	General Commercial	C-3	Mixed Use Overlay	MU-O	75	85	2,476	Lot has as restaurant with large parking space. See descriptions on 4139-018-002  Year Built: 1963 Existing FAR: 0.17 ILR: 0.06	25

**Table 5-5: Candidate Sites for Rezoning to Mixed Use Overlay**

Site ID	Parcel Number	Acres	Address	Current GP	Current Zone	Proposed GP	Proposed Zone	Min. Density	Max. Density	Existing non-res. sf	Description	Total Capacity Based on Minimum Density
4	4135-027-011	0.11	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA	Privately owned lot that is accessible to the public as open space. Park is located next to an active oil well. Phase 1 Assessment will be required with potential need for remediation.  Property is for sale and prospective buyers have inquired about potential to develop property as residential use.	8
	4135-027-024	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-010	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-025	0.15	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		11
	4135-027-009	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-036	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-008	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-035	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-007	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
	4135-027-034	0.13	Wiley Park	Smokey Hollow SP	P	Smoky Hollow SP	MU-O	75	85	NA		10
<b>Total</b>		<b>4.47</b>									<b>346</b>	

**Table 5-6: Lot Consolidation and Income Level Distribution**

Consol.	Parcel Number	Acres	Address	Lower Income	Moderate Income	Above Moderate Income	Total Capacity
<u>1</u>	<u>4139-017-040</u>	<u>1.83</u>	<u>835 Pacific Coast Highway</u>	<u>55</u>	<u>41</u>	<u>41</u>	<u>137</u>
<u>2</u>	<u>4139-018-001</u>	<u>0.68</u>	<u>703 N Pacific Coast Highway</u>	<u>10</u>	<u>0</u>	<u>50</u>	<u>60</u>
<u>3</u>	<u>4139-018-002</u>	<u>0.33</u>	<u>739 N Pacific Coast Highway</u>	<u>10</u>	<u>8</u>	<u>7</u>	<u>25</u>
	<u>4139-018-003</u>	<u>0.33</u>	<u>755 N Pacific Coast Highway</u>	<u>10</u>	<u>8</u>	<u>7</u>	<u>25</u>
<u>4</u>	<u>4135-027-011</u>	<u>0.11</u>	<u>Wiley Park</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>8</u>
	<u>4135-027-024</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-010</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-025</u>	<u>0.15</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>11</u>
	<u>4135-027-009</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-036</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-008</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-035</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-007</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
	<u>4135-027-034</u>	<u>0.13</u>	<u>Wiley Park</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>10</u>
<b>Total</b>		<b>4.47</b>		<b>124</b>	<b>86</b>	<b>136</b>	<b>346</b>

**Figure 5-1: Candidate Rezone Sites as Mixed Use Overlay**



## METHODOLOGY FOR IDENTIFYING HOUSING OVERLAY SITES

In addition to sites that may be rezoned to mixed use, the City has also identified areas that are currently designated Multi-Family Residential (R-3 zoning) to be rezoned with a Housing Overlay (HO), allowing a density range of 60 to 70 units per acre (see Figure 5-2). The R-3 zone currently allows up to 27 units per acre and the Housing Overlay covers 723 parcels totaling 405 acres.

In the last few years, the City has begun to see the intensification of the R-3 neighborhoods:

- 137-151 Virginia Street – 10-unit project (demolition of six existing units)
- 125-131 West Palm Avenue – four-unit project (demolition of one existing unit)
- 335 Penn Street – three-unit project (demolition of one existing unit)
- 231 Virginia Street - three-unit project (demolition of one existing unit)
- 535-541 Indiana Street - four-unit project (demolition of one existing unit)
- 535 Richmond Street – two-unit project (demolition of one existing unit)
- 701-705 West Maple Street – six-unit project
- 224 Whiting Avenue - three-unit project (demolition of two existing units)

The City retained a consultant to evaluate the potential rezoning of multi-family (R-3 zoning) to promote their redevelopment and production of new housing units. The consultant's study (Study) provides economic analysis of the value of existing R-3 properties based on current rents as compared to the value of the underlying land if developed at various densities and with various affordability standards. The Study concludes a key finding that in order for a developer to feasibly acquire and redevelop a typical existing R-3 property, the land would need to be upzoned to allow a density of 68 units per acre and development standards (including height, lot coverage, and parking) would need to be revised. In total 723 R-3 parcels totaling about 400 acres are proposed to be rezoned to Housing Overlay (HO).

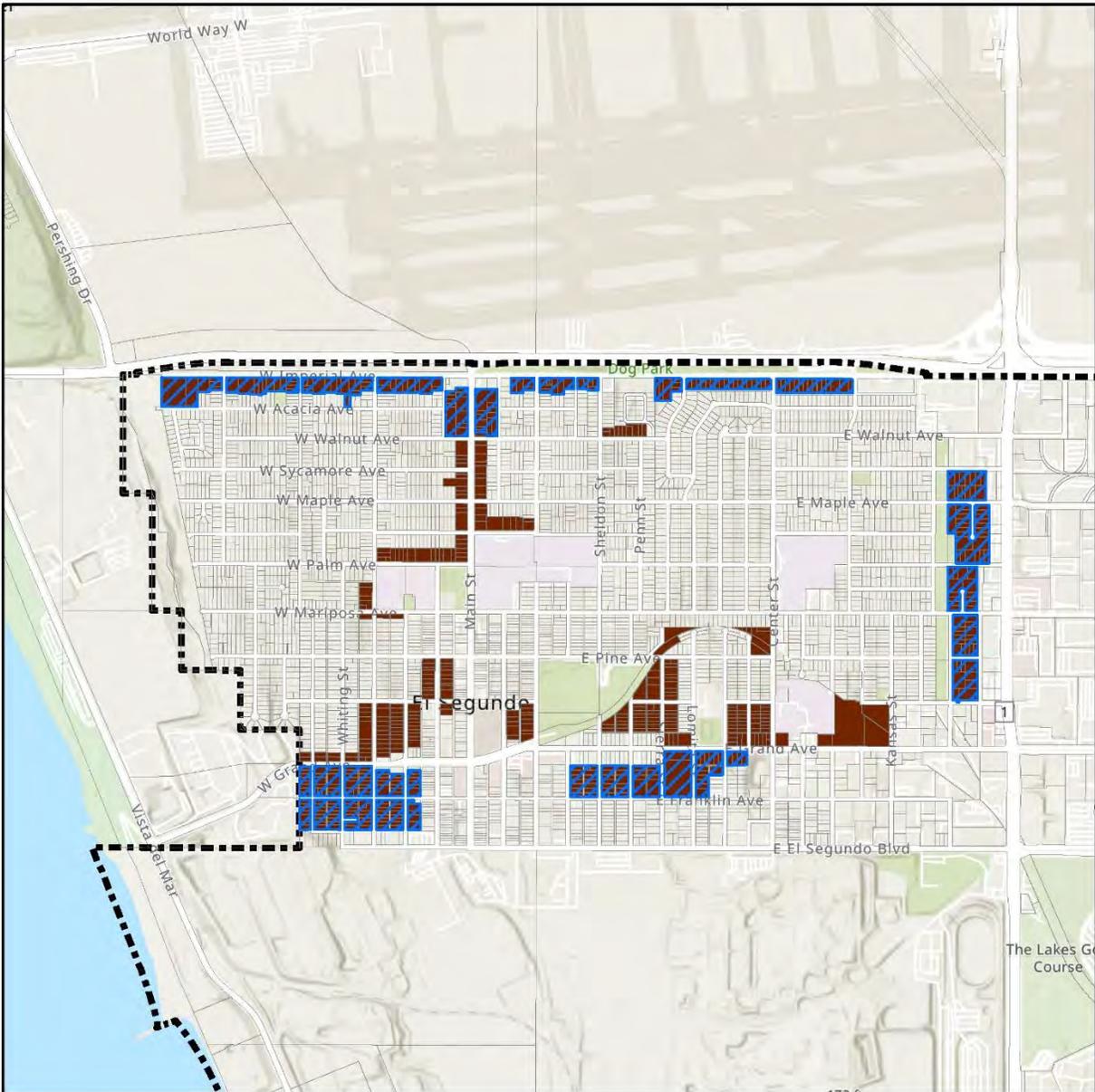
Given the interest in redeveloping these older neighborhoods and intensifying existing parcels that are developed with duplex, triplex, or fourplex structures, the City is proposing to create a Housing Overlay (HO) that increases the allowable density to a range of 60 to 70 units per acre. To identify potential parcels available for intensification, the following steps were performed:

- Exclude parcels that are currently developed with condominiums and townhomes. Such properties are unlikely to redevelop due to financial feasibility and difficulty in assembling parcels with fragmented ownership.
- Parcel is at least 0.5 acre, unless it is contiguous with other parcels to form a larger site.
- Based on the minimum density of 60 units per acre, exclude the parcels that would have a net yield that is less than 200 percent of the existing number of units on site. For example, if a parcel has five existing units, the potential number of units needs to be at least 15 (net yield of ten units or 200 percent) to be considered a potential property for redevelopment. This assumption is based on the recent recycling trend noted previously.

This analysis effectively reduced the parcels with near-term redevelopment potential in the Multi-Family Residential R-3 zone to seven parcels (5.16 acres), including five parcels that are currently

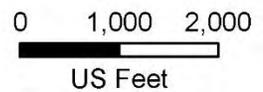
developed with nonconforming, nonresidential uses built during 1950s and 1960s. The nonconforming uses are not permitted to be redeveloped as other nonresidential uses and expansion is not permitted. Based on the existing underutilized conditions (age of structure, low existing FAR, and low improvement-to-land value ratio) and the significantly increased density (from 27 du/ac to 70 du/ac), the potential redevelopment of these properties can be financially attractive.

**Figure 5-2: R-3 Rezone Sites for Housing Overlay**



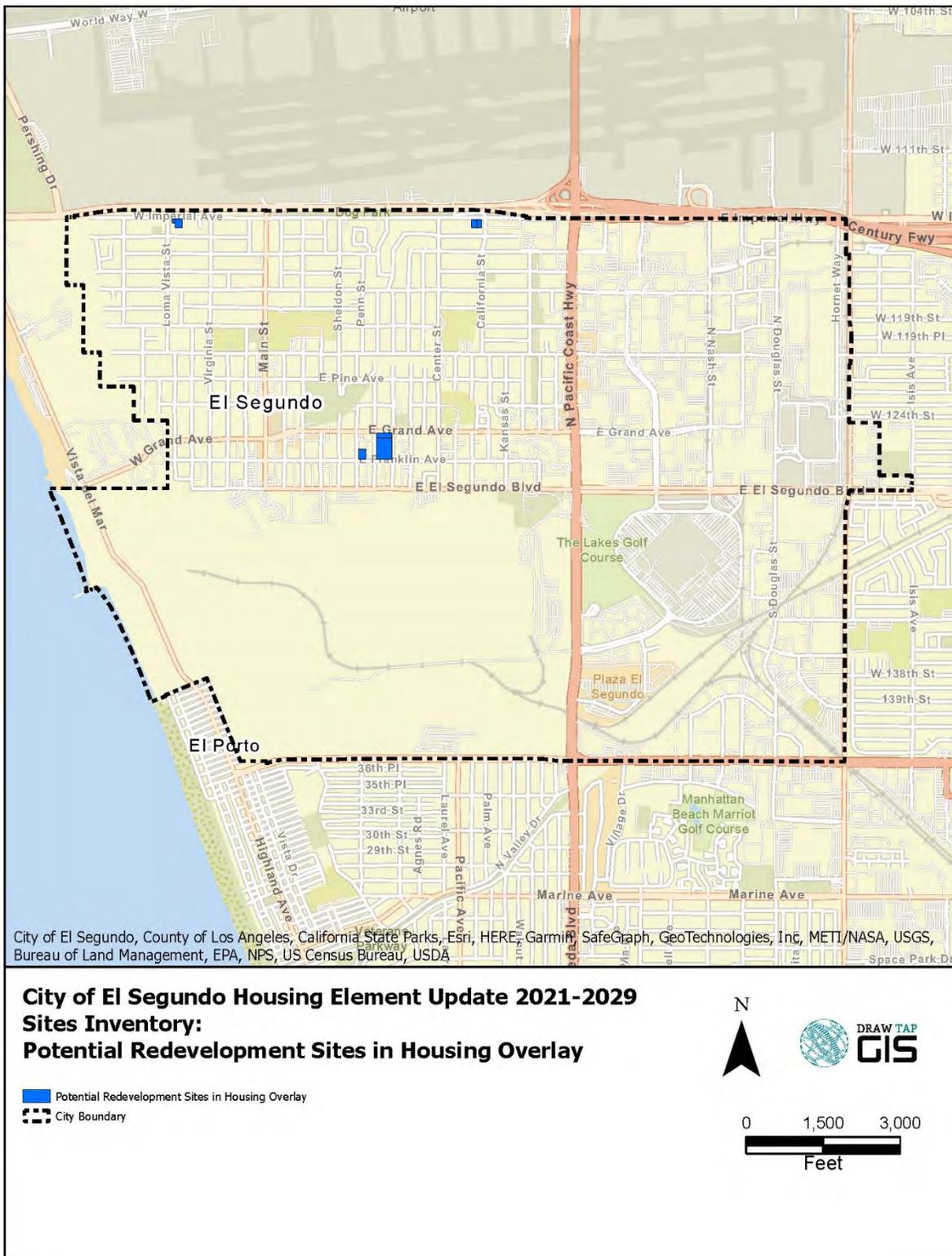
-  Housing Overlay
-  R3 Zoning
-  Parcels
-  City Boundary

## City of El Segundo R3 Zoning with Housing Overlay



Esri, NASA, NGA, USGS, FEMA, City of El Segundo, County of Los Angeles, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

**Figure 5-3: Potential Redevelopment Sites in Housing Overlay**



**Table 5-7: Potential Re-developable Sites in Housing Overlay**

APN	Address	Existing Use	Acres	Potential Units (Based on Minimum 60 du/ac)	Extg Units	Net Yield	Lower Income	Moderate Income	Above Moderate Income
4135-022-035	205 Lomita St	Churches – St. Anthony Pre-School. City contacted the Archdiocese (property owner), which has no objection to be included in the sites inventory. The elementary school on the property closed a few years ago and has no plan to reopen.  Year Built: 1957 Existing FAR: 0.15 ILR: 0.29	2.84	170	0	170	68	51	51
4136-022-033	710 E. Grand Ave	Churches – St. Anthony’s Catholic Church. While the church will likely remain, the housing density can be transferred to the pre-school site based on common ownership. The existing unit is used as a pre-school, not as a residential unit.  Year Built: 1957 Existing FAR: 0.23 ILR: 0.17	0.68	41	1	40	16	12	12
4132-001-018	514 W Imperial Ave	514 W Imperial and 546 W Imperial are owned by the Moose Lodge. Nonconforming use - the property is underutilized and has a large parking lot.	0.54	33	0	33	13	10	10
4132-001-035	546 W Imperial Ave	Year Built: 1962 Existing FAR: 0.37 ILR: 0.58	0.12	7	0	7	3	2	2

**Table 5-7: Potential Re-developable Sites in Housing Overlay**

APN	Address	Existing Use	Acre	Potential Units (Based on Minimum 60 du/ac)	Extg Units	Net Yield	Lower Income	Moderate Income	Above Moderate Income
4139-011-036	1300 E Imperial Ave	Nonconforming uses on both parcels - Light Manufacturing; small shops in similar underutilized condition.	0.37	22	0	22	9	7	6
4139-011-037	1306 E Imperial Ave	4139-011-036 Year Built: 1960 Existing FAR: 0.31 ILR: 0.82 4139-011-037 Year Built: 1960 Existing FAR: 0.50 ILR: 0.49	0.37	22	0	22	9	7	6
4135-017-900	210 Penn St	This vacant site is owned by the School District. The City contacted the District, which has no objection to be included in the sites inventory.	0.64	38	0	38	15	11	12
<b>Total</b>			<b>5.56</b>	<b>333</b>	<b>1</b>	<b>332</b>	<b>133</b>	<b>100</b>	<b>99</b>

### REUSING SITES FROM 5<sup>TH</sup> CYCLE HOUSING ELEMENT

There are no vacant sites in the sites inventory. While some nonvacant sites included in the list of candidate sites for rezoning have been previously identified in the 5<sup>th</sup> cycle Housing Element, these sites are being proposed for rezone and therefore are considered “new” sites. These rezone sites are subject to by-right approval if the project includes 20 percent lower income units.

### SMALL LOT DEVELOPMENT AND LOT CONSOLIDATION

Of particular interest in El Segundo is the large number of very small residentially-zoned parcels in the City. While it may be possible to build housing on a very small parcel, the nature and conditions necessary to construct the units often render the provision of affordable housing infeasible. For example, assisted housing developments utilizing State or federal financial resources typically include 50-80 units. Despite this, there are opportunities in the City where lot consolidation could provide greater potential for the development of units that would be affordable to lower-income households. To facilitate lot consolidation, the City has expanded Program 7 during the 2013-2021 Housing Element to facilitate development on small lot sites as well as underutilized sites. This includes the granting of development incentives (such as modified parking, lot coverage, open space, and setback standards) to encourage development of these lots. Consolidation of lots will also be encouraged through the on-going identification of those lots in the City’s inventory that offer the best possibility for consolidation to achieve greater building density and affordability.

Site 3 in the Mixed Use Overlay (739 and 755 N. Pacific Coast Highway) consists of two lots that are used primarily as open parking. The adjacent parcel 703 N. Pacific Coast Highway has recently been sold to a developer. An application for 60 units (including 10 lower income units) has already been filed. Site 3 parcels are all under one owner, with the potential for a similar development as the adjacent property.

In the Housing Overlay, 514 and 546 W. Imperial are adjacent parcels under one owner. Also 1300 and 1306 E. Imperial are two contiguous parcels in similar underutilized conditions. All these four parcels contain nonconforming uses. The significant increase in allowable density will make redevelopment financially attractive.

### LOT CONSOLIDATION TREND AND REDEVELOPMENT POTENTIAL

The City is primarily built out and many existing parcels are small. Therefore, residential development often involves consolidating small lots to facilitate a large development.

The Pacific Coast Commons project involves consolidation and reconfiguration of 16 legal lots into 6 ground lots for the purpose of developing 231 above moderate and 32 affordable units (29 low and 3 very low). The residential density of this project is approximately 90 units per acre. The project involves a Vesting Tentative Tract Map (among other entitlements) to implement the above-described lot consolidation/reconfiguration. The project was approved by the City Council in March 2022.

The 1160-1170 East Mariposa Avenue project, not included in the City’s sites inventory, involves consolidation of 5 lots into 1 (1.44-acre) lot and addition of six new residential units to a neighborhood shopping center. Staff has met with the property owner to review a proposed site plan and discussed potential reduction in parking requirements to accommodate the project. Similarly, the Civic Center redevelopment (300-block of Main Street) involves some lot consolidation/reconfiguration. The City

is considering the designation of the Civic Center property as surplus and opening the opportunity for affordable housing through a mixed use project.

The Downtown Specific Plan is currently being updated. One of the goals of this update is to provide for additional housing in the City. Through the process the City will identify (strategic) sites where additional residential density could be accomplished. The City is in the early stages of public outreach and existing conditions analysis.

**COMPARISON OF SITES INVENTORY AND RHNA**

The City can accommodate **1,065** additional housing units through ADUs, entitled projects, and its inventory of candidate rezone sites. This capacity is more than adequate to accommodate the City’s 2021-2029 RHNA of 492 units and the carryover of 29 units from the 5<sup>th</sup> cycle. The combination of ADUs, entitled projects, and candidate rezone sites can accommodate a total of **361** lower income units, **193** moderate income units, and **511** above moderate income units. **The sites inventory provides an adequate buffer for the RHNA.** Table 5-8 provides a summary of the City’s available sites and RHNA status.

**Table 5-8: Comparison of Sites Inventory and RHNA**

	<u>Lower</u>	Moderate	Above Moderate	Total
<u>Overall RHNA (Including 5<sup>th</sup> Cycle Carryover)</u>	<u>306</u>	<u>84</u>	<u>131</u>	<u>521</u>
<b>ADUs</b>	<b>72</b>	<b>7</b>	<b>41</b>	<b>120</b>
<b>Entitled Projects</b>	<b>32</b>	<b>0</b>	<b>235</b>	<b>267</b>
<b>Rezoning</b>				
<b>Mixed Use Overlay</b>	<b>124</b>	<b>86</b>	<b>136</b>	<b>346</b>
<b>Housing Overlay</b>	<b>133</b>	<b>100</b>	<b>99</b>	<b>332</b>
<b>Total Capacity</b>	<b>361</b>	<b>193</b>	<b>511</b>	<b>1,065</b>
<b>Surplus/Shortfall</b>	<b>55</b>	<b>109</b>	<b>380</b>	<b>544</b>
	<b>18%</b>	<b>130%</b>	<b>290%</b>	<b>104%</b>
<b>Note: State HCD recommends a sites inventory with a buffer for that is at least 15-30%, especially for lower income RHNA.</b>				

**6. Availability of Infrastructure and Services**

As the City is an urbanized community, all sites identified in the Housing Element have access to water and sewer services.

**WATER**

Water service in the City is provided by the City of El Segundo’s Water Division, which is a partner of the West Basin Municipal Water District (WBMWD). The WBMWD provides wholesale potable water to 17 cities, serving approximately 900,000 people. According to the West Basin Municipal Water District’s 2015 Urban Water Management Plan (UWMP), water supply in the City in 2020 consists of: 19 percent groundwater; 52 percent imported water; 12 percent recycled water; 17 percent water conservation savings; and less than one percent desalinated water. The City has an Urban Water

Management Plan, which it updates every 5 years. The City’s UWMP must be updated every 5 years, and the City is in the process of preparing the 2020 UWMP.

According to the City’s most recent 12-month water consumption figures, El Segundo utilizes approximately 9,000-acre feet of potable water annually. The City of El Segundo projected water supply for 2035 is 17,750-acre feet per year (AFY), and the current projected demand for water supply in 2035 during a single dry year is 17,250 AFY. Implementation of the Housing Element would result in an additional net water demand ranging from 232.6 to 253.2 AFY (see Estimated Water Demand table below), which would be within the single dry year supply.

**Table 5-9: Estimated Water Demand**

Land Use	Size (parcel)	Average Daily Demand Rate <sup>a</sup> (gpd/parcel)	Average Daily Demand (AFY)	Total Adjusted Demand (AFY) <sup>b</sup>
Residential - Minimum Density	1,065	260	310.17	232.62
Residential - Maximum Density	1,159	260	337.54	253.16

Notes:  
 gpd = gallons per day  
<sup>a</sup> The average daily demand is based on 100 percent of County of Los Angeles Sanitation District average wastewater generation factors. Assumed all units were single-family.  
<sup>b</sup> Water demand would be reduced by 25% by utilizing water-saving fixtures in accordance with CALGreen.

**WASTEWATER**

Wastewater in the City is treated by the Sanitation District of Los Angeles County (the Sanitation District) at two facilities: the Hyperion Treatment Plant (HTP) and the Joint Water Pollution Control Plant (JWPCP). Sewer flow from the City’s residential area, west of Pacific Coast Highway, goes to the Hyperion Plant in the City of Los Angeles for treatment. Sewer flow from the commercial area of the City, east of Pacific Coast Highway, goes to the County Sanitation District JWPCP for treatment. El Segundo’s residential area’s most recent 12-month sewer flow figures to Hyperion Plant average approximately 1.3 MGD. The City’s agreement with the City of Los Angeles permits an average flow of 2.75 MGD of sewer treatment and disposal capacity in the Hyperion system. The addition of 1,165 new housing units would generate approximately 0.3 MGD (see Estimated Wastewater Generation table below), which would bring the total residential wastewater flow to 1.6 MGD, well below the maximum permitted under the City’s agreement with the City of Los Angeles. New housing development can be accommodated through potential offsite water and/or sewer improvements without making much difference to overall citywide demand. Therefore, adequate remaining capacity is available to accommodate the City’s RHNA obligations of 521 units through 2029.

**Table 5-10: Estimated Wastewater Generation**

Land Use	Size (parcel)	Average Daily Generation Rate <sup>a</sup> (gpd/parcel)	Average Daily Generation (gpd)
Residential - Minimum Density	1,065	260	276,900
Residential - Maximum Density	1,159	260	301,340
<b>Notes:</b> gpd = gallons per day <sup>a</sup> The average daily demand is based on 100 percent of County of Los Angeles Sanitation District average wastewater generation factors. Assumed all units were single-family.			

The City will provide a copy of the adopted 2021-2029 Housing Element to its water and sewer service providers, reaffirming their policy to provide priority allocation to affordable housing developments, as required by State law, should a rationing system is instituted.

### C. OPPORTUNITIES FOR ENERGY CONSERVATION

As residential energy costs rise, increasing utility costs reduce the affordability of housing. The City has many opportunities to directly affect energy use within its jurisdiction. Title 24 of the California Code of Regulations Code sets forth mandatory energy standards for new development and requires adoption of an “energy budget.” The following are among the alternative ways to meet these energy standards:

**Alternative 1:** The passive solar approach, which requires proper solar orientation, appropriate levels of thermal mass, south facing windows, and moderate insulation levels.

**Alternative 2:** Generally requires higher levels of insulation than Alternative 1, but has no thermal mass or window orientation requirements.

**Alternative 3:** Also is without passive solar design but requires active solar water heating in exchange for less stringent insulation and/or glazing requirements.

In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations. Some additional opportunities for energy conservation include various passive design techniques. Among the range of techniques that could be used for purposes of reducing energy consumption are the following:

- Locating the structure on the northern portion of the sunniest portion of the site;
- Designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions; and
- Locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, power core, and garages along the north face to the building to serve as a buffer between heated spaces and the colder north face.

## **1. Insulation and Weatherproofing**

Most homes in El Segundo are greater than 30 years old. Therefore, to conserve the heat generated by older heating units and minimize the heat loss ratio, the earlier-built homes in El Segundo can be insulated in the attic space and exterior walls. Windows and exterior doors, in these less recent homes, can be fitted with air-tight devices or caulking, or can be replaced with the more energy efficient (dual pane) windows and doors that now available.

## **2. Natural Lighting**

Daytime interior lighting costs can be significantly reduced or eliminated with the use of properly designed and located skylights. Skylights/solar tubes can be easily installed at reasonable expense in existing houses, thereby substantially reducing electricity costs and energy consumption.

## **3. Solar Energy**

Implementing solar energy strategies, noted above, is a practical, cost effective, and environmentally sound way to heat and cool a home. In California, with its plentiful year-round sunshine, the potential uses of solar energy are numerous. With proper building designs, this resource provides for cooling in the summer and heating in the winter; it can also heat water for domestic use and swimming pools and generate electricity.

Unlike oil or natural gas, solar energy is an unlimited resource which will always be available. Once a solar system is installed, the only additional costs are for the maintenance or replacement of the system itself. The user is not subject to unpredictable fuel price increases. Moreover, solar energy can be utilized without any serious safety or environmental concerns.

Solar heating and cooling systems are of three general types: passive, active, or a combination thereof. In passive solar systems, the building structure itself is designed to collect the sun's energy, then store and circulate the resulting heat similar to a green house. Passive buildings are typically designed with a southerly orientation to maximize solar exposure, and constructed with dense materials such as concrete or adobe to better absorb the heat. Properly placed windows and overhanging eaves also contribute to keeping a house cool.

Active systems collect and store solar energy in panels attached to the exterior of a house. This type of system utilizes mechanical fans or pumps to circulate the warm/cool air, while heated water can flow directly into a home's hot water system.

Although passive systems generally maximize use of the sun's energy and are less costly to install, active systems have greater potential application to both cool and heat the house and provide hot water. This may mean lower energy costs for El Segundo residents presently dependent on conventional fuels. The City should also encourage the use of passive solar systems in new residential construction to improve energy efficiency for its citizens.

## **4. Water Conservation**

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. Many plumbing products are now available which eliminate unnecessary water waste by restricting the volume of water flow from

faucets, showerheads, and toilets. In this regard, the City will continue to require the incorporation of low flow plumbing fixtures into the design of all new residential units.

The use of plant materials in residential landscaping that are well adapted to the climate in the El Segundo area, and the use of ample mulch to retain soil moisture, can measurably contribute to water conservation by reducing the need for irrigation, much of which is often lost through evaporation. A family can also save water by simply fixing dripping faucets and using water more conservatively. In addition, such conservation practices save on gas and electricity needed to heat water and the sewage system facilities needed to treat it. By encouraging residents to conserve water and retrofit existing plumbing fixtures with water saving devices, the City can greatly reduce its water consumption needs and expenses.

## **5. Energy Audits**

The Southern California Edison Company provides energy audits to local residents on request. Many citizens are not aware of this program. The City can aid in expanding this program by supplying the public with pertinent information regarding the process including the appropriate contacts. Energy audits are extremely valuable in pinpointing specific areas in residences, which are responsible for energy losses. The inspections also result in specific recommendations to remedy energy inefficiency.

## **6. New Construction**

The City of El Segundo will continue to require the incorporation of energy conserving (i.e., Energy Star) appliances, fixtures, and other devices into the design of new residential units. The City will also continue to review new subdivisions to ensure that each lot optimizes proper solar access and orientation to the extent possible. The City will also continue to require the incorporation of low flow plumbing fixtures into the design of all new residential units.

## **7. South Bay Environmental Services Center**

The South Bay Environmental Services Center (SBESC) partners with local agencies, including the City of El Segundo and local utility providers. The SBESC acts as a central clearinghouse for energy efficiency information and resources. The purpose of the organization is to help significantly increase the availability of information and resources to the people in the South Bay region to help them save water, energy, money, and the environment. The SBESC assists public agencies, businesses, and residents of the South Bay to best utilize the many resources available to them through a wide variety of statewide and local energy efficiency and water conservation programs. It recently expanded their services through implementation of an Energy Efficiency Plus (EE+) program to deliver energy savings to local public agencies, including the City of El Segundo.

## **8. Green Building Program**

The City implements a Green Building Program that encourages homeowners and building professionals to incorporate green building design in construction activities through the use of “green” building materials. This can be accomplished by referencing the City’s Home Remodeling Green Building Guidelines and implementing green measures into a home remodeling project.

Green buildings are sited, designed, constructed and operated to enhance the wellbeing of occupants, and to minimize negative impacts to the community and the natural environment.

The five components of green design included in the program are:

- Implementing sustainable site planning;
- Safeguarding water and water efficiency;
- Ensuring energy efficiency and employing renewable energy;
- Using conservation of materials and resources; and
- Providing indoor environmental quality

## **9. Environmental Action Plan and El Segundo Environmental Committee**

The El Segundo Environmental Committee addresses a broad range of environmental issues facing the City of El Segundo. The Environmental Committee reviews existing City environmental programs and recommends new green policies and programs to the City Council. El Segundo has many accomplishments and has received awards for its accomplishments in the areas of conservation and environmental sustainability.

## 6. HOUSING PLAN

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### A. HOUSING GOALS AND POLICIES

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This section of the Housing Element includes the housing goals and policies of the City of El Segundo currently in the adopted Housing Element. The City intends to continue to implement these goals to address a number of important housing-related issues. Some policies, however, have been modified from the adopted Housing Element to address current housing issues, the new RHNA, and requirements of State Housing Element Law applicable to the current planning period. These revised policies are presented in this section.

The following five major issue areas are addressed by the goals and policies of the current Housing Element. These same goals are proposed to be carried over to this Housing Element. Several policies, however, have been changed or updated to reflect current housing issues and these are presented in this section.

- Conserving and improving the condition of the existing affordable housing stock;
- Assisting in the development of affordable housing;
- Providing adequate sites to achieve a diversity of housing;
- Removing governmental constraints, as necessary; and
- Affirmatively furthering fair housing.

#### CONSERVING EXISTING AFFORDABLE HOUSING STOCK

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According to the 2014-2018 ACS, about 90 percent of El Segundo's housing units are more than 30 years old, the age at which a housing unit will typically begin to require major repairs. This represents a significant proportion of the City's housing stock, and indicates that programs which assist with preventive maintenance may be necessary to avoid housing deterioration.

#### GOAL 1: PRESERVE AND PROTECT THE EXISTING HOUSING STOCK BY ENCOURAGING THE REHABILITATION OF DETERIORATING DWELLING UNITS AND THE CONSERVATION OF THE CURRENTLY SOUND HOUSING STOCK.

**Policy 1.1:** Continue to promote the use of rehabilitation assistance programs to encourage property owners to rehabilitate owner-occupied and rental housing where feasible.

**Policy 1.2:** Encourage investment of public and private resources to foster neighborhood improvement.

**Policy 1.3:** Encourage the maintenance of sound owner-occupied and renter-occupied housing.

**Policy 1.4:** Continue to promote sound attenuation improvements to the existing housing stock.

## **ASSISTING IN THE DEVELOPMENT OF AFFORDABLE HOUSING**

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There is a range of household types in El Segundo that need housing to fit their particular circumstances. For example, the housing needs assessment indicates there may be a need for additional senior housing in El Segundo. The City seeks to expand the range of housing opportunities, including those for low- and moderate income first-time homebuyers, seniors on fixed incomes, extremely low-, very low-, low, and moderate-income residents, the disabled, military personnel, and the homeless.

### **GOAL 2: PROVIDE SUFFICIENT NEW, AFFORDABLE HOUSING OPPORTUNITIES IN THE CITY TO MEET THE NEEDS OF GROUPS WITH SPECIAL REQUIREMENTS, INCLUDING THE NEEDS OF LOWER AND MODERATE- INCOME HOUSEHOLDS.**

**Policy 2.1:** Provide regulations, as required by California Law, to facilitate additional housing and develop programs to serve special needs groups (including persons with developmental disabilities).

**Policy 2.2:** Facilitate the creation of affordable housing opportunities for extremely low, very low and low- income households.

**Policy 2.3:** Provide an allowance in the City’s zoning regulations, as required by California Law, to permit transitional/supportive housing facilities as residential uses and emergency shelters in commercial zones.

## **PROVIDING ADEQUATE SITES**

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Provision of adequate sites through land use planning and development regulations to accommodate the City’s housing needs is a key purpose of the Housing Element.

### **GOAL 3: PROVIDE OPPORTUNITIES FOR NEW HOUSING CONSTRUCTION IN A VARIETY OF LOCATIONS AND A VARIETY OF DENSITIES.**

**Policy 3.1:** Provide for the construction of adequate housing in order to meet the goals of the Regional Housing Needs Assessment (RHNA).

**Policy 3.2:** Facilitate the development of properties designated for multi-family use that currently contains single-family development for multi-family residential development.

**Policy 3.3:** Facilitate development on vacant and underdeveloped property designated as residential or mixed use to accommodate a diversity of types, prices and tenure.

**Policy 3.4:** Permit accessory dwelling units pursuant to State law.

## **REMOVING GOVERNMENTAL CONSTRAINTS**

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In addition to the private sector, actions by the City and other governmental regulations can have an impact on the price and availability of housing. Land use controls, site improvement requirements, building codes, fees, and other local programs intended to improve the overall quality of housing may serve as a constraint to housing development.

#### **GOAL 4: REMOVE GOVERNMENTAL CONSTRAINTS ON HOUSING DEVELOPMENT.**

**Policy 4.1:** Continue to allow second units, condominium conversions, caretaker units and second floor residential use in commercial zones as specified in the El Segundo Municipal Code.

**Policy 4.2:** Continue to allow factory-produced housing according to the El Segundo Municipal Code.

**Policy 4.3:** Facilitate timely development processing for residential construction projects and expedite the project review process.

**Policy 4.4:** Facilitate provision of infrastructure to accommodate residential development.

#### **AFFIRMATIVELY FURTHERING FAIR HOUSING**

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In order to make adequate provision for the housing needs of all segments of the community, the City must ensure equal and fair housing opportunities are available to all residents.

#### **GOAL 5: PROVIDE HOUSING OPPORTUNITIES INCLUDING OWNERSHIP AND RENTAL, FAIR-MARKET AND ASSISTED, IN CONFORMANCE WITH OPEN HOUSING POLICIES AND FREE OF DISCRIMINATORY PRACTICES.**

**Policy 5.1:** Disseminate and provide information on fair housing laws and practices to the community.

**Policy 5.2:** Promote City efforts to provide equal opportunity housing for existing and projected demands in El Segundo.

### **B. HOUSING PROGRAMS**

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The goals and policies contained in the City's Housing Element address El Segundo's identified housing needs and are being implemented through a series of on-going housing programs and activities. The housing programs introduced on the following pages include past programs that are currently in operation and new programs which have been added to address the City's unmet housing needs and to fulfill the requirements of California Housing Element law.

#### **CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING**

##### **PROGRAM 1: RESIDENTIAL SOUND INSULATION (RSI)**

This program provides eligible property owners a means of having improvements made to their residential property to reduce the impacts of noise from Los Angeles International Airport (LAX) to the interior habitable portions of the residence(s). This program was previously suspended due to lack of funding. However, as of October 2022, the RSI program will resume and will be administered directly by Los Angeles World Airports (LAWA). LAWA recently initiated outreach to eligible owners in El Segundo.

##### **Objectives and Timeline:**

- Beginning in 2023 and annually thereafter, coordinate with LAWA to assist in outreaching to eligible owners in El Segundo. Assist 200 households annually.

**Funding Source:** LAWA – Sound Insulation Grant

**Responsible Agency:** LAWA and Community Development Department/Housing Division

**PROGRAM 2: CODE COMPLIANCE INSPECTION PROGRAM**

The Community Development Department of El Segundo maintains statistics pertaining to Code compliance inspections and monitors housing conditions throughout the City. The Department responds to violations brought to its attention on a case-by-case basis. Although Code violations in the City are limited, early detection and resolution are essential in preventing the deterioration of residential neighborhoods.

**Objectives and Timeline:**

- Continue to conduct inspections on a complaint basis through the City’s Community Development Department and Neighborhood Preservation Officer

**Funding Source:** General Fund

**Responsible Agency:** Community Development Department/Neighborhood Preservation officer

**ASSIST IN THE PRODUCTION OF AFFORDABLE HOUSING**

**PROGRAM 3: ACCESSORY DWELLING UNITS (ADU)**

The City amended its ADU ordinance in 2020 to comply with recent changes to State law and has experienced increased interest and ADU construction activity. ADUs represent an important potential resource for affordable housing in El Segundo. To facilitate ADU development, the City will consider the following:

- Provide technical and resources guides online and pre-approved plans.
- Pursue State funding available to assist lower- and moderate-income homeowners in the construction of ADUs and/or to provide grants in exchange for deed restriction as low-income use.
- Conduct increased outreach and education on ADU options and requirements.

**Objectives and Timeline:**

- Develop incentives and tools to facilitate ADU construction by the end of 2023, with the goal of achieving 120 ADUs in eight years. Incentives include pre-approved plans and creating an ADU calculator to estimate costs of development in El Segundo. The City is also participating in a REAP-funded project administered by the South Bay Council of Governments to accelerate ADU production.
- In 2022, update City website to provide information of ADU resources, such as grants available to homeowners for ADU construction from the California Housing Finance Agency (CalHFA).
- Beginning in 2022 and annually thereafter, pursue available funding to facilitate ADU construction, including affordable ADUs.

- Monitor ADU construction trends in 2024 to determine if adjustments to incentives and tools are necessary to meet the City’s projected goal. Make necessary adjustments to incentives and tools within six months.

**Funding Source:** General Fund

**Responsible Agency:** Community Development Department/Planning Division

**PROGRAM 4: INCLUSIONARY HOUSING ORDINANCE AND AFFORDABLE HOUSING STRATEGY**

The City seeks to proactively encourage and facilitate the development of affordable housing for lower income households, particularly those with special needs including seniors, large households, extremely low-income (ELI) households, and households with persons who have disabilities (including developmental disabilities). To facilitate affordable housing development, the City will:

- Provide technical assistance with Federal and State funding applications;
- Offer streamlined processing of permit applications;
- Waive or defer development fees;
- Consider reducing certain development standards (such as parking requirements); and/or
- Provide financial assistance to nonprofit developers to the extent possible.

The City is currently considering an inclusionary housing ordinance to include a 15 to 20 percent requirement with a potential in-lieu fee option. Once established, the ordinance will have the potential of creating affordable housing opportunities in the community and generating potential in-lieu fees to be deposited into the City’s Affordable Housing Fund. As of 2020, the City had allocated \$5.3 million to the Affordable Housing Fund.

On April 19, 2021, the City entered into an agreement with a consultant to assist in the City in the development of an Inclusionary Housing policy/ordinance. As of December 2021, the following tasks were completed:

- Conducted research on inclusionary housing policies in the South Bay region and statewide.
- Initiated community outreach, including contacting local for-profit developers, real estate brokers, and housing-related non-profit groups.
- Conducted a study session with the Planning Commission.
- Completed financial feasibility analysis for various development types.
- Conducted a study session with the City Council.

On February 16, 2021, the El Segundo City Council agreed to enter into an Exclusive Negotiating Agreement (ENA) with Many Mansions to serve as the City’s Affordable Housing Services Provider to develop and manage affordable housing units, services, and programs. Many Mansions will be developing an Affordable Housing Strategic Plan to assist the City in meeting the needs of lower- and moderate-income residents and state-mandated affordable housing goals. On October 5, 2021, the City Council entered into a contract with Many Mansions to provide the following services:

- Finalize the City’s affordable housing goals and objectives.
- Recommend strategies to remove constraints and/or increase affordable housing.

- Create a list of high priority neighborhoods and/or sites based on the Housing Element, City recommendations, and Many Mansions' expertise as an affordable housing developer.
- Solicit community feedback via a City-approved community engagement plan that includes at least two community workshops.
- Adopt Final Affordable Housing Strategic Plan (AHSP) with an emphasis on fulfilling the 6<sup>th</sup> cycle RHNA by summer 2023.
- Work with the City to identify properties with the potential for affordable housing development and existing rental properties that may be suitable for acquisition, rehabilitation, and conversion to City-restricted affordable housing projects.
- Assist the City with the ongoing monitoring and administration of affordable and/or senior housing units.

The Draft Strategic Plan (June 2022) outlines a number of recommendations, including:

- Exploring the creation of an inclusionary housing program (see action included in this program).
- Encouraging multi-family housing similar to that envisioned for the Mixed Use Overlay in the Downtown Specific Plan (see action included in Program 6: Provision of Adequate Sites).
- Focusing affordable housing efforts between Imperial, El Segundo Boulevard, and PCH (see action included in Program 6: Provision of Adequate Sites).
- Consider designating a Civic Center property as surplus land.
- Allowing multi-family consistent with the Mixed Use Overlay in all commercial zones (such as implementation of SB 2011 and AB 6).
- Exploring a religious institution overlay (see Housing Overlay that includes St. Anthony Church).
- Exploring obtaining a State Pro-Housing Designation.

#### **Objectives and Timeline:**

- Pending on the outcomes and recommendations of the feasibility study, establish the Inclusionary Housing program by 2025.
- Adopt Final Affordable Housing Strategic Plan by summer 2023 and implement the Affordable Housing Strategic Plan utilizing the services of Many Mansions.
- Establish written procedures to streamline affordable housing pursuant to SB 35 by the end of 2022.
- Continue to facilitate affordable housing development through incentives and technical assistance.

**Funding Source:** Affordable Housing Fund (\$5.3 million)

**Responsible Agency:** Community Development Department/Housing Division

### **PROGRAM 5: URBAN LOT SPLIT**

The City adopted Ordinance 1633 to implement SB 9 (Urban Lot Split). The ordinance allows for urban lot splits to be approved administratively. The ordinance also has an inclusionary component that requires one unit per lot to be offered for sale or rent to households that fall in the moderate, low, and very low income categories.

#### **Objectives and Timeline:**

- By summer 2023, develop checklist for SB 9 application.
- **Funding Source:** Affordable Housing Fund
- **Responsible Agency:** Community Development Department/Planning Division

### **PROVIDING ADEQUATE SITES**

A key element in satisfying the housing needs of all segments of the community is the provision of adequate sites for all types, sizes and prices of housing. Both the general plan and zoning regulations identify where housing may be located, thereby affecting the supply of land available for housing. The Housing Element is required to identify adequate sites to address the City's share of regional housing needs (RHNA).

### **PROGRAM 6: PROVISION OF ADEQUATE SITES**

For the 6<sup>th</sup> cycle Housing Element, the City has been assigned a RHNA of 492 units (189 very low income, 88 low income, 84 moderate income, and 131 above moderate income units). In addition, the City has incurred a carryover of 29 lower income units (18 very low and 11 low income units) from the 5<sup>th</sup> cycle Housing Element. The City relied on the 540 E. Imperial Avenue Specific Plan to accommodate the 5<sup>th</sup> cycle lower income RHNA. However, this project ultimately did not include any affordable units. Therefore, the City has a total RHNA obligation of 521 units (207 very low income, 99 low income, 84 moderate income, and 131 above moderate income units).

Based on entitled projects and projected ADUs, the City is able to accommodate 387 units, with a shortfall of 279 units (184 very low income, 18 low income, and 77 moderate income units). To accommodate this shortfall, the City has identified properties to be redesignated as Mixed Use Overlay or Housing Overlay. A total of 14 parcels will be rezoned to Mixed Use Overlay (MU-O) at a density range of 75 to 85 units per acre. Another 723 R-3 parcels will be rezoned Housing Overlay (HO) at a density range of 60 to 70 units per acre. Within the proposed HO, further factors were used to identify the parcels with near-term redevelopment potential. Specifically, seven parcels in the proposed HO are included in the sites inventory with the potential to accommodate 332 additional residential units. Combined, the candidate rezone sites (Mixed Use Overlay and Housing Overlay) can accommodate up to 678 units (257 lower income, 186 moderate income, and 235 above moderate income). Along with ADUs and entitled projects, total capacity is estimated at 1,065 units ( 361 lower income, 193 moderate income, and 511 above moderate income units).

Consistent with the requirements of Government Code § 65863, rezoning and upzoning for the lower income RHNA shortfall must meet the following minimum State requirements:

- Permit owner-occupied and rental multi-family uses by-right for developments in which 20

percent or more of the units are affordable to lower income households. By-right means local government review must not require a conditional use permit (CUP), planned unit development permit, or other discretionary review or approval.

- Accommodate a minimum of 16 units per site;
- Require a minimum density of 20 units per acre; and
- At least 50 percent of the lower income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low income housing need, if those sites:
  - Allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

While State law requires the rezoned sites for lower income RHNA to have a floor of 20 units per acre, all units used to meet the City’s lower income RHNA will comply with the standards above and are proposed overlay (O) sites with a minimum density of 60 units per acre for HO and 75 units per acre for MU-O. Minimum density was used to estimate capacity as a conservative assumption. Furthermore, the City assumes only 40 percent of these sites as lower income units even though all sites at least double the State default density of 30 units per acre as feasible for facilitating lower income housing.

The City will develop objective development standards to implement the Housing Overlay and Mixed Use Overlay. New development standards, including parking, lot coverage, height, and setbacks, will ensure that the maximum allowable density can be achieved on parcels identified in the sites inventory.

### **Objectives and Timeline:**

- By October 15, 2022, rezone adequate sites to accommodate the 29-unit RHNA shortfall carry over from the 5<sup>th</sup> cycle Housing Element. Approval of a rezone in April 2022 to accommodate the Pacific Coast Commons project results in the provision of 263 units, including 32 lower income units (29 low income and 3 very low income).
- By summer 2023, rezone adequate sites as Mixed Use Overlay and Housing Overlay for the 6<sup>th</sup> cycle RHNA shortfall of 279 units (184 very low income, 18 low income, and 77 moderate income units).
- By Summer 2023, develop objective design standards for residential development consistent with SB 330 in conjunction with the establishment of Mixed Use Overlay and Housing Overlay.
- By October 15, 2023, amend the ESMC to provide by right approval of projects on rezoned sites for lower income RHNA if the project provides 20 percent of the units as affordable housing for lower income households.
- By October 15, 2024, update Downtown Specific Plan and Smoky Hollow Specific Plan to increase housing capacity by 300 units.

**Funding Source:** General funds

**Responsible Agency:** Community Development Department/Planning Division

### **PROGRAM 7: MONITORING OF NO NET LOSS (SB 166)**

To ensure that the net future housing capacity is maintained to accommodate the City’s RHNA figures, pursuant to AB 1397, the City will continue to maintain an inventory of adequate housing sites for each income category. This inventory details the amount, type, size and location of vacant land, recyclable properties and parcels that are candidates for consolidation to assist developers in identifying land suitable for residential development. In addition, the City will continuously and at least annually monitor the sites inventory and the number of net units constructed in each income category. If the inventory indicates a shortage of adequate sites to accommodate the remaining regional housing need, the City will identify alternative sites so that there is no net loss of residential capacity pursuant to Government Code Section 65863.

To facilitate annual evaluation, the City will implement a formal ongoing project-by-project procedure pursuant to Government Code Section 65863 which will evaluate identified capacity in the sites inventory relative to projects or other actions potentially reducing density and identifying additional sites as necessary. This procedure and annual evaluation will address non-residentially or mixed use zoned land to determine whether these sites are being developed for uses other than residential. If a shortfall in sites capacity occurs, the City will identify replacement sites within six months.

#### **Objectives and Timeline:**

- By October 15, 2022, develop a formal ongoing procedure to evaluate identified capacity and identify additional sites as necessary
- Continue to perform project-by-project evaluation to determine if adequate capacity remains for the remaining RHNA.

**Funding Source:** General fund

**Responsible Agency:** **Community Development** Department/Planning Division

### **PROGRAM 8: LOT CONSOLIDATION**

The City facilitates the development of new units on small lots either through the consolidation of small lots or through the development of incentives to encourage development of these lots. Consolidation of lots will be encouraged through the on-going identification of those lots in the City’s inventory that offer the best possibility for consolidation to achieve greater building density and affordability. Incentives to encourage development on small lots may include the development of a “package” of incentives (such as modified development standards for small lots including parking, lot coverage, open space, and setback reductions) targeting projects that include very low and extremely low-income units.

#### **Objectives and Timeline:**

- Continue to facilitate the redevelopment of underutilized sites by annually contacting the development community through various outreach methods, such as promoting opportunities and incentives on the City’s website, meeting with developers, and participating in local forums (City forums, Chamber of Commerce, or local real estate brokers’ events).
- By October 15, 2024, develop strategies to encourage the development and consolidation of small lots, specifically for affordable housing.

**Funding Source:** General funds

**Responsible Agency:** Community Development Department/Planning Division

## **REMOVING GOVERNMENTAL AND OTHER CONSTRAINTS**

### **PROGRAM 9: EL SEGUNDO MUNICIPAL CODE (ESMC) AMENDMENTS**

As part of the City's SB 2 grant-funded planning efforts, the City is currently in the process of amending the ESMC to address the following:

**Density Bonus:** The ESMC does not currently include Density Bonus regulations. The State has recently passed several bills that change the State Density Bonus law. These include:

- **AB 1763 (Density Bonus for 100 Percent Affordable Housing)** – Density bonus and increased incentives for 100 percent affordable housing projects for lower income households.
- **SB 1227 (Density Bonus for Student Housing)** - Density bonus for student housing development for students enrolled at a full-time college, and to establish prioritization for students experiencing homelessness.
- **AB 2345 (Increase Maximum Allowable Density)** - Revised the requirements for receiving concessions and incentives, and the maximum density bonus provided.

**Transitional and Supportive Housing:** The City is in the process of amending the ESMC to allow transitional and supportive housing in all zones where residential uses are permitted, subject to the same development standards and permitting processes as the same type of housing in the same zone. Furthermore, AB 2162 requires supportive housing projects of 50 units or fewer to be permitted by right in zones where multi-family and mixed-use developments are permitted, when the development meets certain conditions (such as being 100 percent affordable to lower income households and setting aside 25 percent of the units for target population). The bill also prohibits minimum parking requirements for supportive housing within 1/2 mile of a public transit stop.

**Single Room Occupancy (SRO) or Micro-Unit Housing:** The City is currently in the process of amending the ESMC to address the provision of SRO or micro units.

In addition, other revisions to the ESMC are necessary to facilitate the development of a variety of housing types and streamlined development review process:

**Residential Care Facilities for Seven or More:** The ESMC does not currently address the provision of large residential care facilities (for seven or more persons). The City will amend the ESMC to accommodate and facilitate the development of this use type as a residential use to be conditionally permitted in zones where residential uses are permitted. Findings for approval will be objective and facilitate certainty in outcomes.

**Emergency Shelters:** The City amended the ESMC to permit emergency shelters in the Light Manufacturing (M1) zones by right without discretionary review. However, the ESMC contains provisions that are not consistent with State law:

- **Separation Requirement** - State law allows a maximum 300-foot separation requirement from another emergency shelter only. No other separation requirements are allowed. However, the ESMC includes additional separation requirements from residentially zoned property, schools, parks and open space, and childcare facilities.
- **Parking Standards** – ESMC requires one parking space per three bed, plus one space per employee. AB 139 limits parking requirements for emergency shelters based on the number of employees only and not to exceed the requirements for other uses in the same zone.

**Low Barrier Navigation Center (LBNC):** AB 101 requires cities to allow a Low Barrier Navigation Center development by right in areas zoned for mixed uses and nonresidential zones permitting multifamily uses if it meets specified requirements. A “Low Barrier Navigation Center” is defined as “a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.” Low Barrier shelters may include options such as allowing pets, permitting partners to share living space, and providing storage for residents’ possessions.

**Employee Housing:** Pursuant to State Employee Housing Act, employee housing for six or fewer employees is required to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. The City will consider amending the ESMC to comply with State law regarding employee housing.

**Reasonable Accommodation:** Recent City amendment to the ESMC inadvertently removed reasonable accommodation from the Administrative Adjustment process that can fast tracks approval requests for flexibility in zoning/development standard in order to accommodate the housing needs of persons with disabilities. The ESMC will be amended to address this clerical error to reestablish the review and approval of reasonable accommodation through an Administrative Adjustment process.

**R-3 Zone:** The City will increase allowable density in the R-3 zone from 27 units per acre to 30 units per acre. To facilitate multi-family development, the City will revise the R-3 development standards (including lot area per unit based on lot size, parking, height, setback, and lot coverage) to ensure that the maximum density can be achieved. These standards will also apply to the Medium Density Residential (MDR) floating zone.

**Parking Requirements:** The City currently requires two parking spaces plus one guest parking space per unit, regardless of unit size. The City will revise its parking standards to a sliding scale based on unit size, similar to the recently approved Pacific Coast Commons project which achieved 80 units per acre.

**Senior Housing:** The City will revise the ESMC to remove the CUP requirement for senior housing and permit senior housing as a regular residential use to be similarly permitted as other residential uses in the same zone.

**Findings for Site Plan Review:** The City will revise the findings required for Site Plan Review approval to ensure that the findings are objective and provide certainty in outcomes.

**Micro Units:** The City will establish development standards to facilitate the construction of micro units.

**Objectives and Timeline:**

- By the end of 2023, complete ESMC amendments as outlined above.

**Funding Source:** General funds; SB 2

**Responsible Agency:** Community Development Department/Planning Division

**AFFIRMATIVELY FURTHER FAIR HOUSING**

**PROGRAM 10: COMMUNITY OUTREACH**

The City will conduct consultation meetings with the following boards and committees to gather information of housing-related issues and concerns, evaluate policy implications, and obtain recommendations:

- **Diversity, Equity and Inclusion Committee (DEI):** On Tuesday, June 16, 2020, the City Council agreed to establish a Diversity, Equity and Inclusion Committee. The purpose of the committee is to work with the community to gain a deeper understanding of the issues and determine how to move forward to bring positive change so everyone who lives, works and visits El Segundo feels welcome. The Diversity, Equity, and Inclusion Committee will engage the community, evaluate current policies, and offer its recommendations to the City Council.
- **Senior Housing Corporation Board:** Senior Citizen Housing Corporation Board actively oversees the management, operation and maintenance of Park Vista, specialty housing for seniors. The Board actively works with residents on compliance, financial and legal matters. They also advise on building amenities and programs. The Senior Citizen Housing Corporation Board is a non-profit corporation formed in 1984 for the construction of the low-income housing facility for seniors. The board is in an operating agreement with the City Council, and enlists a management company to operate the facility. The board, comprised of five directors who are all El Segundo residents.

**Objectives and Timeline:**

- Conduct annual consultation meetings with the Diversity, Equity, and Inclusion Committee and Senior Housing Corporation Board.

**Funding Source:** General funds

**Responsible Agency:** Community Development Department/Planning Division

**PROGRAM 11: FAIR HOUSING PROGRAM**

The City will undertake a number of actions to affirmatively further fair housing. These actions are outlined in .

**Table 6-1: Fair Housing Actions**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics</b>
<b>Fair Housing Enforcement and Outreach</b>				
<b>AFFH: State and Federal Laws</b>	Use local annual CDBG funds to separately contract with a fair housing service provider to conduct outreach and education locally. This service will be additional to the City’s participation in the Los Angeles Urban County program.	Beginning FY 2023/24 and annually thereafter	<b>Citywide</b>	One local workshop annually with the goal of reaching at least 30 persons each meeting.
<b>AFFH: Regional Efforts</b>	Participate in regional efforts to address fair housing issues and monitor emerging trends/issues in the housing market.	Annually		
	Participate in the update of the five-year update of the Regional Analysis of Impediments (AI) to Fair Housing Choice. The last regional AI was adopted in 2018.	2023		
<b>AFFH: Interest List</b>	Develop interest list for update on fair housing and affordable housing projects and contact interest list with updates.	By the end of 2022		
<b>AFFH: Fair Housing Outreach</b>	Update the City website with affordable housing projects and resources.	Semi-annually	<b>Citywide</b>	Current Housing Rights Center (HRC) contract with LACDA does not include providing fair housing records by jurisdiction.  Petition in 2023 to receive city-specific data from HRC to serve as baseline.  Serve 50 people through fair housing services annually.
	Include fair housing information on the City’s website, including up-to-date fair housing laws, services, and information on filing discrimination complaints.	By January 2023		
	Utilize non-traditional media (i.e., social media, City website) in outreach and education efforts in addition to print media and notices.	2021-2029		
	Continue advertising and providing programs related to fair housing including the Home Delivered Meals program, Senior In-Home Care program, and Juvenile Diversion program.	2021-2029		

**Table 6-1: Fair Housing Actions**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics</b>
				Update fair housing information and resources available.
Program 4: Affordable Housing Strategy	Conduct community outreach with an emphasis on outreaching to special needs populations and households impacted by disproportionate needs in the northern and eastern areas of the City.	By end of 2023	Northern and eastern areas of City	Conduct at least two community workshops.
Program 10: Community Outreach	Conduct consultation meetings with the City's new Diversity, Equity, and Inclusion Committee and Senior Housing Corporation Board.	Annually beginning 2023	Citywide	Conduct at least one consultation meeting with each committee/board annually.
<b>New Opportunities in High Resource Areas</b>				
Program 3: Accessory Dwelling Units (ADU)	Develop incentives and tools to facilitate ADU construction.	By end of 2023	Citywide	Facilitate the construction of 120 ADUs.
	Update City website to provide information of ADU resources, such as grants available to homeowners for ADU construction from the California Housing Finance Agency (CalHEA).	In 2022		
	Pursue available funding to facilitate ADU construction, including affordable ADUs.	In 2022 and annually thereafter		
Program 4: Inclusionary Housing Ordinance and Affordable Housing Strategy	Continue to facilitate affordable housing development through incentives and technical assistance.	2021-2029	Northwestern corner of City (all highest resource tracts)	Facilitate the development of 390 affordable units (207 very low income, 99 low income, and 84 moderate income units, with at least 50 percent in highest resource tracts.
Program 5: Urban Lot Split	Develop checklist to implement SB 9 (Urban Lot Split) through an administrative process.	Develop checklist by summer 2023	Citywide in single-family neighborhoods	

**Table 6-1: Fair Housing Actions**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics</b>
<b>Program 6: Provision of Adequate Sites</b>	Rezone adequate sites to accommodate the 29-unit RHNA shortfall carry over from the 5th cycle Housing Element.	By October 15, 2022	Pacific Coast Commons	Approved rezoning of Pacific Coast Commons site to accommodate a 263-unit project including 32 lower income units.
	Rezone adequate sites for the 6th cycle RHNA shortfall.	By October 15, 2024	Mixed Use Overlay and Housing Overlay	Establish Mixed Use Overlay and Housing Overlay with the potential to accommodate 655 additional units.
	Incorporate additional housing opportunities in the Downtown Specific Plan and Smoky Hollow Specific Plan updates.	By October 15, 2024	Downtown Specific Plan and Smoky Hollow Specific Plan areas	Increase multi-family housing capacity by 300 units.
<b>Place-Based Strategies for Neighborhood Improvements</b>				
<b>AFFH: Public Improvements in Areas with Housing Element Sites</b>	Prioritize the City’s annual budget of approximately \$200,000 on sidewalk repairs and pedestrian ramp improvements for locations in the Housing Element sites inventory.	Annual budget process	Mixed Use Overlay and Housing Overlay areas	One public improvement project annually
<b>Program 1: Residential Sound Insulation</b>	Coordinate with LAWA to assist in outreach to owners eligible for the Residential Sound Insulation Program (RSI).	In 2023 and annually thereafter	Within the 65 dB CNEI contour of aircraft noise from LAWA – primarily North El Segundo	Assist 200 households annually
<b>Housing Mobility</b>				
<b>Program 4: Inclusionary Housing Ordinance and</b>	Engage in dialogues with affordable housing providers to learn if there are actions the City can take to support their continued operation.	2021-2029	Citywide	Facilitate the development of 390 affordable housing units.

**Table 6-1: Fair Housing Actions**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics</b>
<b>Affordable Housing Strategy</b>	Establish the Inclusionary Housing program.	By 2025		
	Adopt Final Affordable Housing Strategic Plan and implement the Affordable Housing Strategic Plan utilizing the services of Many Mansions.	By Summer 2023		
	Establish written procedures to streamline affordable housing pursuant to SB 35.	By end of 2022		
<b>Program 9: El Segundo Municipal Code Amendments</b>	Amend the Zoning Code to comply with State laws related to low barrier navigation centers, emergency shelters, transitional housing, supportive housing, employee housing, reasonable accommodation, and residential care facilities.	By end of 2023	Citywide	20% of new affordable units serving special needs populations.
<b>AFFH: Mobility</b>	Collaborate with other jurisdictions to create a new countywide source of affordable housing – South Bay Affordable Housing Trust.	By October 2022	South Bay region including El Segundo	Housing Trust Fund appropriated for South Bay
<b>Tenet Protection and Anti-Displacement</b>				
<b>AFFH: Displacement</b>	Retain city fair housing service providers to conduct additional outreach and education.	Establish city program by the end of FY 2023	Northwestern corner of City	One local workshop annually with the goal of reaching at least 30 persons each meeting.
	Focus fair housing outreach and education in areas with high displacement risk, specifically where renters, including overpaying renters, are most concentrated.			
	Expand outreach and education on recent State laws (SB 329 and SB 222) supporting source of income protection for publicly assisted low income households (HCVs).	By October 2023	Citywide	Increase rental opportunities through ADUs by 120 units

**Table 6-1: Fair Housing Actions**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics</b>
	Include a fair housing factsheet with ADU and SB 9 application packets.			

## C. SUMMARY OF QUANTIFIED OBJECTIVES

The following summarizes the City's quantified objectives for the 2021-2029 Housing Element planning period.

Table 6-2: 2021-2029 Quantified Objectives

	Units/Households Assisted
<b>Housing Production</b>	
Extremely Low Income	103
Very Low Income	104
Low Income	99
Moderate Income	84
Above Moderate Income	131
Total Units to be Constructed	521
<b>Rehabilitation</b>	
Extremely Low Income	<u>10</u>
Very Low Income	<u>10</u>
Low Income	<u>20</u>
Moderate Income	0
Above Moderate Income	0
Total Households to be Assisted	<u>40</u>
<b>Conservation</b>	
Extremely Low Income	48
Very Low Income	49
Low Income	0
Moderate Income	0
Above Moderate Income	0
Total Units to be Conserved	97

# APPENDIX A: HOUSING ACCOMPLISHMENTS

Table A-1 Review of Past Accomplishments		
Program	2013-2021 Objectives	Effectiveness and Continued Appropriateness
<b>GOAL 1:</b> Preserve and protect the existing housing stock by encouraging the rehabilitation of deteriorating dwelling units and the conversion of the currently sound housing stock.		
<b>Program 1 – Housing Rehabilitation</b>	<ul style="list-style-type: none"> <li>• <b>Program 1a. Minor Home Repair (MHR)</b> – Annually consult with HUD to identify and pursue potential funding opportunities and funding sources that may be available and appropriate to reinstate the MHR program.</li> <li>• <b>Program 1b. Residential Sound Insulation Program (RSI)</b> – Assist approximately 150 households annually.</li> </ul>	<p><b>Effectiveness:</b></p> <ul style="list-style-type: none"> <li>• <b>Program 1a</b> – The City continues to identify potential funding sources to implement the MHR Program. As of 2019, a funding source has not been identified.</li> <li>• <b>Program 1b</b> – The RSI Program was suspended in 2018 due to lack of funding. However, the City assisted approximately 600 households during the planning period prior to the suspension of the program.</li> </ul> <p><b>Continued Appropriateness:</b> The 2021-2029 Housing Element includes a program to pursue funding for rehabilitation assistance.</p>
<b>Program 2 – Code Compliance Inspection Program</b>	<ul style="list-style-type: none"> <li>• Continue to conduct inspections on a complaint basis through the City’s Building Safety Division.</li> </ul>	<p><b>Effectiveness:</b> The City continues to implement the Code Compliance Inspection Program in response to complaints.</p> <p><b>Continued Appropriateness:</b> This program is continued in the 2021-2029 Housing Element.</p>
<b>GOAL 2:</b> Provide sufficient new, affordable housing opportunities in the City to meet the needs of groups with special requirements, including the needs of lower and moderate- income households.		
<b>Program 3 – Second Units on R-1 Zoned Parcels</b>	<ul style="list-style-type: none"> <li>• Continue to facilitate the development of second units on R-1 zoned parcels.</li> <li>• Maintain a list of eligible properties for second units on the City’s website.</li> </ul>	<p><b>Effectiveness:</b> The City issued 19 Accessory Dwelling Unit (ADU) permits in 2018 and 40 in 2019. The City has exceeded their objective of facilitating the development of 8 second units during the planning period.</p>

**Table A-1 Review of Past Accomplishments**

Program	2013-2021 Objectives	Effectiveness and Continued Appropriateness
	<ul style="list-style-type: none"> <li>• Monitor and annually evaluate the effectiveness of the second unit ordinance and remove any potential constraints, if any.</li> <li>• Facilitate the development of one second unit per year, for a total of 8 second units during the Housing Element planning period.</li> </ul>	<p>The City El Segundo amended the ADU ordinance in 2020 in compliance with State law.</p> <p><b>Continued Appropriateness:</b> The 2021-2029 Housing Element includes a program to facilitate ADU production.</p>
<p><b>Program 4 – Affordable Housing Incentives</b></p>	<ul style="list-style-type: none"> <li>• Proactively encourage and facilitate on an ongoing basis the development efforts of non- profit organizations for the construction of affordable housing for lower income households, particularly those with special needs including large households, seniors, extremely low-income (ELI) households, and households with persons who have disabilities or developmental disabilities.</li> <li>• Specifically, facilitate the development of five affordable housing units during the 2013-2021 Housing Element planning period.</li> </ul>	<p><b>Effectiveness:</b> The City is currently developing an inclusionary housing ordinance to include a 15-20% requirement and potential in-lieu fee option.</p> <p>In February 2021, the City entered into a contract with Many Mansions as the City’s Affordable Housing Services Provider to fulfill its affordable housing needs per the RHNA goals.</p> <p>El Segundo has established an affordable housing fund to fund activities under the Housing Division and Affordable Housing Services Provider. As of 2020, the City had allocated \$5.3 million to the affordable housing fund.</p> <p><b>Continued Appropriateness:</b> The program in continued in the 2021-2029 Housing Element.</p>
<p><b>GOAL 3:</b> Provide opportunities for new housing construction in a variety of locations and a variety of densities in accordance with the land use designations and policies in the Land Use Element.</p>		
<p><b>Program 5 – Provision of Adequate Sites</b></p>	<ul style="list-style-type: none"> <li>• Continue to provide a variety of incentives to facilitate the development of vacant and underutilized properties, including the waiver or deferment of fees, reduced parking requirements and priority processing for affordable housing projects.</li> </ul>	<p><b>Effectiveness:</b> In 2017, the City worked with the El Segundo Unified School District (ESUSD) to permit the development of a former school site. Permits issued included provision for 6 affordable units. However, this project ultimately did not include any affordable units and the developer provided the City with an in-lieu fee of \$5.3 million. This fund has</p>

**Table A-1 Review of Past Accomplishments**

Program	2013-2021 Objectives	Effectiveness and Continued Appropriateness
	<ul style="list-style-type: none"> <li>• Maintain an annually updated residential sites inventory on the City’s website.</li> <li>• Annually monitor the adequacy of the City’s residential sites inventory, particularly for sites adequate to facilitate lower income housing.</li> <li>• Should cumulative development on the City’s vacant and underutilized sites (particularly on the mixed use/nonresidential sites) impact the City’s continued ability to meet its RHNA, identify alternative approaches to replenish the City’s sites capacity.</li> <li>• Continue to collaborate with the El Segundo Unified School District to pursue a residential project with an affordable component that will satisfy El Segundo’s lower-income RHNA, with anticipated entitlement by the end of 2015.</li> </ul>	<p>been deposited into the City’s Affordable Housing Fund.</p> <p>In 2019, the City prepared a study on the R-3 Zone (high density residential) and concluded that most structures were either new, condos, or built at a density of 35 units per acre.</p> <p>The City is currently exploring alternatives and continues to review the inventory to confirm the provision of adequate sites.</p> <p><b>Continued Appropriateness:</b> As part of the 2021-2029 Housing Element development, the City conducted an extensive assessment of available sites for the RHNA. The 2021-2029 Housing Element includes a program to rezone and upzone properties for the RHNA.</p>
<p><b>Program 6 – Facilitate Development on Underutilized Sites on Small Lots</b></p>	<ul style="list-style-type: none"> <li>• Continue to facilitate the redevelopment of underutilized sites by annually contacting the development community through various outreach methods, such as promoting opportunities and incentives on the City’s website, meeting with developers, and participating in local forums (City forums, Chamber of Commerce, or local real estate brokers’ events).</li> <li>• Develop strategies to encourage the development and consolidation of small lots, specifically for affordable housing.</li> </ul>	<p><b>Effectiveness:</b> El Segundo has facilitated approximately three lot consolidations per year throughout the planning period. The City has exceeded the one lot consolidation program objective.</p> <p><b>Continued Appropriateness:</b> This program continues to be appropriate for the new sites identified for the 6<sup>th</sup> cycle RHNA.</p>

**Table A-1 Review of Past Accomplishments**

Program	2013-2021 Objectives	Effectiveness and Continued Appropriateness
	<ul style="list-style-type: none"> <li>Facilitate one lot consolidation project for a total of five units during the 2013-2021 Housing Element planning period.</li> </ul>	
<b>GOAL 4:</b> Remove governmental constraints on housing development.		
Program 7 – Zoning Revisions	<ul style="list-style-type: none"> <li><b>Program 7a. Density Bonus</b> – Consider amending the ESMC to include density bonus provisions, consistent with California law.</li> <li><b>Program 7b. Emergency Shelters</b> – Consider amending the ESMC to permit emergency shelters in the Medium Manufacturing (MM) and Light Manufacturing (M1) zones by right without discretionary review. no later than October 1, 2014, pursuant to State law.</li> <li><b>Program 7c. Transitional Housing</b> – Consider amendments to the ESMC to allow transitional housing in all zones where residential uses are permitted, subject to the same development standards and permitting processes as the same type of housing in the same zone.</li> <li><b>Program 7d. Supportive Housing</b> – Consider amendments to the ESMC to allow supportive housing in all zones where residential uses are permitted, subject to the same development standards and permitting processes as the same type of housing in the same zone.</li> <li><b>Program 7e. Single Room Occupancy (SRO) Housing</b> – Consider amendments to the ESMC to</li> </ul>	<p><b>Effectiveness:</b> In 2019, the City amended the ADU ordinance in the ESMC in compliance with AB 881.</p> <p>As of 2019, the City is in the process of amending the ESMC to allow over 200 units, including affordable units, on lots currently developed as surface parking in commercial zones. However, this amendment is not expected to be completed during the planning period.</p> <p>No other zoning amendments have been made during the planning period.</p> <p><b>Continued Appropriateness:</b> This program will be updated to include new changes to State law.</p>

**Table A-1 Review of Past Accomplishments**

Program	2013-2021 Objectives	Effectiveness and Continued Appropriateness
	<p>conditionally permit SRO units in the Multi-family Residential (R-3) Zone and establishment of appropriate development standards in the zoning regulations for SRO units.</p> <ul style="list-style-type: none"> <li>• <b>Program 7f. Farmworker/Employee Housing</b> – Consider amending the ESMC to remove agriculture as a permitted use in the Open-Space (O-S) Zone and to comply with State law regarding employee housing within one year of the adoption of the Housing Element.</li> </ul>	
<p><b>GOAL 5:</b> Provide housing opportunities including ownership and rental, fair-market and assisted, in conformance with open housing policies and free of discriminatory practices.</p>		
<p><b>Program 8 – Fair Housing Program</b></p>	<ul style="list-style-type: none"> <li>• Continue providing fair housing services with the Housing Rights Center through participation in the Urban County program coordinated by the Los Angeles County Community Development Commission.</li> <li>• Inform public of the availability of fair housing services by distributive fair housing information at <a href="#">Community Development</a> Department public counters and City website.</li> <li>• Continue to implement the City’s Reasonable Accommodations regulations and promote its availability to interested parties on an ongoing basis.</li> </ul>	<p><b>Effectiveness:</b> The City continues to provide fair housing services to El Segundo residents. The City is still under contract with the Housing Rights Center to provide these services.</p> <p>Information about fair housing services is available on the City’s website and at the <a href="#">Community Development</a> Department counter.</p> <p><b>Continued Appropriateness:</b> This program will be expanded to address the requirements to affirmatively furthering fair housing.</p>

## Cumulative Impact of Addressing Special Needs

Due to limited funding and staffing capacity, the City was unable to make meaningful progress in address the housing needs of special needs populations. Also, the City has not yet make the ESMC revisions to address the provision of special needs housing, with the exception of accommodating homeless shelters. The 540 East Imperial Specific Plan was originally planned as a senior housing development with 46 units set aside as housing affordable to lower income households. However, the final project did not include any affordable units. Instead, an in-lieu fee of \$5.3 million was paid. This fee allows the City to procure the service of Many Mansions to serve as the City’s affordable housing provider. Overall, the City expects to make significant progress in addressing special needs during the 6<sup>th</sup> cycle Housing Element planning period.

<b>Table 6-2 2013-2021 El Segundo Quantified Objectives</b>			
<b>Housing Goals</b>	<b>2013 to 2021</b>	<b>Progress 2020</b>	
<b>Housing Production</b>	<b>Number of Units Allocated</b>	<b>Units<sup>1</sup></b>	<b>Percent Achieved</b>
Extremely Low Income	9	0	0.0%
Very Low Income	9	0	0.0%
Low Income	11	0	0.0%
Moderate Income	12	30	250.0%
Above Moderate Income	28	29	103.6%
Total Units	69	59	85.5%
<b>Rehabilitation<sup>2</sup></b>			
Extremely Low Income	58	51	87.9%
Very Low Income	40	56	140.0%
Low Income	88	67	76.1%
Moderate Income	297	65	21.9%
Above Moderate Income	297	362	121.9%
TOTAL	750	600	80.0%
<b>Conservation</b>			
Extremely Low Income	48	48	100.0%
Very Low Income	49	49	100.0%
Low Income	0	0	0.0%
Moderate Income	0	0	0.0%
Above Moderate Income	0	0	0.0%
Source: City of El Segundo Planning and Building Department, 2020			
Notes:			
1. Objective is based on the Imperial School Specific Plan.			
2. Residential Sound Insulation program is not based on income qualifications. Therefore, overall objective is distributed according to the City’s overall income distribution.			
3. Affordable housing units to be conserved (Park Vista).			

# APPENDIX B: PUBLIC PARTICIPATION

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## A. MAILING LIST

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Lori Gangemi, President & CEO  
Ability First  
1300 E. Green Street  
Pasadena, CA 91106

Ruth Schwartz, Executive Director  
Shelter Partnership, Inc.  
520 S Grand Avenue, Suite 695  
Los Angeles, CA 90071

Samuel Bettencourt, Executive Director  
Beacon Light Mission  
525 North Broad Avenue  
Wilmington, CA 90744

El Segundo Chamber of Commerce  
427 Main Street  
El Segundo, CA 90245

Chancela Al-Mansour, Executive Director  
Housing Rights Center  
3255 Wilshire Blvd., Suite 1150  
Los Angeles, CA 90010

South Bay Children's Health Center  
410 Camino Real  
Redondo, Beach, CA 90277

St. Margaret's Center  
10217 Inglewood Avenue  
Lennox, CA 90304

Joel John Roberts, CEO  
P.A.T.H.  
340 N. Madison Avenue  
Los Angeles, CA 90004

Melissa Moore, Ed.D., Superintendent  
El Segundo Unified School District  
641 Sheldon Ave  
El Segundo, CA 90245

Gregory O'Brien, Superintendent  
Centinela Valley Union High School Dist.  
14901 Inglewood Avenue  
Lawndale, CA 90260

Blake Silvers, Superintendent  
Wiseburn School District  
201 N Douglas Street  
El Segundo, CA 90245

Jan Vogel, Executive Director  
South Bay Workforce Incentive Board  
11539 Hawthorne Blvd, #500  
Hawthorne, CA 90250

Boys & Girls Clubs of the South Bay  
1220 West 256th Street  
Harbor City, CA 90710

Monsignor Gregory Cox, Executive Direct.  
Catholic Charities of Los Angeles, Inc.  
P.O. Box 15095  
Los Angeles, CA 90015-0095

Jane Phillips, Founder & Executive  
Director  
Crown Jewel Club  
531 Main Street #1000  
El Segundo, CA 90245

Dr. Alice Harris, Executive Direct.  
Foodbank of Southern California  
1444 San Francisco Avenue  
Long Beach, CA 90813

South Bay Latino Chamber of Commerce  
13545 Hawthorne Blvd., # 201  
Hawthorne, CA 90250

The Salvation Army  
125 W. Beryl St.  
Redondo Beach, CA 90277

David Garcia, Executive Director  
The Society of St. Vincent De Paul  
210 North Avenue 21  
Los Angeles CA 90031

Jacki Bacharach, Executive Director  
South Bay Cities Council of Governments  
2355 Crenshaw Blvd, #125  
Torrance, CA 90501

Bank of America  
835 N Pacific Coast Hwy  
El Segundo, CA 90245

CHASE  
130 E Grand Ave  
El Segundo, CA 90245

Kinecta FCU - Home Loans  
1440 Rosecrans Avenue  
Manhattan Beach, CA. 90266

Wells Fargo Home Mortgage  
2141 Rosecrans Avenue, Suite 4100  
El Segundo, CA 90245

Kathy Kelly, CEO  
South Bay Association of Realtors  
22833 Arlington Ave.  
Torrance, California 90501

Sister Anne Tran, Center Director  
Good Shepherd Center  
1671 Beverly Blvd.  
Los Angeles, CA 90026

Providence Little Company of Mary  
Community Health  
4101 Torrance Blvd  
Torrance, CA 90505

Planned Parenthood So. Bay Center  
14623 Hawthorne Blvd. #300  
Lawndale, CA 90260

Elizabeth Eastlund, Executive Director  
Rainbow Services  
453 West 7th Street  
San Pedro, CA 90731

Social Vocational Services, Inc  
15342 Hawthorne Blvd., Suite 403  
Lawndale, CA 90260

Elise Buik, President /CEO  
United Way of Greater Los Angeles  
1150 S. Olive St., Suite T500  
Los Angeles, CA 90015

Michael Danneker, Director  
Westside Regional Center  
5901 Green Valley Circle, Suite 320  
Culver City, CA 90230

Mike Rotolo  
TG Construction Co., Inc  
139 Nevada Street  
El Segundo, CA 90245

JRO Construction  
952 Manhattan Beach Blvd., Suite 220  
Manhattan Beach, CA 90266

Scott Laurie, President/CEO  
Olson Company  
3010 Old Ranch Parkway #100  
Seal Beach, CA 90740

C.A.M. Construction  
310 East Imperial Avenue #C  
El Segundo, CA 90245

Brad Wiblin, Executive Vice President  
Bridge Housing  
2202 30th St.  
San Diego, CA 92104

Darrell Simien, VP of Community  
Development  
Habitat for Humanity  
18600 Crenshaw Blvd.  
Torrance, CA 90504

Laura Archuleta, President/CEO  
Jamboree Housing Corporation  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614

Steve PonTell, President/CEO  
National CORE  
9421 Haven Ave.  
Rancho Cucamonga, CA 91730

Mr. Jerry Saunders  
Air Force Association  
P.O. Box 916  
El Segundo, CA 90245

Friends of El Segundo Public Library  
111 W. Mariposa Ave.  
El Segundo, CA 90245

El Segundo Rotary Club  
P.O. Box 85  
El Segundo, CA 90245

First Baptist Church  
591 East Palm Avenue  
El Segundo, CA 90245

Pacific Baptist Church  
859 Main St  
El Segundo, CA 90245

Father Alexei Smith  
St. Andrew Russian Greek Catholic  
Church  
538 Concord Street  
El Segundo, CA 90245

Rev. Robert S. Victoria, Pastor  
Saint Anthony's Church  
720 East Grand Avenue  
El Segundo, CA 90245

Jon Reed, Minister  
Hilltop Community Church of Christ  
717 East Grand Avenue  
El Segundo, CA 90245

El Segundo Christian Church  
223 W. Franklin St.  
El Segundo, CA 90245

Brandon Cash, Pastor  
Oceanside Christian Fellowship  
343 Coral Circle  
El Segundo, CA 90245

Church of Jesus Christ of Latter- day  
Saints  
1215 East Mariposa Avenue  
El Segundo, CA 90245

Rev. Dr. Dina Ferguson, Rector  
St. Michael the Archangel Church  
361 Richmond Street  
El Segundo, CA 90245

Rob McKenna, Lead Pastor  
Bridge South Bay Church  
429 Richmond Street  
El Segundo, CA 90245

Jehovah's Witnesses  
608 East Grand Avenue  
El Segundo, CA 90245

St. John's Church  
1611 East Sycamore Avenue  
El Segundo, CA 90245

Lee Carlile, Pastor  
United Methodist Church  
540 Main Street  
El Segundo, CA 90245

The Bible Church of His Will  
2000 E Mariposa Ave  
El Segundo, CA 90245

Tierra Vista Communities  
2400 South Pacific Ave, Bldg 410, Suite  
2  
San Pedro, CA 90731

Los Angeles Air Force Base  
482 N Aviation Blvd  
El Segundo, CA 90245

Los Angeles County Development  
Authority  
700 W Main Street  
Alhambra, CA 91801

Los Angeles Homeless Services  
Authority  
811 Wilshire Boulevard #600  
Los Angeles, CA 90017

El Segundo Residents Association  
425 Lomita Street  
El Segundo, CA 90245

Park Vista  
615 E. Holly Avenue  
El Segundo, CA 90245

El Segundo Herald  
500 Center St.  
El Segundo, CA 90245

Jenny Davies, President  
El Segundo Council Of PTAs  
641 Sheldon Street  
El Segundo, CA 90245

Donna Mae Ellis, President  
El Segundo Woman's Club  
P.O. Box 25  
El Segundo, CA 90245

Ty Leisher, President  
Kiwanis Club  
P.O. Box 392  
El Segundo, CA 90245

Knights Of Columbus  
224-1/2 S. Sepulveda Blvd.  
Manhattan Beach CA 90266

Paulette Caudill, President  
Road - Reach Out Against Drugs  
615 Richmond St.  
El Segundo, CA 90245

Tree Musketeers  
305 Richmond St  
El Segundo, CA 90245

Veronica Dover, CEO/Executive  
Director  
St. Vincent Meals On Wheels  
2303 Miramar Street  
Los Angeles, CA 90057

American Red Cross  
9800 La Cienega Blvd.  
Inglewood, CA 90301

Vistamar School  
737 Hawaii St.  
El Segundo, CA 90245

Rick Schroeder, President  
Many Mansions  
811 Wilshire Boulevard #1727  
Los Angeles, CA 90017

## B. OUTREACH MATERIALS

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### Housing Element Update: Community Meeting

**TUESDAY, APRIL 13, 2021**  
5:30 PM



The City of El Segundo is in the process of updating the Housing Element for the 2021-2029 Planning Period and would like your participation. This is your chance to learn about the Housing Element Update.

The **Community Meeting** will cover the basics of the Housing Element Update requirements and is intended to identify housing needs that should be addressed.

The **Housing Element** includes goals, policies, programs, and quantified objectives for adequately housing our future population.

Via web browser: <https://zoom.us/j/91048484015>  
Meeting ID: 910 4848 4015

Via telephone: (669) 900-9128

*For more information, please visit <http://www.elsegundo.org/housing-element> or contact [housingelement@elsegundo.org](mailto:housingelement@elsegundo.org)*

# Join us for a **Community Meeting** to Discuss the Update of the City's Housing Element



The **Housing Element** is a key component of the  
City's General Plan.  
The City needs your input!

#### Where:

<https://zoom.us/j/91048484015>  
Meeting ID: 910 4848 4015  
One tap mobile: +16699009128,,91048484015#  
Dial in: +1 669 900 9128 US  
Meeting ID: 910 4848 4015



#### When:

Tuesday, April 13, 2021  
at 5:30 p.m.

For more information about the Housing Element Update process please visit  
<https://www.elsegundo.org/housing-element>. If you have any questions,  
please email us at [housingelement@elsegundo.org](mailto:housingelement@elsegundo.org)  
or call city staff, Paul Samaras, Principal Planner, at (310) 524-2340.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting,  
please contact the City Clerk's office at 310-524-2305. Notification 48 hours prior to the meeting will enable the  
City to make reasonable arrangements to ensure accessibility to this meeting.

Subject: Reminder: Future of Housing in El Segundo Virtual Workshop April 13  
 Sent: 04/12/2021 09:56 AM PDT  
 Sent By: mghurtado@elsegundo.org  
 Sent To: Subscribers of Business Stakeholders, ESB - Business & Real Estate News, General City News, H2O Water Billing, Internal - Media/Local News Outlets, Internal - NetPromoter - Business License, Internal - NetPromoter - Water/Residents, Internal--All City Staff, Internal--E Team, or Residents,

**12,923**

 Recipients

 Email

 SMS

 Facebook

 Twitter

 RSS

**96%**

Delivered

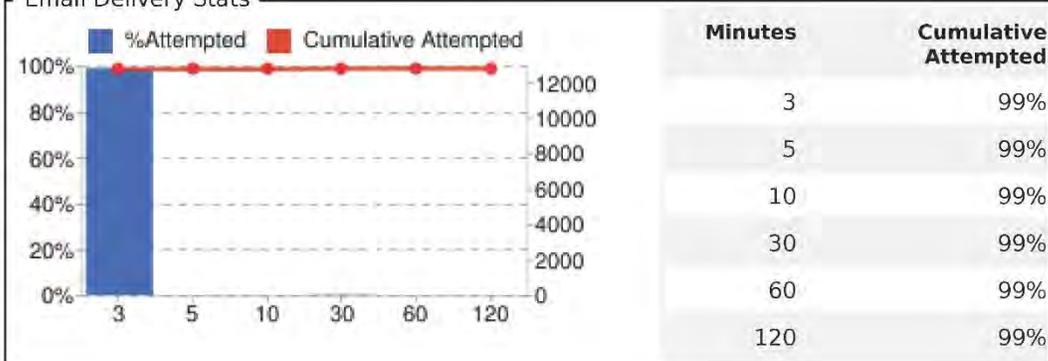
0% Pending

4% Bounced

27% Open Rate

4% Click Rate

Email Delivery Stats



Delivery Metrics - Details

<b>12,923</b>	Total Sent
<b>12,402 (96%)</b>	Delivered
<b>0 (0%)</b>	Pending
<b>521 (4%)</b>	Bounced
<b>15 (0%)</b>	Unsubscribed

Bulletin Analytics

<b>5,599</b>	Total Opens
<b>3318 (27%)</b>	Unique Opens
<b>544</b>	Total Clicks
<b>469 (4%)</b>	Unique Clicks
<b>16</b>	# of Links

Delivery and performance

*These figures represent all data since the bulletin was first sent to present time.*

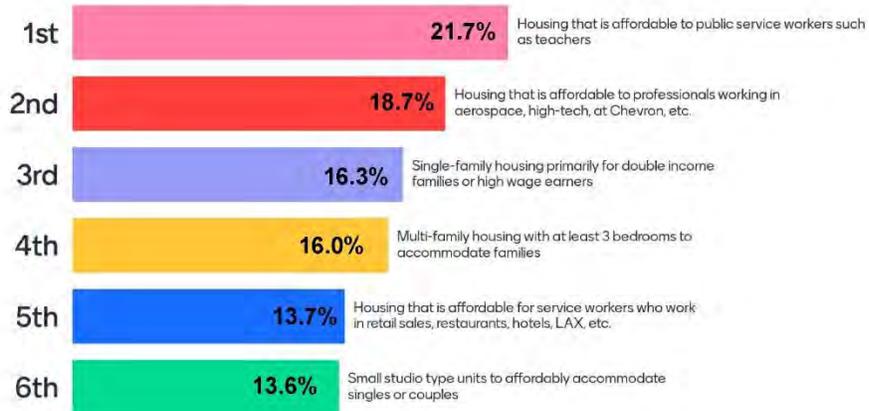
	Progress	% Delivered	Recipients	# Delivered	Opened Unique	Bounced/Failed	Unsubscribes
<b>Email Bulletin</b>	Delivered	96.0%	12,780	12,270	3318 / 27.0%	510	15
<b>Digest</b>	n/a	n/a	0	0	0 / 0.0%	0	0
<b>SMS Message</b>	Delivered	92.3%	143	132	n/a	11	n/a

Link URL	Unique Clicks	Total Clicks
<a href="https://www.menti.com/tx8cna1uni?utm_medium=email&amp;utm_source=...">https://www.menti.com/tx8cna1uni?utm_medium=email&amp;utm_source=...</a>	121	135
<a href="https://youtu.be/SC9DJxxGQq8?utm_medium=email&amp;utm_source=...">https://youtu.be/SC9DJxxGQq8?utm_medium=email&amp;utm_source=...</a>	91	130
<a href="https://www.elsegundo.org/government/departments/develo...">https://www.elsegundo.org/government/departments/develo...</a>	48	57
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<a href="https://www.elsegundo.org/?utm_medium=email&amp;utm_sourc...">https://www.elsegundo.org/?utm_medium=email&amp;utm_sourc...</a>	18	18
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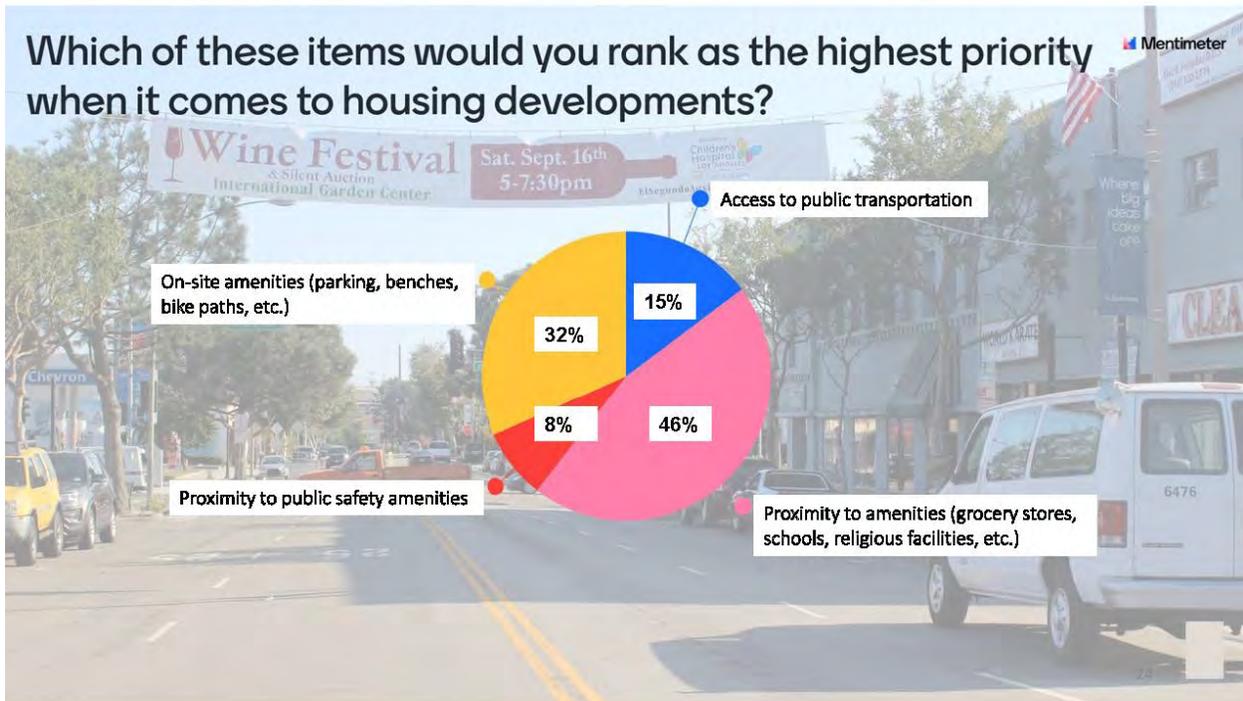
Please rank from 1 to 6, with one being your first choice,  
 What type of housing you feel is most needed in El Segundo:

Mentimeter



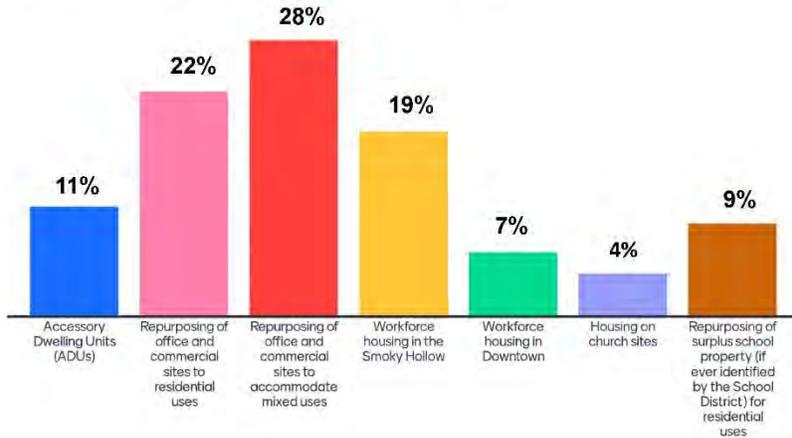
Which of these items would you rank as the highest priority when it comes to housing developments?

Mentimeter



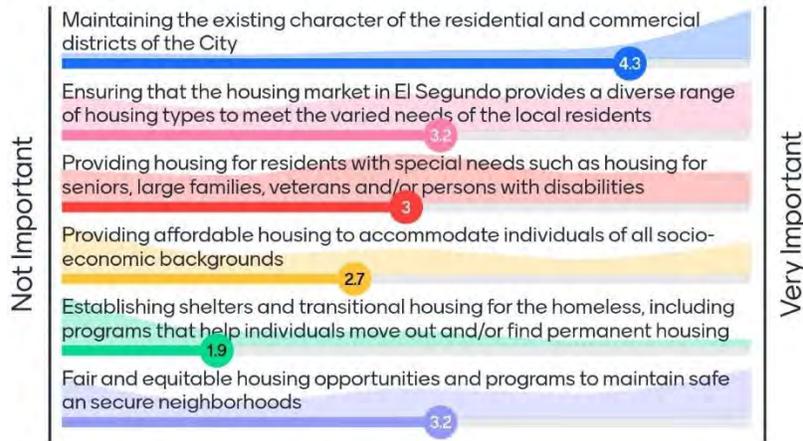
**In your opinion, what housing types would you like to see more of in El Segundo? (Select the Top 3)**

Mentimeter



**On a scale of 1 to 5, with 5 being "very important," how important are the following concerns to you?**

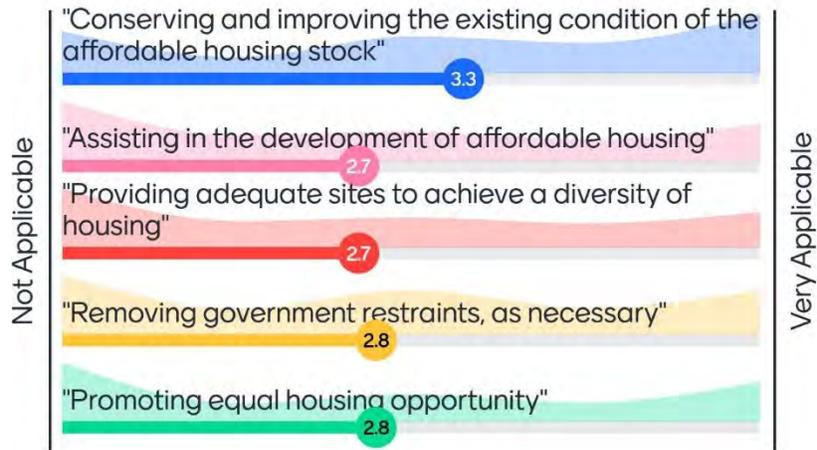
Mentimeter



25

These are existing housing goals adopted in the current Housing Element. How applicable are these goals to El Segundo today and for the future?

Mentimeter



### C. SUMMARY OF PUBLIC COMMENTS

The April 13, 2021 meeting was attended by 70 attendees. Public comments received are summarized below:

- The City lacks affordable housing, including housing for seniors who can no longer afford to live in the City. The former school site did not include any affordable units.
- Need to attract young adults to move back to El Segundo. Housing costs are too high. Need to provide opportunities for young adults to buy affordable housing.
- Should consider more housing on Rosecrans.
- Increasing density should consider how to alleviate gridlocks in traffic.

June 14, 2021 Meeting:

- Ensure affordable housing option includes the option to purchase.
- Housing for teachers and first responders, and housing for the Air Force Base.
- Support quality affordable housing.

# APPENDIX C: ASSESSMENT OF FAIR HOUSING

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## A. INTRODUCTION AND OVERVIEW OF AB 686

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In 2017, Assembly Bill 686 (AB 686) introduced an obligation to affirmatively further fair housing (AFFH) into California state law. AB 686 defined “affirmatively further fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. The Bill added an assessment of fair housing to the Housing Element which includes the following components:

- A summary of fair housing issues and assessment of the jurisdiction’s fair housing enforcement and outreach capacity;
- An analysis of segregation patterns, disparities in access to opportunities, and disproportionate housing needs;
- An assessment of contributing factors; and
- An identification of fair housing goals and actions.

The AFFH rule was originally a federal requirement applicable to entitlement jurisdictions, those with populations over 50,000 that can receive HUD Community Planning and Development (CPD) funds directly from HUD. Before the 2016 federal rule was repealed in 2019, entitlement jurisdictions were required to prepare an Assessment of Fair Housing (AFH) or Analysis of Impediments to Fair Housing Choice (AI). AB 686 states that jurisdictions can incorporate findings from either report into the Housing Element.

This analysis of fair housing issues in El Segundo relies on the 2018 Analysis of Impediments to Fair Housing Choice (AI) prepared by the Los Angeles Community Development Authority (LACDA), California Department of Housing and Community Development (HCD) AFFH Data Viewer mapping tool, 2015-2019 American Community Survey (ACS), HUD Comprehensive Housing Affordability Strategy (CHAS) data, HUD AFFH data, and additional local sources of information.

## B. ASSESSMENT OF FAIR HOUSING ISSUES

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### 1. Enforcement and Outreach

Federal fair housing laws prohibit discrimination based on race, color, religion, national origin, sex/gender, handicap/disability, and familial status. Specific federal legislation and court rulings include:

- **The Civil Rights Act of 1866** – covers only race and was the first legislation of its kind
- **The Federal Fair Housing Act 1968** – covers refusal to rent, sell, or finance
- **The Fair Housing Amendment Act of 1988** – added the protected classes of handicap and familial status
- **The Americans with Disabilities Act (ADA)** – covers public accommodations in both businesses and in multi-family housing developments

- **Shelly v. Kramer 1948** – made it unconstitutional to use deed restrictions to exclude individuals from housing
- **Jones v. Mayer 1968** – made restrictive covenants illegal and unenforceable

California state fair housing laws protect the same classes as the federal laws with the addition of marital status, ancestry, source of income, sexual orientation, and arbitrary discrimination. Specific State legislation and regulations include:

- **Unruh Civil Rights Act** – extends to businesses and covers age and arbitrary discrimination
- **California Fair Employment and Housing Act (Rumford Act)** – covers the area of employment and housing, with the exception of single-family houses with no more than one roomer/boarder
- **California Civil Code Section 53** – takes measures against restrictive covenants
- **Department of Real Estate Commissioner’s Regulations 2780-2782** – defines disciplinary actions for discrimination, prohibits panic selling and affirms the broker’s duty to supervise
- **Business and Professions Code** – covers people who hold licenses, including real estate agents, brokers, and loan officers.

The City has committed to complying with applicable federal and State fair housing laws to ensure that housing is available to all persons without regard to race, color, religion, national origin, disability, familial status, or sex as outlined in the 2018 AI. Further, the Los Angeles County Development Authority (LACDA) prohibits discrimination in any aspect of housing on the basis of race, color, religion, national origin, disability, familial status, or sex.

During the 2018 AI development process, LACDA implemented a series of outreach efforts including regional discussion groups, three sets of four focus groups each, aimed to address disability and access, education, employment and transportation, and healthy neighborhoods, and a Resident Advisory Board Meetings; community input meetings; and the 2017 Resident Fair Housing Survey. Regional discussions included developer groups, companies, organizations, and agencies, and government groups, including the City of El Segundo. The following topics were covered in the Government Discussion Group meeting:

- Lack of jurisdictions that have R/ECAP areas
- Discussion on community meetings
- Discussion of surveys
- City of Los Angeles R/ECAP areas
- Social engineering in the past due to highway, designing of public housing in poor areas by private, federal, and local governments
- Setting realistic goals and outcomes
- HRC- protect class different in state verses federal law
- Mortgages based on disparate impact-census areas
- Disparate impacts on women

R/ECAPs are discussed in Chapter 3, *Racially or Ethnically Concentrated Areas of Poverty*, of this Assessment of Fair Housing. Historical trends, zoning, and home loan trends are also discussed in Chapter 5, *Disproportionate Housing Needs*, of this Assessment of Fair Housing.

Focus group meetings for preparation of the 2018 AI focused on the following contributing factors:

- **Education** – Attendees discussed the location of proficient schools, inadequate funding for schools both public and charter, lack of information on the transfer process for parents, and child safety when walking to school. Attendees expressed concern about school of choice and funding for under-performing schools, promotion of educational opportunities to parents, and safety.
- **Transportation and Jobs** – Attendees discussed lack of available clothing for employment, lack of resources and services for working families, stigma of transgender employees, and the prevalence of low skill workers. They expressed concern about the lack reliable transportation, jobs located far from workers, and childcare expenses.
- **Healthy Neighborhoods** – This focus group discussed location and access to grocery stores, illegal dumping, poor access to quality healthcare, and general public safety concerns such as safe streets and homeless encampments. There were concerns related to industrial facilities in communities highly burdened by air pollution, proximity to air pollution, bike and pedestrian improvements, and greenhouse gas emission reduction strategies.
- **Disability and Access** – The disability and access focus group discussed availability of accessible housing options, lack of knowledge of the ADA’s Right to Reasonable Accommodation, overlapping needs of people with multiple disabilities, and a long waitlist for accessible and affordable housing.

A total of 6,290 responses were recorded from the 2017 Resident Fair Housing Survey. The survey found that most residents thought their neighborhood had adequate access to public transportation, cleanliness, and schools, and that the condition of public spaces and buildings were good, very good, or excellent. More residents reported availability of quality public housing and job opportunities were only fair or poor. The survey also found that households with a person with a disability found it more difficult to get around their neighborhood or apartment complex. Access to opportunities, housing conditions, and populations of persons with disabilities in El Segundo are further discussed below in this Assessment of Fair Housing Issues.

In preparation of this 2021-2029 Housing Element, the City of El Segundo conducted multiple outreach activities including:

- April 13, 2021 - Community meeting to obtain input on housing needs and suggestions for programs and policies
- City webpage on Housing Element Update (<https://www.elsegundo.org/housing-element>)
- Community Survey through Mentimeter
- YouTube Video regarding Housing Element Update (<https://youtu.be/SC9DjxxGQq8>)
- Social media postings (Facebook, Twitter, Instagram, YouTube, and City website)
- June 14, 2021 – Joint Planning Commission and City Council meeting to discuss the selection of sites for RHNA

- September 30, 2021 – Planning Commission meeting to discuss the Draft Housing Element

All meetings were advertised through social media, postcards to agencies and organizations that serve low and moderate income and special needs residents, local businesses, nonprofit organizations, and religious facilities. Notices of meetings were also published in El Segundo Herald. The Housing Element responded to public comments by continuing to adjust the sites inventory after each public meeting. The Draft Housing Element has been available for public review since September 27, 2021.

The following comments were received during community meeting on April 13, 2021, and the Planning Commission/City Council meeting on June 14, 2021:

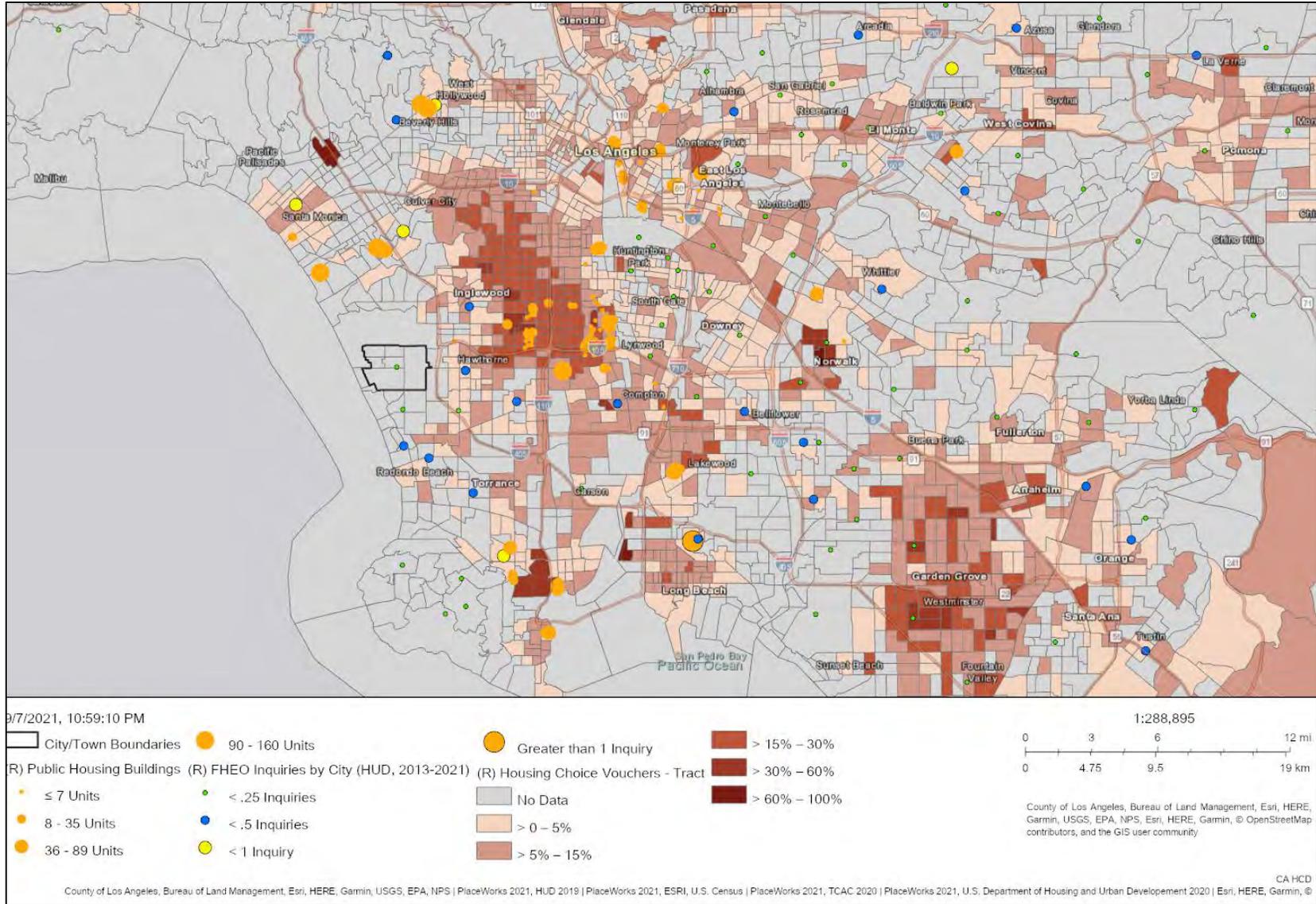
- The City lacks affordable housing, including housing for seniors who can no longer afford to live in the City; the former school site did not include any affordable units.
- Need to attract young adults to move back to El Segundo; housing costs are too high; need to provide opportunities for young adults to buy affordable housing.
- Should consider more housing on Rosecrans.
- Increasing density should consider how to alleviate gridlocks in traffic.
- Ensure affordable housing option includes the option to purchase.
- Housing for teachers and first responders, and housing for the Air Force Base.
- Support quality affordable housing.

According to HUD’s Office of Fair Housing and Equal Opportunity (FHEO) records, 130 housing discrimination cases were filed in Los Angeles County in 2020, compared to 291 in 2010. In 2020, a majority of cases were related to disability (66%). Another 21% of cases were related to racial bias. The percent of cases related to disability has increased significantly since 2010, when only 36% of cases reported a disability bias. Public housing buildings, FHEO inquiries by City and housing choice voucher (HCV) recipients by tract are shown in [Figure C-1](#). HCVs are most concentrated in the areas east of El Segundo, near Inglewood, the City of Los Angeles, and in the adjacent unincorporated County areas. Public housing buildings are concentrated in the same area. However, there are many public housing buildings scattered throughout the County.

According to the HCD AFFH Data Viewer, there has been only two FHEO inquiries in El Segundo since 2013. Both were unrelated to a specific basis of discrimination. There is no additional discrimination complaint or case data available for the City of El Segundo.

There are no concentrations of renters receiving housing choice vouchers (HCVs) in the City. There are also no public housing buildings in El Segundo.

Figure C-1: Public Housing Buildings, FHEO Inquiries by City, and HCVs by Tract



Source: HCD AFFH Data Viewer, HUD 2013-2021, 2021.

## 2. Integration and Segregation

### RACE AND ETHNICITY

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns, as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences and mobility.

Dissimilarity indices can be used to measure the evenness of distribution between two groups in an area. Dissimilarity indices are commonly used to measure segregation. The following shows how HUD views various levels of the index:

- <40: Low Segregation
- 40-54: Moderate Segregation
- >55: High Segregation

The following analysis of racial/ethnic segregation also includes racial/ethnic minority population trends, maps of minority concentrated areas over time, and an analysis of the City’s sites inventory as it relates to minority (non-White) concentrated areas.

**Regional Trend.** As shown in Table C-1, racial/ethnic minority groups make up 73.7% of the Los Angeles County population. Nearly half of the Los Angeles County population is Hispanic/Latino (48.5%), 26.2% of the population is White, 14.4% is Asian, and 7.8% is Black/African American. El Segundo and the neighboring cities of Hermosa Beach, Manhattan Beach, and Redondo Beach have significantly smaller populations of racial/ethnic minority (non-White) populations compared to the County, while Hawthorne and Inglewood have racial/ethnic minority populations exceeding the countywide average. Of the selected jurisdictions, Inglewood has the largest racial/ethnic minority population (95.5%), and Hermosa Beach has the smallest (22%).

**Table C-1: Racial/Ethnic Composition – L.A. County, El Segundo, and Neighboring Cities**

Race/Ethnicity	El Segundo	Hawthorne	Hermosa Beach	Inglewood	Manhattan Beach	Redondo Beach	LA County
White	62.0%	10.3%	78.0%	4.5%	73.3%	60.3%	26.2%
Black/African American	3.7%	24.1%	1.0%	39.6%	0.4%	3.1%	7.8%
American Indian/Alaska Native	0.0%	0.2%	0.6%	0.3%	0.2%	0.3%	0.2%
Asian	10.2%	7.5%	5.2%	2.0%	13.4%	13.5%	14.4%
Native Hawaiian/Pacific Islander	0.1%	0.3%	0.0%	0.4%	0.1%	0.1%	0.2%
Some other race	0.4%	0.5%	0.3%	0.4%	0.1%	0.6%	0.3%
Two+ races	7.4%	2.2%	5.6%	2.2%	4.5%	6.1%	2.3%
Hispanic/Latino	16.2%	54.8%	9.4%	50.6%	8.0%	16.0%	48.5%

Source: 2015-2019 American Community Survey (ACS), 5-Year Estimates.

As discussed previously, HUD’s dissimilarity indices can be used to estimate segregation levels over time. Dissimilarity indices for Los Angeles County are shown in Table C-2. Dissimilarity indices between non-White and White groups indicate that the County has become increasingly segregated since 1990. Segregation between Black and White communities has decreased, while segregation

between Hispanic and Asian/Pacific Islander communities and White communities has increased. According to HUD’s thresholds, all White and non-White communities in Los Angeles County are highly segregated.

**Table C-2: Racial/Ethnic Dissimilarity Trends – Los Angeles County**

	1990	2000	2010	Current
Non-White/White	56.66	56.72	56.55	58.53
Black/White	73.04	67.40	64.99	68.24
Hispanic/White	60.88	63.03	63.35	64.33
Asian or Pacific Islander/White	46.13	48.19	47.62	51.59

Source: U.S. Department of Housing and Urban Development (HUD) Affirmatively Furthering Fair Housing (AFFH) Database, 2020.

**Figure C-2** shows that most areas in Los Angeles County have high concentrations of racial/ethnic minorities. Coastal cities, including Santa Monica and Redondo Beach, and the areas surrounding Beverly Hills, West Hollywood, and the Pacific Palisades neighborhood generally have smaller non-White populations. Most block groups in the South Bay, San Gabriel Valley, San Fernando Valley, and central Los Angeles areas have majority racial/ethnic minority populations. El Segundo’s racial/ethnic minority populations are comparable to surrounding jurisdictions. Coastal communities north and south of El Segundo tend to have smaller racial/ethnic minority populations, while communities east of El Segundo, such as Hawthorne and Inglewood, have larger concentrations racial/ethnic minorities.

**Local Trend.** According to the 2015-2019 ACS, 38% of the El Segundo population belongs to a racial or ethnic minority group, an increase from 30.5% during the 2006-2010 ACS. In comparison, 73.7% of Los Angeles County residents belong to a racial or ethnic minority group. Since the 2006-2010 ACS, the City has seen a decline in the White, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and Hispanic populations and increase in the Black/African American population, Asian population, persons of a race not listed (“some other race”), and persons of two or more races (Table C-3).

**Table C-3: Change in Racial/Ethnic Composition (2010-2019)**

Race/Ethnicity	2010		2019	
	Persons	Percent	Persons	Percent
White	11,499	69.5%	10,375	62.0%
Black/African American	276	1.7%	626	3.7%
American Indian/Alaska Native	90	0.5%	0	0.0%
Asian	956	5.8%	1,701	10.2%
Native Hawaiian/Pac. Islander	26	0.2%	9	0.1%
Some other race	21	0.1%	70	0.4%
Two or more races	649	3.9%	1,241	7.4%
Hispanic/Latino	3,017	18.2%	2,709	16.2%
<b>Total</b>	<b>16,534</b>	<b>100%</b>	<b>16,731</b>	<b>100.0%</b>

Source: 2015-2019 and 2006-2010 ACS (5-Year Estimates).

Because HUD does not provide dissimilarity indices for El Segundo, dissimilarity was calculated based on the 2000 and 2010 decennial census and 2015-2019 ACS. Indices for the City are presented in Table C-4. Dissimilarity between non-White and White communities in El Segundo has worsened since 2000. Based on HUD’s definition of the various levels of the index, segregation between Hispanic/White and Asian /White El Segundo residents is low. However, Black and White communities are highly segregated. Compared to the County as a whole, El Segundo is less segregated based on dissimilarity indices.

**Table C-4: Racial/Ethnic Dissimilarity Trends – El Segundo**

	2000	2010	2019
Non-White/White	14.35	13.48	22.87
Black/White	36.67	22.11	63.26
Hispanic/White	23.43	15.18	33.49
Asian/White	14.83	14.21	24.51
Source: 2000 and 2010 Decennial Census; 2015-2019 ACS (5-Year Estimates); Veronica Tam & Associates, 2021.			

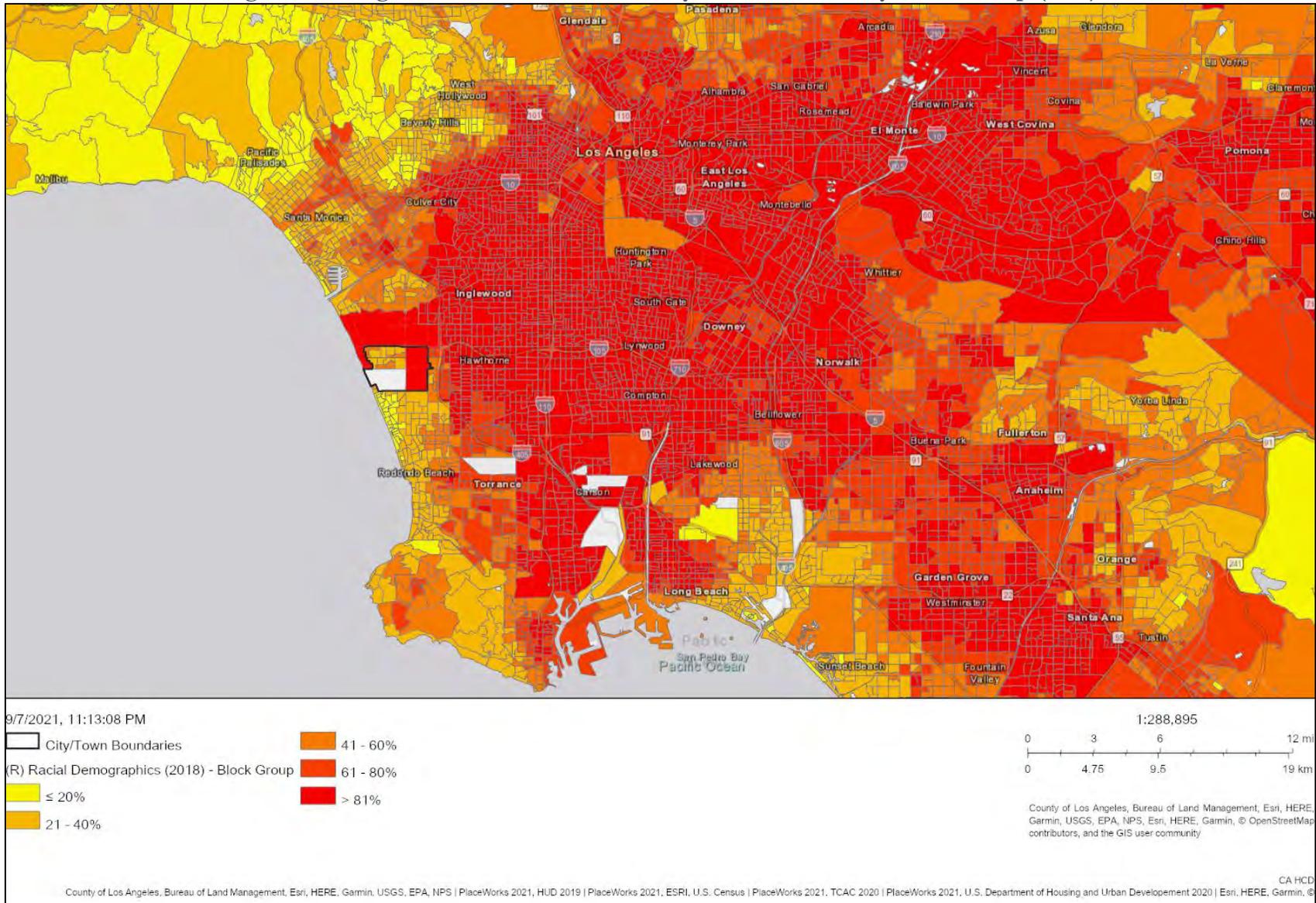
Figure C-3 and Figure C-4 compare racial or ethnic minority concentrations in El Segundo in 2010 and 2018. The eastern side of the City has seen the most significant increase in non-White populations, from less than 20% in 2010 to more than 81% in 2018. Between 21% and 60% of the population belongs to a racial/ethnic minority group in the northeastern corner of the City. Nearly all residential units are located in this section of the City.

**Sites Inventory.** To assess the City’s sites inventory used to meet the 2021-2029 RHNA, the distribution of units by income category and non-White block group population are shown in Figure C-4 and . The City relies on mixed use overlay sites and potential redevelopment sites in the housing overlay to meet the 2021-2029 RHNA. All sites are located in the northwestern corner of the City where nearly all existing residential units are located. Additional information on current zoning designations in El Segundo is provided Section 6, Other Relevant Factors, of this Assessment of Fair Housing. Refer to Chapter 5, Housing Opportunities, of this Housing Element for the complete RHNA strategy. Most units are in block where 41-60% of the population belongs to a racial/ethnic minority group, including all 71.6% of lower income units, 70.4% of moderate income units, and 77.4% of above moderate income units. The remaining RHNA units are in block groups where 21-40% of the population belongs to a racial or ethnic minority group. It is relevant to note that the block group containing RHNA sites with the largest non-White population has a racial/ethnic minority population of only 46%. The racial/ethnic minority population ranges provided by the HCD AFFH Data Viewer may exaggerate the concentration of minority groups in El Segundo block groups. Of block groups containing RHNA units, racial or ethnic minority populations range from 29.6% to 46%. The City’s RHNA strategy does not concentrate RHNA units, specifically lower income units, in areas where the racial/ethnic minority population exceeds the Citywide trend.

**Table C-5: Distribution of RHNA Units by Racial/Ethnic Minority Population**

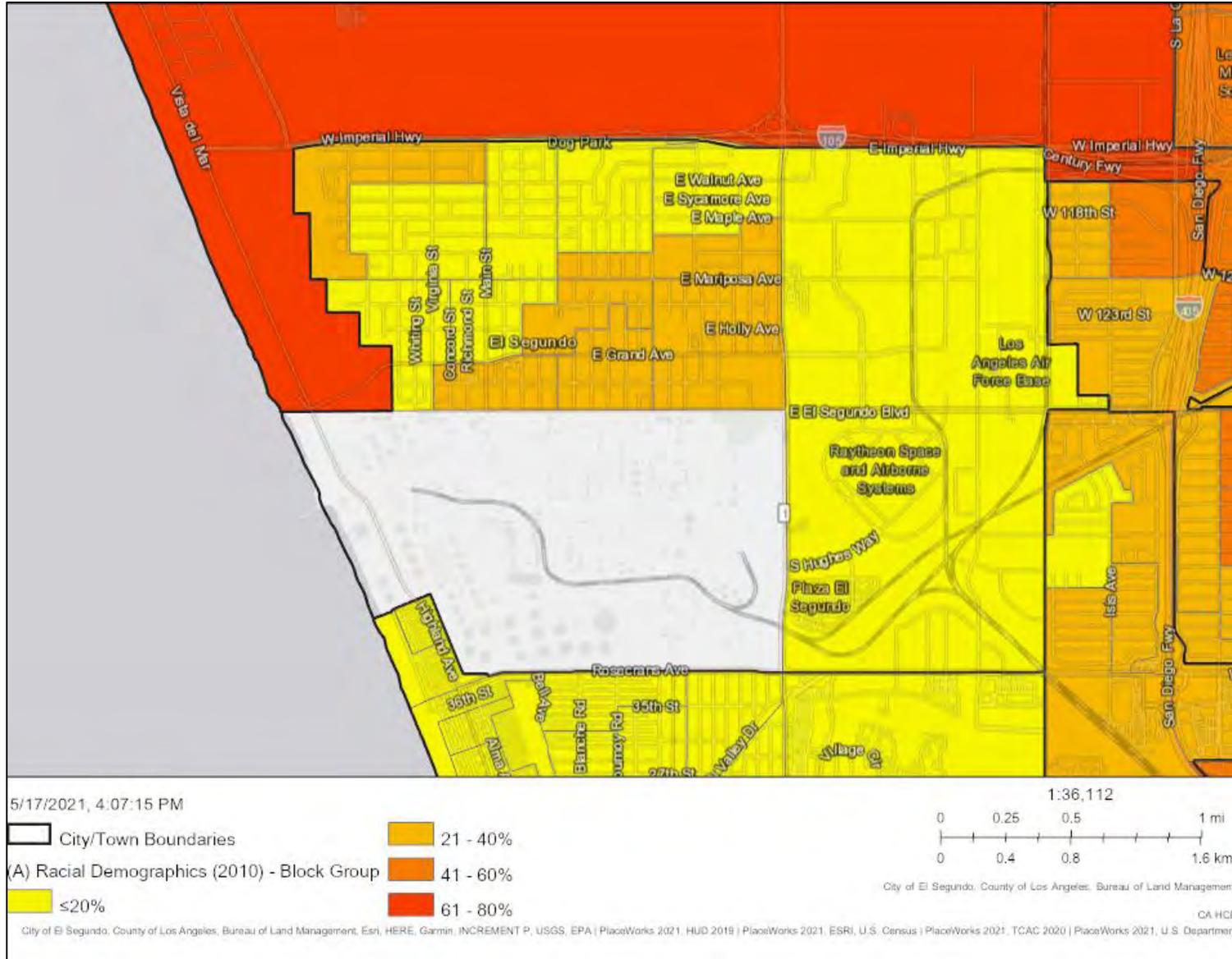
Racial/Ethnic Minority Population (Block Group)	Lower Income		Moderate Income		Above Moderate Income		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<u>21-40%</u>	<u>73</u>	<u>28.4%</u>	<u>55</u>	<u>29.6%</u>	<u>53</u>	<u>22.6%</u>	<u>181</u>	<u>26.7%</u>
<u>41-60%</u>	<u>184</u>	<u>71.6%</u>	<u>131</u>	<u>70.4%</u>	<u>182</u>	<u>77.4%</u>	<u>497</u>	<u>73.3%</u>
<b><u>Total</u></b>	<b><u>257</u></b>	<b><u>100.0%</u></b>	<b><u>186</u></b>	<b><u>100.0%</u></b>	<b><u>235</u></b>	<b><u>100.0%</u></b>	<b><u>678</u></b>	<b><u>100.0%</u></b>

Figure C-2: Regional Racial/Ethnic Minority Concentrations by Block Group (2018)

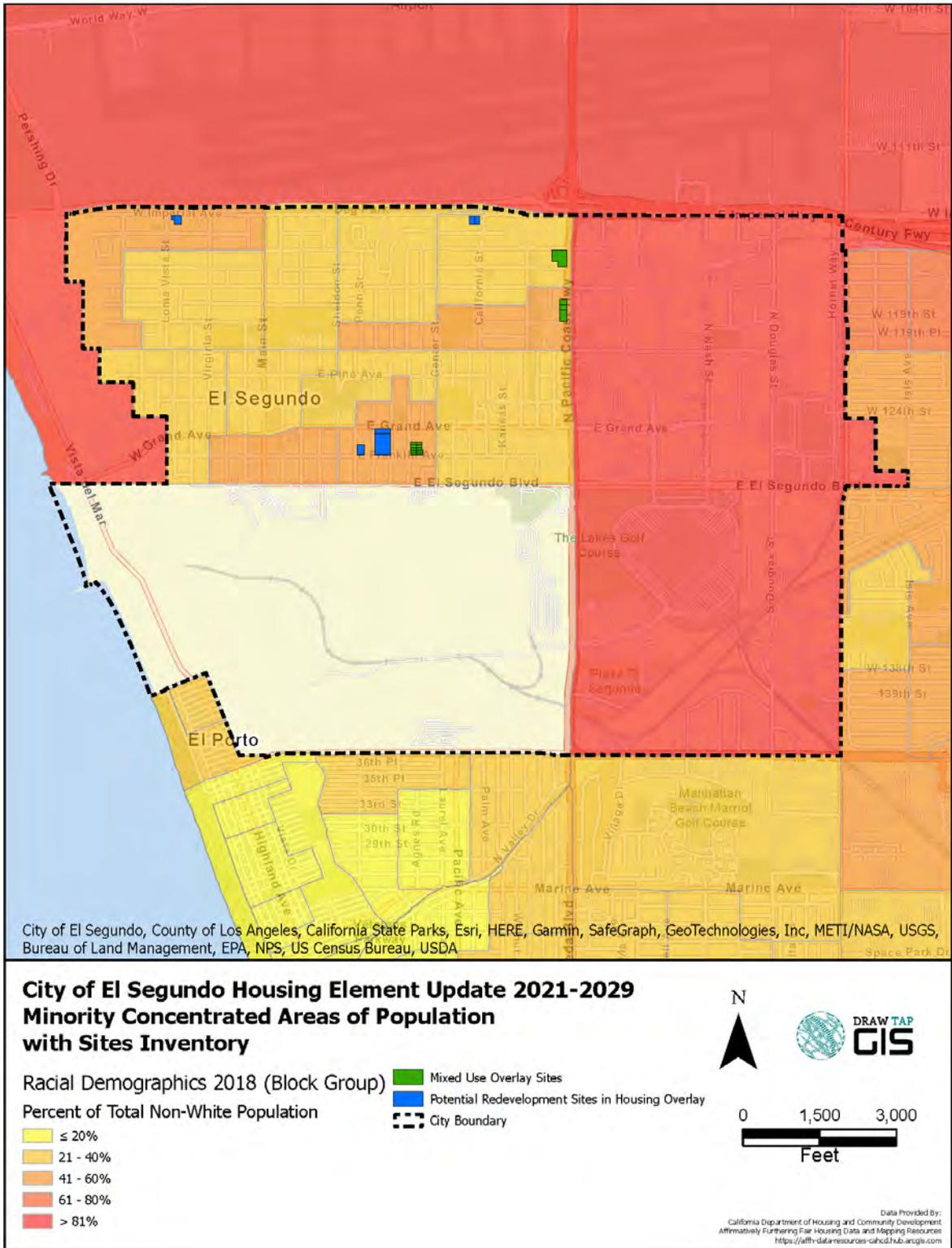


Source: HCD AFFH Data Viewer (2018), 2021.

Figure C-3: Racial/Ethnic Minority Concentrations by Block Group (2010)



**Figure C-4: Racial/Ethnic Minority Concentrations by Block Group and Sites Inventory (2018)**



Source: HCD AFFH Data Viewer (2010-2018), 2021.

## **DISABILITY**

Persons with disabilities have special housing needs because of their fixed income, the lack of accessible and affordable housing, and the higher health costs associated with their disability.

**Regional Trend.** According to the 2015-2019 ACS, 9.9% of Los Angeles County residents experience a disability. Only 6.2% of the El Segundo population experiences a disability. El Segundo has a smaller population of persons with disabilities compared to the neighboring cities of Hawthorne (9.6%), Hermosa Beach (6.7%), Inglewood (12.5%), and Redondo Beach (6.5%), but larger than Manhattan Beach (5.6%).

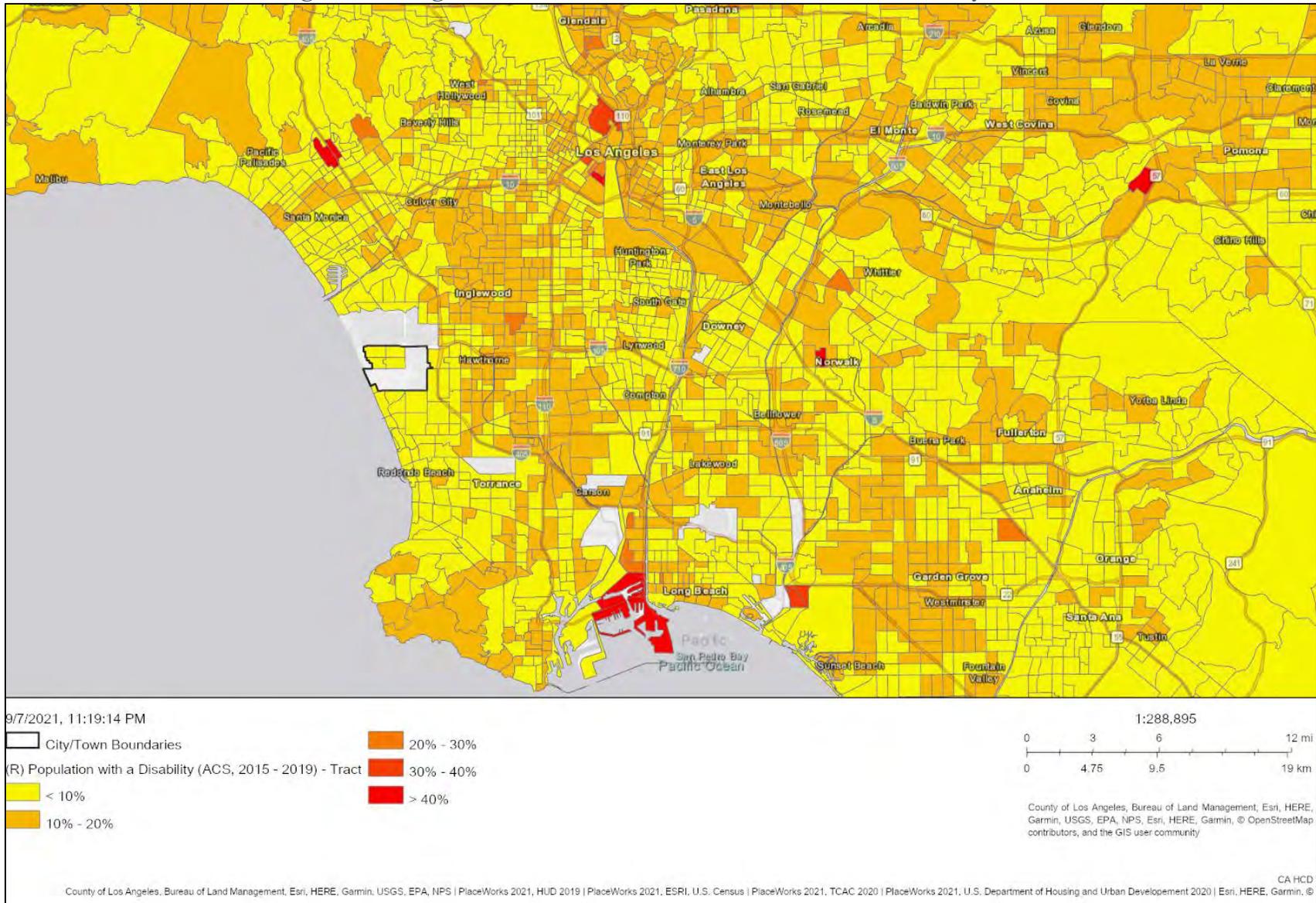
As shown in [Figure C-5](#), less than 20% of the population in most tracts in Los Angeles County experience a disability. Tracts with disabled populations exceeding 20% are not concentrated in one area of the County. Tracts with populations of persons with disabilities exceeding 20% are near the cities of Inglewood, the City of Los Angeles, Long Beach, Norwalk, and Santa Monica. The coastal cities of El Segundo, Manhattan Beach, Hermosa Beach, and Redondo Beach tend to have smaller disabled populations. The concentration of persons with disabilities in El Segundo is comparable to neighboring jurisdictions.

**Local Trend.** All tracts in El Segundo have populations of persons with disabilities below 10% (Figure C-6). Independent living and cognitive difficulties are the most common disability type in El Segundo; 2.7% of the population experiences an independent living difficulty, 2.6% experiences a cognitive difficulty, 2.5% experiences an ambulatory difficulty, 2.2% experiences a hearing difficulty, 1.1% experiences a vision difficulty, and 0.9% experiences a self-care difficulty.

Disabilities are generally more common amongst aging populations. Over 35% of El Segundo residents above the age of 75 experience a disability and 17% of residents between the ages of 65 and 74 experience a disability. Approximately 11% of the population citywide is aged 65 or older.

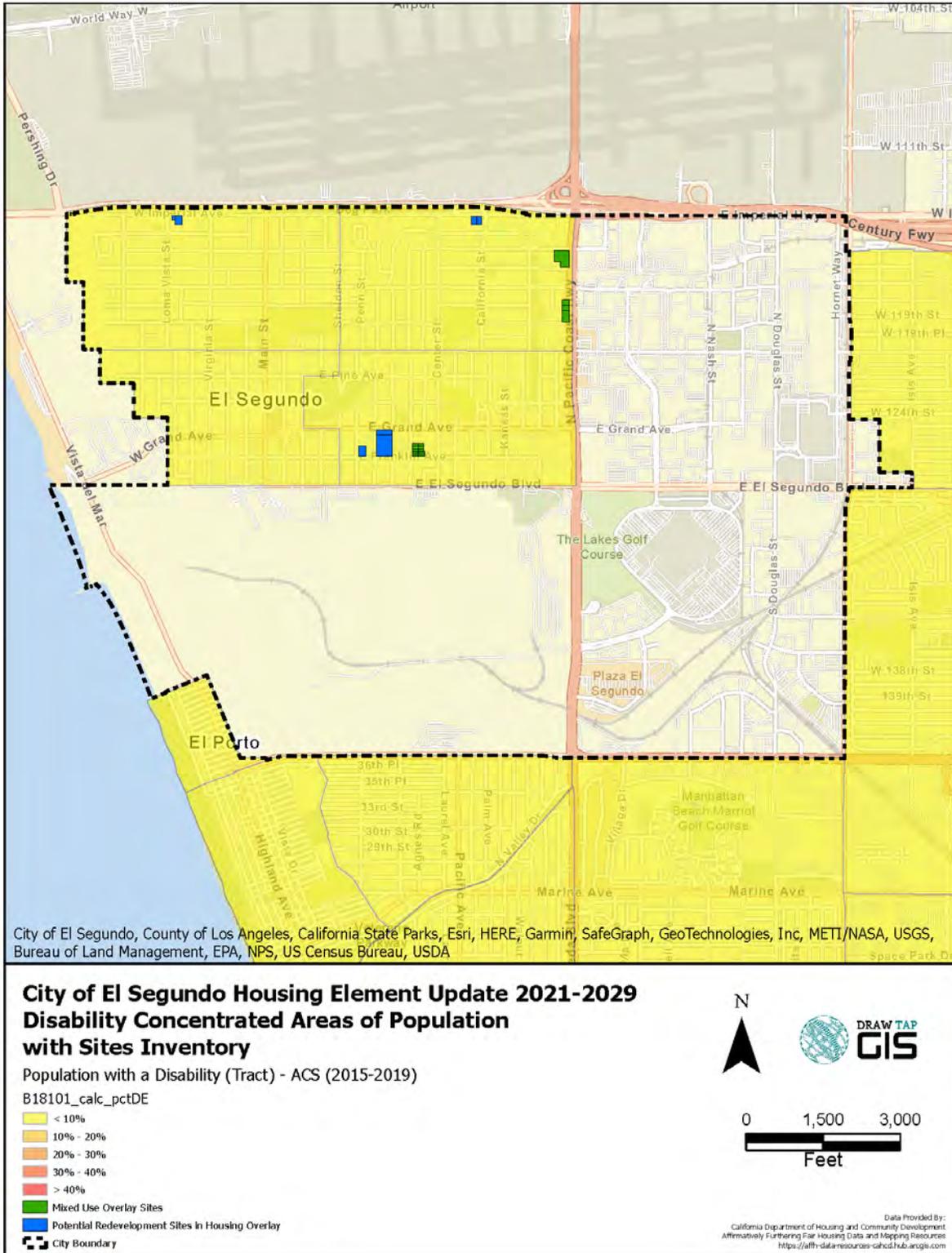
**Sites Inventory.** All sites selected to meet the 2021-2029 RHNA are in tracts where less than 10% of the population experiences one or more disabilities. [The City's RHNA strategy does not concentrate RHNA units of any income level in areas where populations of persons with disabilities are more prevalent.](#)

Figure C-5: Regional Concentrations of Persons with Disabilities by Tract



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

**Figure C-6: Concentrations of Persons with Disabilities by Tract and Sites Inventory**



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

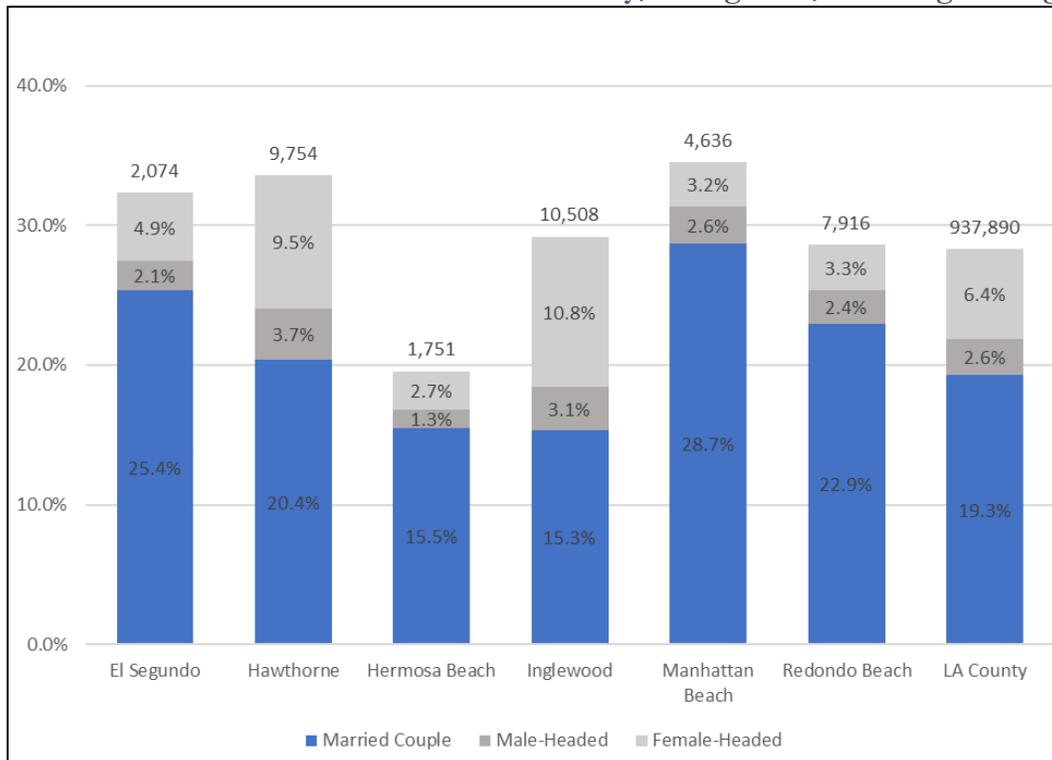
## FAMILIAL STATUS

Familial status refers to the presence of children under the age of 18, whether the child is biologically related to the head of household, and the marital status of the head of households. Families with children may face housing discrimination by landlords who fear that children will cause property damage. Some landlords may have cultural biases against children of the opposite sex sharing a bedroom. Differential treatments such as limiting the number of children in a complex or confining children to a specific location are also fair housing concerns. Single parent households are also protected by fair housing law.

**Regional Trend.** Approximately 32% of El Segundo households are families with one or more child under the age of 18. The City’s share of households with children is larger than the County, and the neighboring cities of Hermosa Beach, Inglewood, and Redondo Beach, but smaller than Hawthorne and Manhattan Beach (Figure C-7). Of the selected jurisdictions, Inglewood has the largest proportion of single-parent households representing 13.9% of all households in the City, while only 4% percent of households in Hermosa Beach are single-parent households.

More than 60% of children in most areas around Rolling Hills, Burbank, Redondo Beach, and the Pacific Palisades neighborhood live in married couple households (Figure C-8). Figure C-9 shows percent of children living in single-parent female-headed households by tract. Children in female-headed households are most concentrated in the areas east of El Segundo, including Inglewood, the City of Los Angeles, and unincorporated Los Angeles County communities, and the areas around Long Beach and Lakewood. In general, there are more children living in female-headed households in the central Los Angeles County areas compared to the South Bay, Westside, Gateway, San Fernando Valley, and San Gabriel Valley cities.

**Figure C-7: Households with Children – L.A. County, El Segundo, and Neighboring Cities**



Source: 2015-2019 ACS (5-Year Estimates).

**Local Trend.** El Segundo has seen an increase in households with children since 2010. During the 2006-2010 ACS, there were 1,999 households with children representing 27.5% of all City households. The most recent 2015-2019 ACS estimates there is now only 2,074 households with children in El Segundo representing 32% of all households in the City. Approximately 7% of households in the City are single-parent households including 4.9% female-headed single-parent households. Female-headed households with children require special consideration and assistance because of their greater need for affordable housing and accessible day care, health care, and other supportive services.

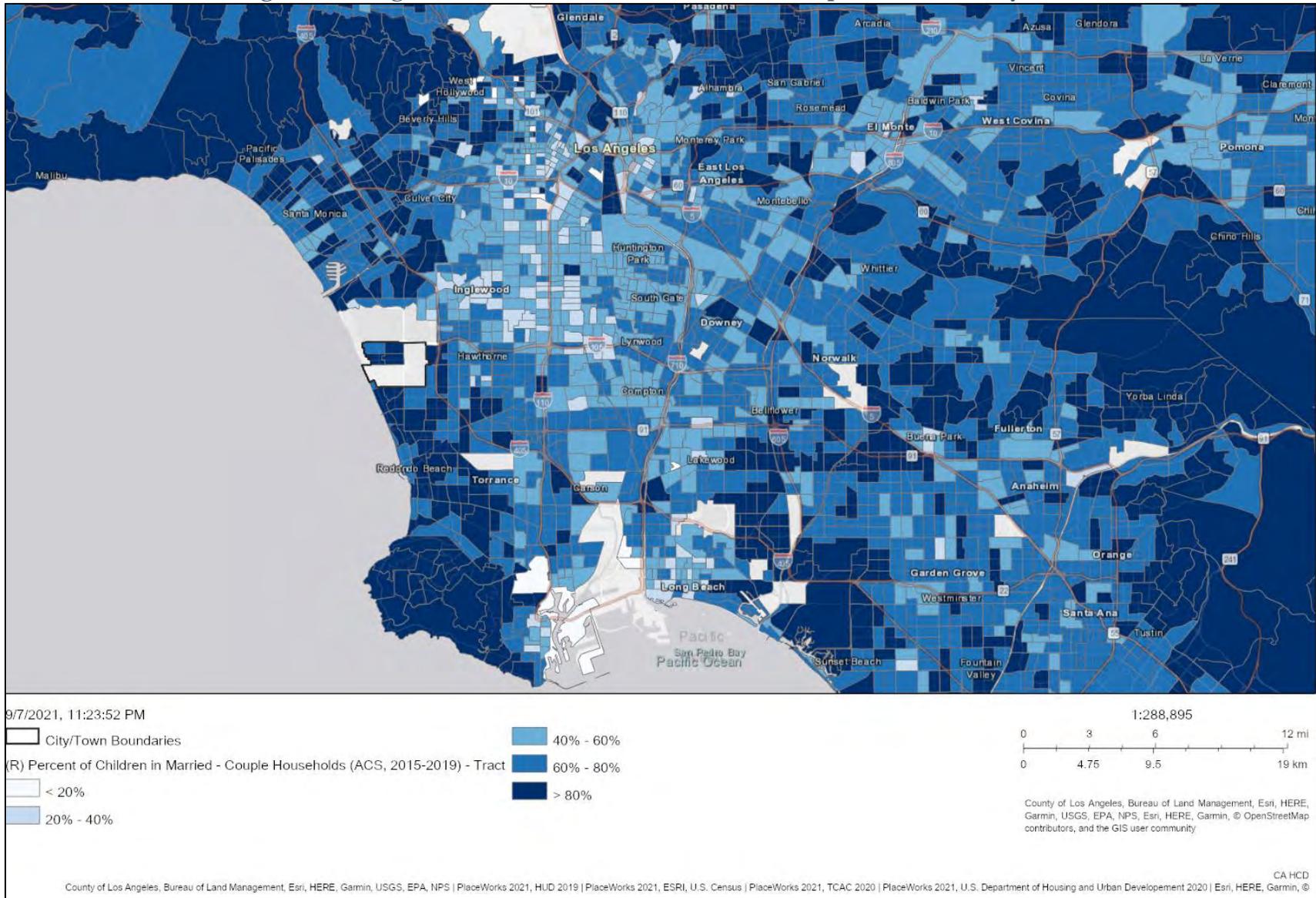
As shown in [Figure C-10](#), more than 60% of children live in married couple households in all El Segundo tracts. There are no tracts where more than 20% of children live in single-parent female-headed households according to HCD’s AFFH data viewer.

**Sites Inventory.** The distribution of RHNA units by population of children residing in married couple households is shown in Table C-6 and Figure C-10. Consistent with the Citywide trend, most RHNA units, including 93.8% of lower income units, 93.5% of moderate income units, and 94.9% of above moderate income units, are in tracts where more than 80 percent of children reside in married couple households. There is one tract in the City, in the northwestern corner, where only 75.6 percent of children reside in married couple households. Approximately 5.9% of RHNA units are located in this tract. The City’s RHNA strategy does not disproportionately place sites in areas where fewer children reside in married couple households. As discussed above, there are no tracts in El Segundo where more than 20% of children reside in single-parent female-headed households.

**Table C-6: Distribution of RHNA Units by Children in Married Couple Households**

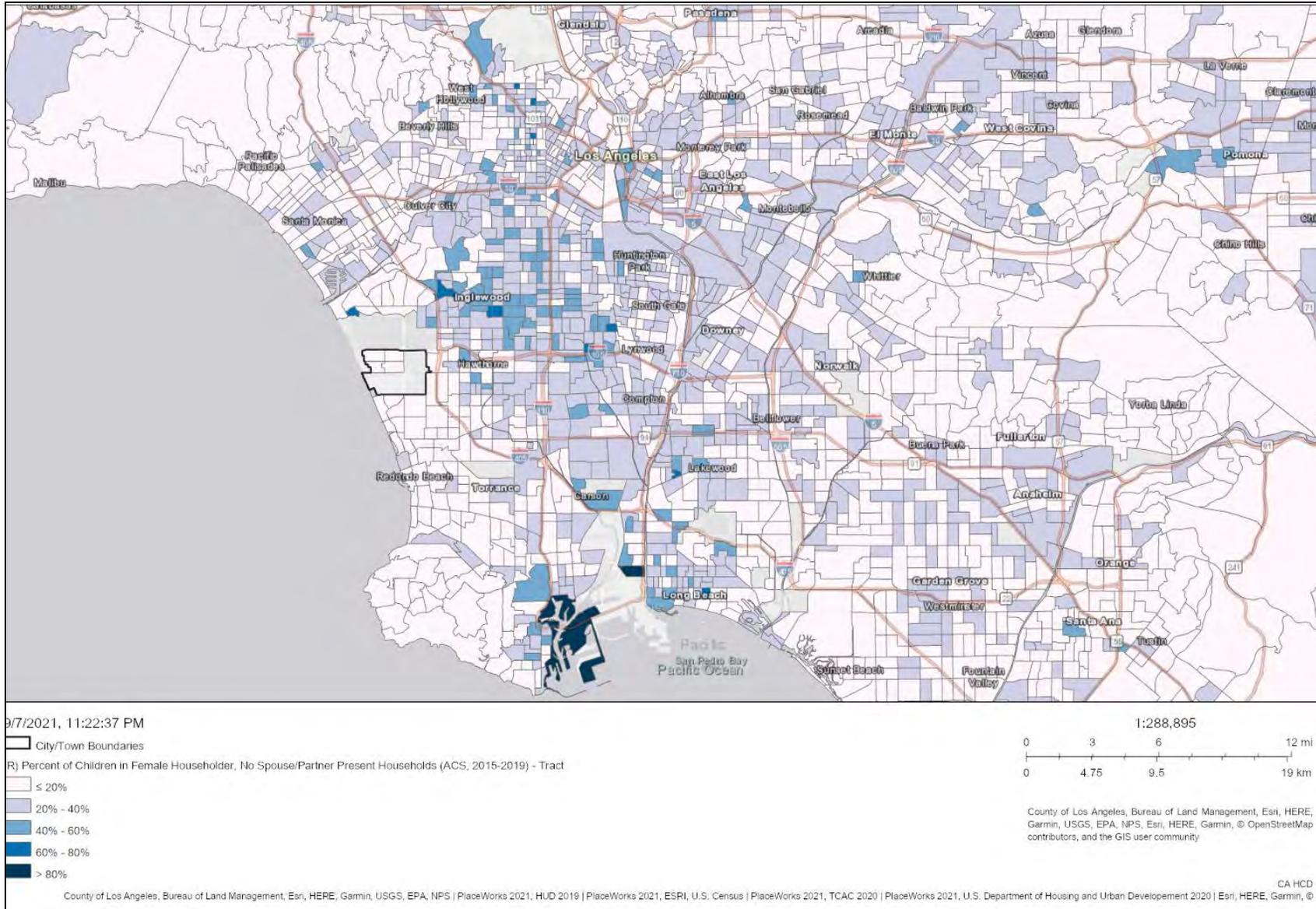
Percent of Children in Married Couple HHs (Tract)	Lower Income		Moderate Income		Above Moderate Income		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
60-80%	16	6.2%	12	6.5%	12	5.1%	40	5.9%
>80%	241	93.8%	174	93.5%	223	94.9%	638	94.1%
<b>Total</b>	<b>257</b>	<b>100.0%</b>	<b>186</b>	<b>100.0%</b>	<b>235</b>	<b>100.0%</b>	<b>678</b>	<b>100.0%</b>

Figure C-8: Regional Percent of Children in Married Couple Households by Tract



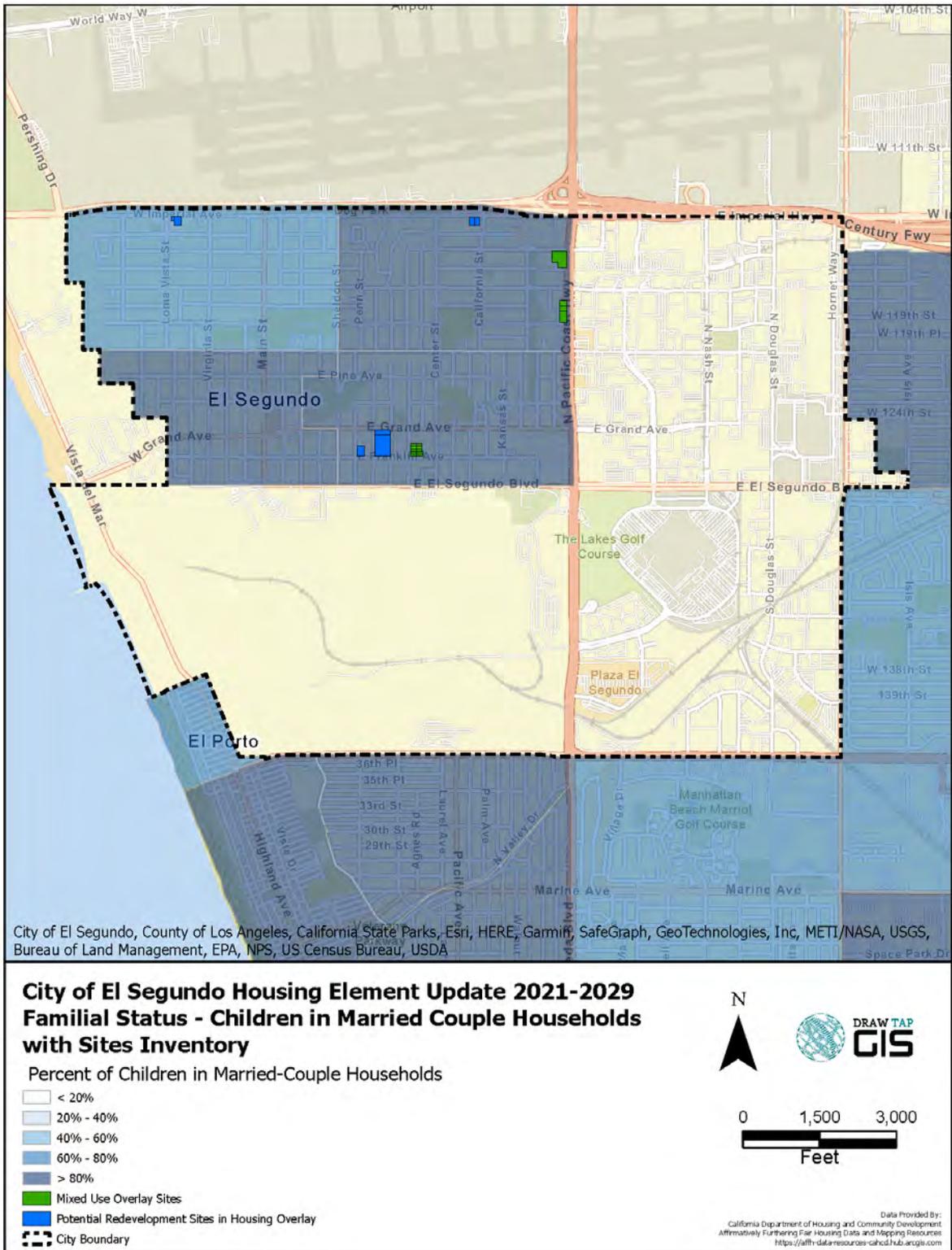
Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

Figure C-9: Regional Percent of Children in Female-Headed Households by Tract



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

**Figure C-10: Children in Married Couple Households by Tract and Sites Inventory**



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

## INCOME

Identifying low- or moderate-income (LMI) geographies and individuals is important to overcome patterns of segregation. HUD defines a LMI area as a census tract or block group where over 51% of the population is LMI (based on HUD’s income definition of up to 80% of the AMI).

**Regional Trend.** [Table C-7](#) shows that only 24.3% of El Segundo households earn 80% or less than the area median income and are considered lower income, compared to 41.3% Countywide. According to the 2015-2019 ACS, the median household income in El Segundo is \$109,577, significantly higher than \$68,044 countywide. El Segundo also has a higher median income than the nearby cities of Hawthorne (\$54,215) and Inglewood (\$54,400), but lower than Hermosa Beach (\$136,702), Manhattan Beach (\$153,023), and Redondo Beach (\$113,499).

**Table C-7: Income Level Distribution**

Income Category	El Segundo		Los Angeles County	
	Households	Percent	Households	Percent
Very Low Income (<50% AMI)	835	12.6%	859,239	26.1%
Low Income (50-80% AMI)	781	11.8%	501,140	15.2%
Moderate Income (80-120% AMI)	991	14.9%	532,128	16.1%
Above Moderate Income (>120% AMI)	4,031	60.7%	1,402,692	42.6%
<b>Total Households</b>	<b>6,638</b>	<b>100.0%</b>	<b>3,295,199</b>	<b>100.0%</b>

Note: AMI = Area Median Income  
Source: Southern California Association of Governments (SCAG) Final RHNA Data Appendix, 2020.

[Figure C-11](#) shows LMI areas regionally. Coastal cities, from Rancho Palos Verdes to El Segundo, and the Pacific Palisades neighborhood have low concentrations of LMI households. In these areas, less than 25% of the population is LMI in most tracts. LMI households are most concentrated in the central Los Angeles County region around the City of Los Angeles. There are smaller concentrations of LMI households in and around the cities of Glendale, El Monte, San Fernando, and Long Beach. El Segundo has LMI household concentrations consistent with coastal cities to the north and south.

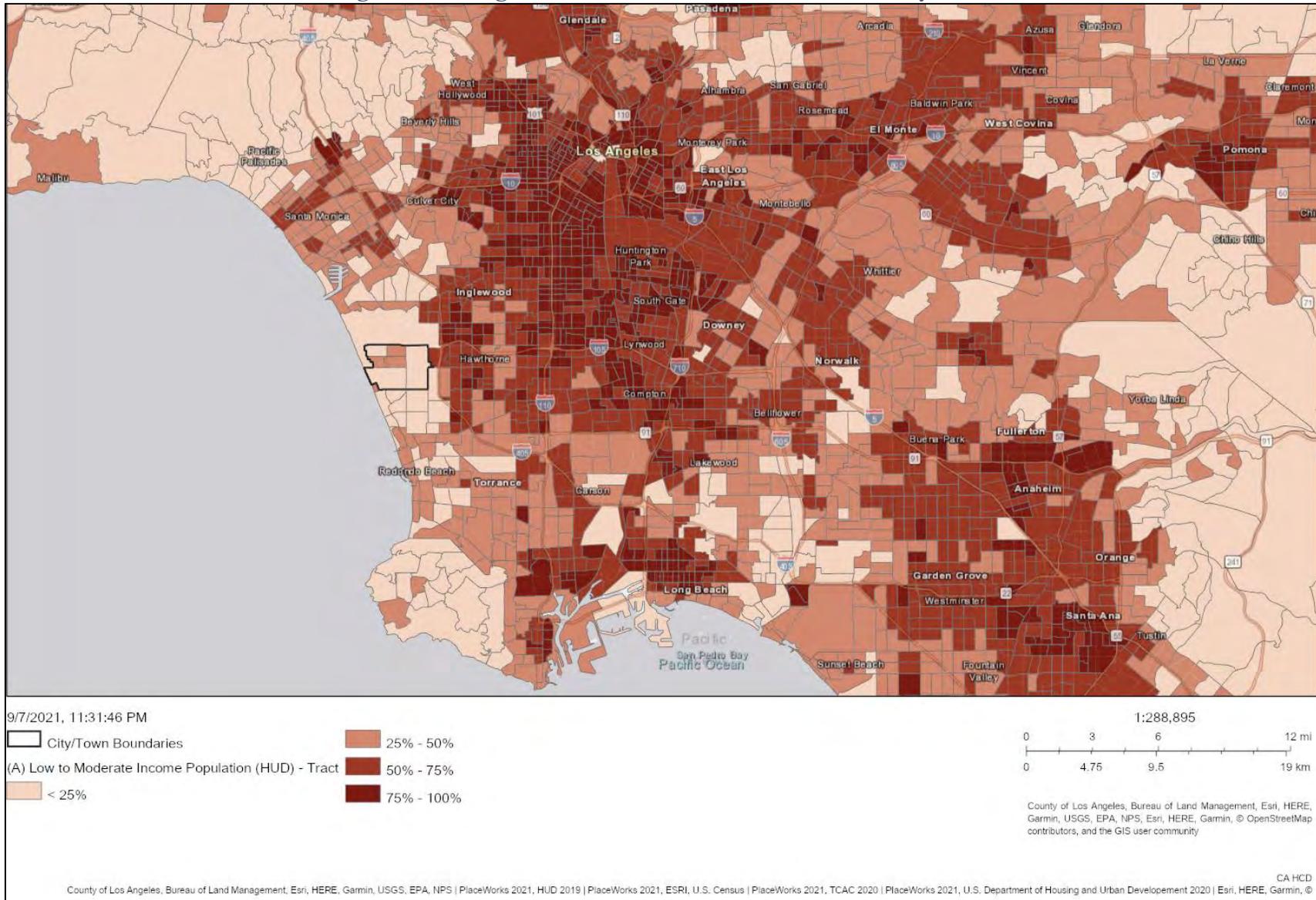
**Local Trend.** As discussed above, less than a quarter of El Segundo households are in the low or moderate income categories. [Figure C-12](#) shows LMI concentrations by block group in the City. According to HUD’s definition, there are no LMI areas in El Segundo. Less than 50% of households in all block groups are LMI.

**Sites Inventory.** [Figure C-12](#) also shows the [mixed use overlay sites and potential redevelopment sites in the housing overlay](#) used to meet the 2021-2029 RHNA. None of the sites are in LMI areas where more than 51% of households are low or moderate income. However, a larger proportion of lower and moderate income units are in block groups where 25% to 50% of households are LMI, compared to above moderate income units. Approximately 60% of lower income units and 62% of moderate income units are in tracts where more than 25% of the population is LMI compared to only 50% of above moderate income units. [Despite this, none of the sites selected are in LMI areas. The City’s RHNA strategy does not exacerbate existing conditions related to LMI households. Further, sites are located in various areas of the residential section of El Segundo, promoting housing suitable for households of all income levels throughout the City to the greatest extent possible.](#)

**Table C-8: Distribution of RHNA Units by Concentration of LMI Households**

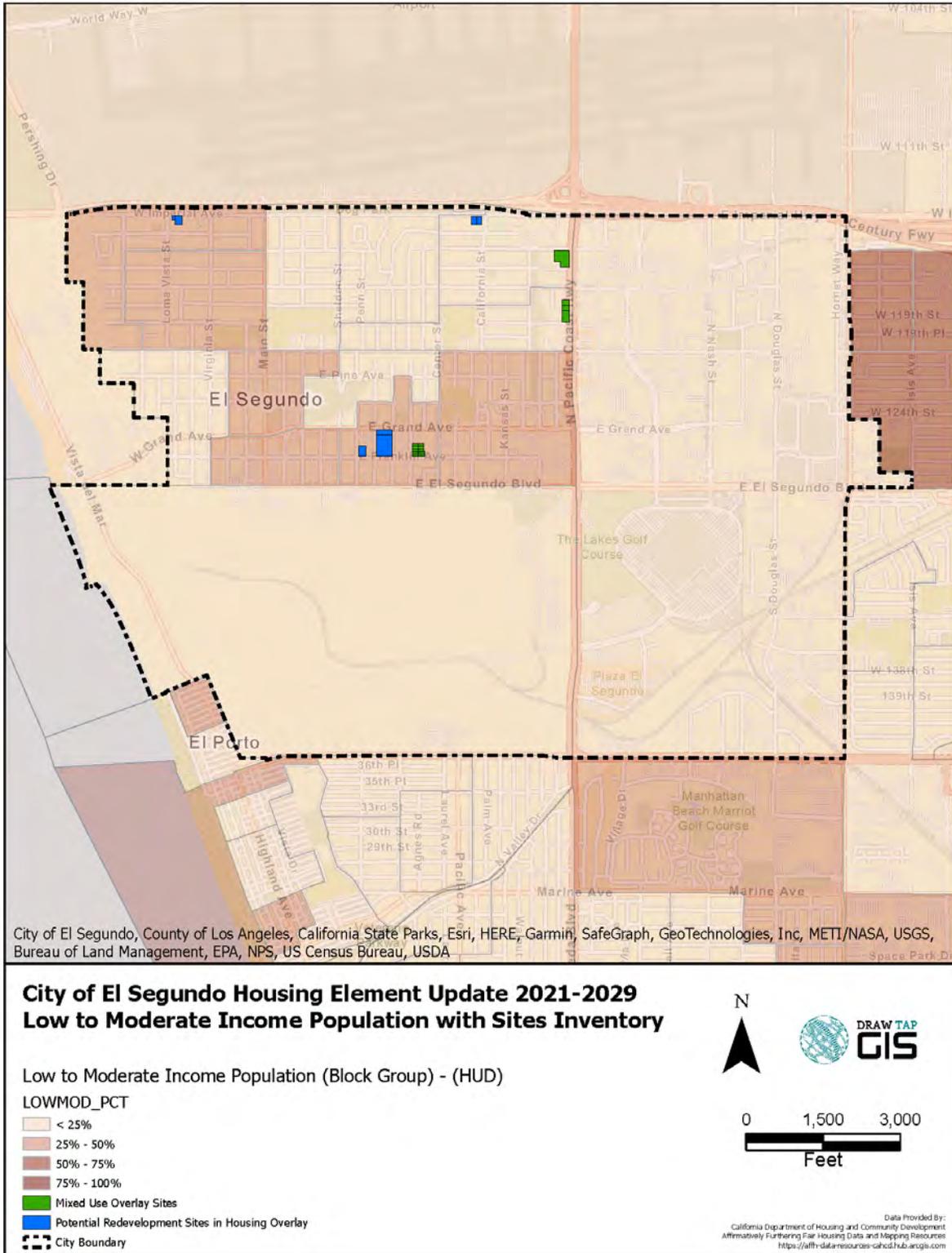
Population of LMI HHs (Block Group)	Lower Income		Moderate Income		Above Mod. Income		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<25%	103	40.1%	71	38.2%	117	49.8%	291	42.9%
25-50%	154	59.9%	115	61.8%	118	50.2%	387	57.1%
<b>Total</b>	<b>257</b>	<b>100.0%</b>	<b>186</b>	<b>100.0%</b>	<b>235</b>	<b>100.0%</b>	<b>678</b>	<b>100.0%</b>

Figure C-11: Regional LMI Household Concentrations by Tract



Source: HCD AFFH Data Viewer, HUD LMI database (based on 2011-2015 ACS), 2021.

**Figure C-12: LMI Household Concentrations by Block Group and Sites Inventory**



Source: HCD AFFH Data Viewer, HUD LMI database (based on 2011-2015 ACS), 2021.

### 3. Racially or Ethnically Concentrated Areas of Poverty

#### **RACIALLY/ETHNICALLY CONCENTRATED AREAS OF POVERTY (R/ECAPS)**

In an effort to identify racially/ethnically concentrated areas of poverty (R/ECAPs), HUD identified census tracts with a majority non-White population with a poverty rate that exceeds 40% or is three times the average tract poverty rate for the metro/micro area, whichever threshold is lower. HCD and the California Tax Credit Allocation Committee (TCAC) convened as the Fair Housing Task Force to create opportunity maps. The maps also identify areas of high segregation and poverty. TCAC Opportunity Maps are discussed in more detail in the following section of this fair housing assessment.

**Regional Trend.** Approximately 15% of the County population is below the federal poverty level ([Table C-9](#)). Black/African American, American Indian/Alaska Native, persons of a race not listed (“Some other race”), and Hispanic/Latino populations all experience poverty at a higher rate than the average countywide. The proportion of non-Hispanic White residents under the poverty level is the lowest compared to other racial/ethnic groups in the County. Over 21% of persons with disabilities are also below the poverty level.

**Table C-9: Poverty Status by Race/Ethnicity and Disability Status**

	Percent Below Poverty Level	
	El Segundo	L.A. County
Black or African American	1.6%	20.8%
American Indian and Alaska Native	59.5%	18.1%
Asian	2.4%	11.1%
Native Hawaiian and Other Pacific Islander	0.0%	11.5%
Some other race	31.2%	19.2%
Two or more races	6.5%	11.7%
Hispanic or Latino (of any race)	11.9%	18.1%
White alone, not Hispanic or Latino	5.1%	9.6%
With a disability	--	21.2%
Population for whom poverty status is determined	5.9%	14.9%

Note: -- = Data not available.  
Source: 2015-2019 ACS (5-Year Estimates).

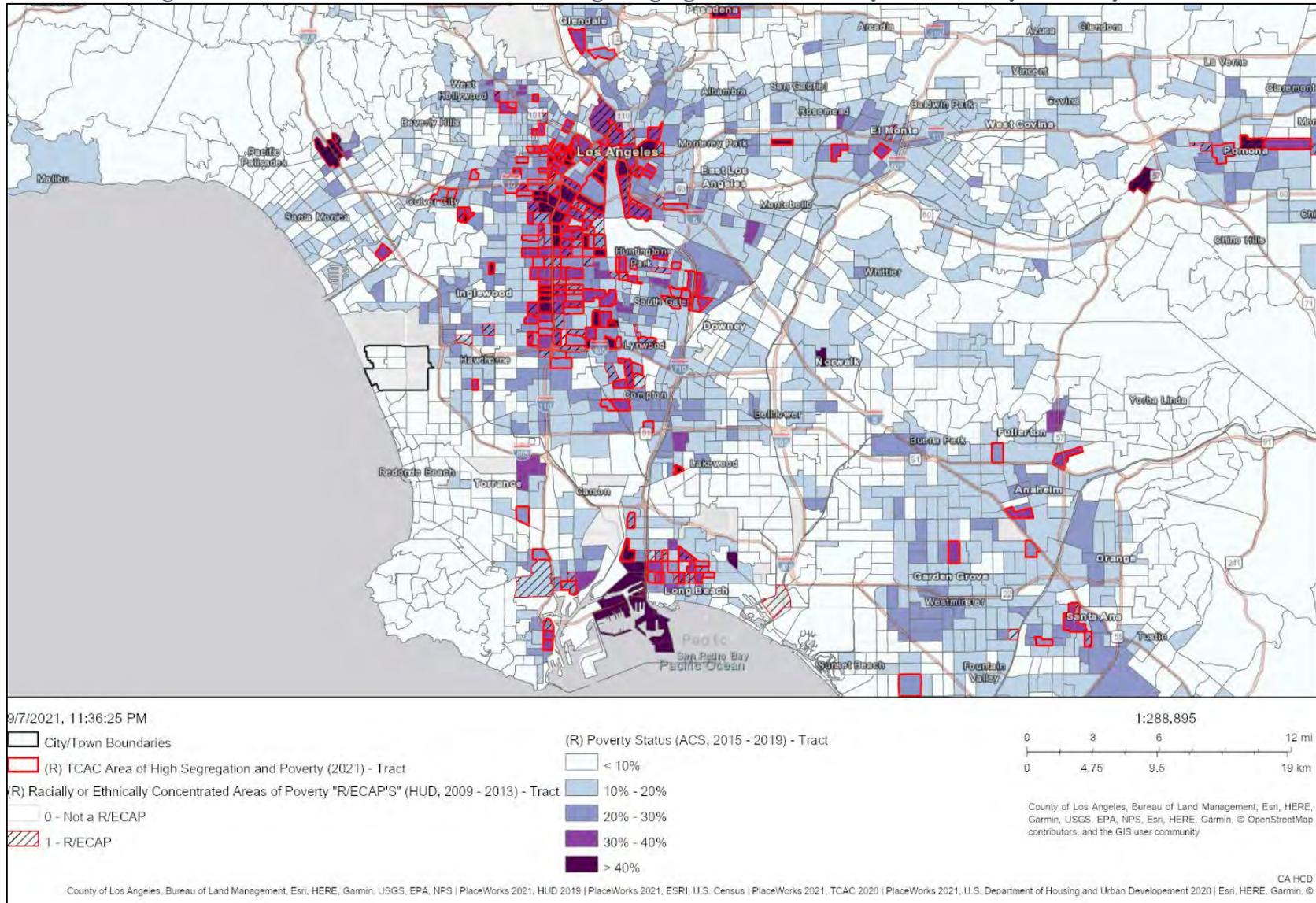
[Figure C-13](#) shows R/ECAPs, TCAC designated areas of high segregation and poverty, and poverty status in the Los Angeles County region. R/ECAPs and areas of high segregation and poverty are concentrated in the central County areas around the City of Los Angeles. Areas of high segregation and poverty have also been identified in tracts east of El Segundo in Hawthorne and Inglewood. Tracts with larger populations of persons experiencing poverty are also concentrated in these areas.

**Local Trend.** As presented in [Table C-9](#) above, only 5.9% of the El Segundo population is below the poverty level, significantly lower than the rate countywide. American Indian and Alaska Native residents experienced poverty at the highest rate. Nearly 60% the American Indian and Alaska Native population, 31.2% of the population belonging to a race not listed (“some other race”), and 11.9% of the Hispanic or Latino population is below the poverty level.

There are no R/ECAPs or TCAC-designated areas of high segregation and poverty in the City and fewer than 10% of the population in all El Segundo tracts have incomes below the poverty level.

**Sites Inventory.** There are no R/ECAPs or TCAC areas of high segregation and poverty in El Segundo; therefore, no sites selected to meet the RHNA are in tracts with these designations.

Figure C-13: R/ECAPs, TCAC Areas of High Segregation and Poverty, and Poverty Status by Tract



Source: HCD AFFH Data Viewer, HUD 2009-2013 R/ECAP database, TCAC 2021, 2015-2019 ACS, 2021.

## RACIALLY/ETHNICALLY CONCENTRATED AREAS OF AFFLUENCE (RCAAS)

While racially concentrated areas of poverty and segregation (R/ECAPs) have long been the focus of fair housing policies, racially concentrated areas of affluence (RCAAs) must also be analyzed to ensure housing is integrated, a key to fair housing choice. A HUD Policy Paper defines racially concentrated areas of affluence as affluent, White communities.<sup>5</sup> According to this report, Whites are the most racially segregated group in the United States and “in the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, conversely, distinct advantages are associated with residence in affluent, White communities.” Based on their research, HCD defines RCAAs as census tracts where 1) 80% or more of the population is white, and 2) the median household income is \$125,000 or greater (slightly more than double the national median household income in 2016).

**Regional Trend.** [Figure C-14](#) shows racial/ethnic minority populations and median income by block group in the El Segundo region. Jurisdictions along the coast, including El Segundo, Manhattan Beach, and the Playa Vista neighborhood, have higher median incomes and smaller racial/ethnic minority populations. Cities east of El Segundo such as Hawthorne, Lawndale, and Inglewood, have higher concentrations of racial/ethnic minorities. Many block groups in the areas east of El Segundo also have median incomes below the 2020 State median income of \$87,100. There is a small concentration of RCAAs, block groups with median incomes exceeding \$125,000 and racial/ethnic minority populations below 20%, in Manhattan Beach.

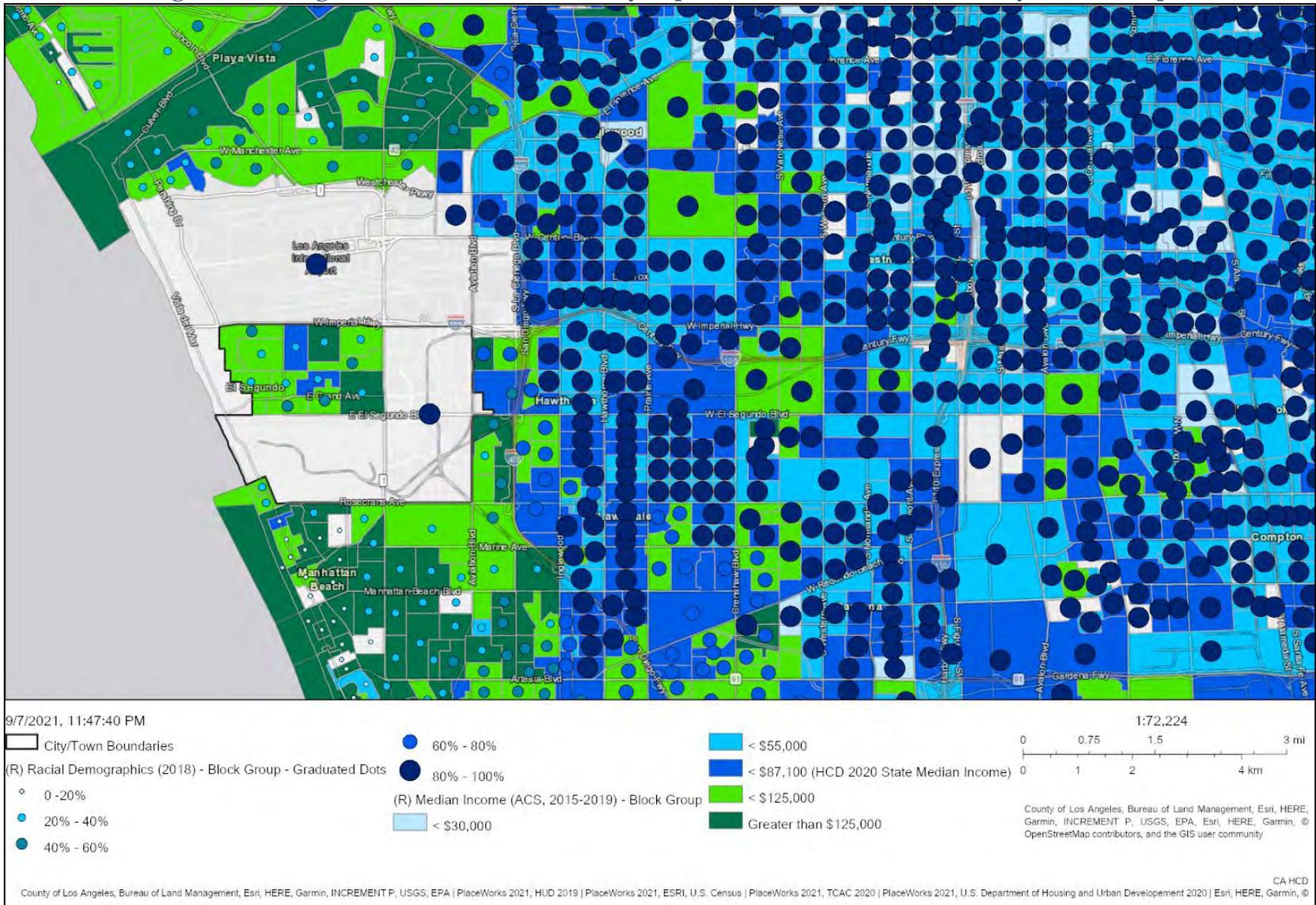
**Local Trend.** As discussed previously, only 38% of the El Segundo population belongs to a racial or ethnic minority group. The remaining 62% of the population is non-Hispanic White. Racial/ethnic minority populations and median income by El Segundo block group are presented in [Figure C-15](#). Of the block groups in the City with data for income, two have median incomes exceeding \$125,000, two have median incomes below the State median, and the remaining have median incomes between \$87,100 and \$125,000. There are no block groups in the City where racial/ethnic minorities make up less than 20% of the population; therefore, there are no RCAAs in El Segundo.

On July 8, 2022, HCD released a map illustrating census tracts designated as RCAAS, in addition to an updated data methodology. A census tract is designated an RCAA if its proportions of non-Hispanic White residents and households earning above the region’s area median income are overrepresented. The map in Figure C-16 illustrates that there is one tract in El Segundo that is considered an RCAA. According to HCD AFFH Data Viewer data, this tract contains block groups with racial/ethnic minority populations ranging from 29.6% to 40.7%, similar to the Citywide trend. Like the remainder of the City, this tract is designated as a TCAC highest resource area.

**Sites Inventory.** Of the 678 units identified to meet the RHNA in El Segundo, 291 (43%) are located in the RCAA, including 40.1% of lower income units, 38.2% of moderate income units, and 49.8% of above moderate income units. The City’s RHNA strategy ensures above moderate income units alone are not allocated in the RCAA. The strategy promotes a mix of housing types that can adequately serve populations of various income levels in the RCAA. Further, sites selected to meet the RHNA are not located in the RCAA alone and can serve existing and future El Segundo residents throughout the City.

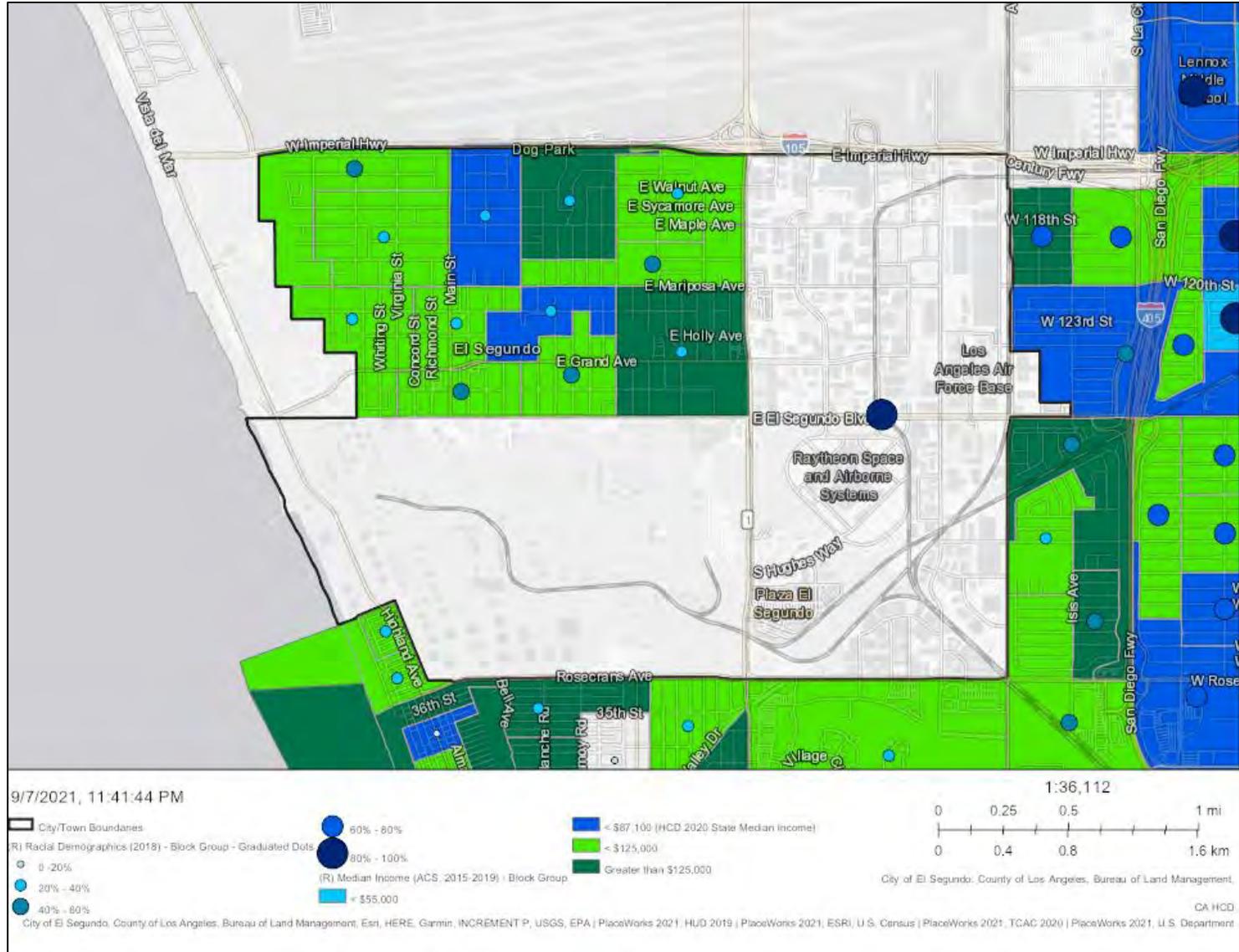
<sup>5</sup> Goetz, Edward G., Damiano, A., & Williams, R. A. (2019) Racially Concentrated Areas of Affluence: A Preliminary Investigation.’ Published by the Office of Policy Development and Research (PD&R) of the U.S. Department of Housing and Urban Development in Cityscape: A Journal of Policy Development and Research (21,1, 99-124).

Figure C-14: Regional Racial/Ethnic Minority Populations and Median Income by Block Group



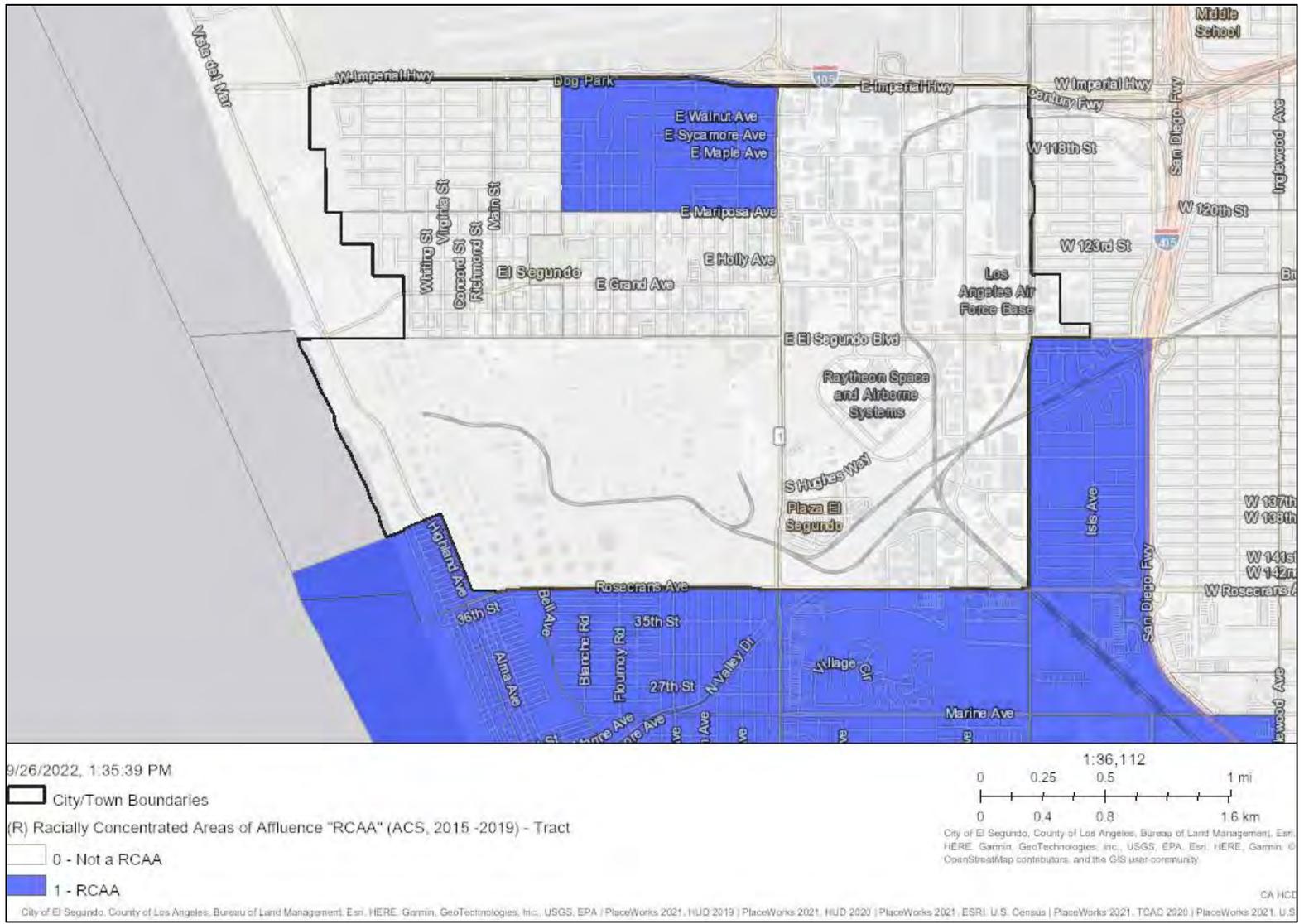
Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021

Figure C-15: Racial/Ethnic Minority Populations and Median Income by Block Group



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

**Figure C-16: RCAs**



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

## 4. Access to Opportunities

To assess fair access to opportunities regionally and locally, this analysis uses HUD Opportunity Indicators and TCAC Opportunity Area Maps. This section also specifically addresses economic, education, environmental, and transportation opportunities.

HUD developed an index for assessing fair housing by informing communities about disparities in access to opportunity based on race/ethnicity and poverty status. HUD only provides indicator scores for jurisdictions receiving CDBG funding. Because El Segundo receives CDBG funds through the County, opportunity indicator scores are not available. Index scores are based on the following opportunity indicator indices (values range from 0 to 100):

- **Low Poverty Index:** The higher the score, the less exposure to poverty in a neighborhood.
- **School Proficiency Index:** The higher the score, the higher the school system quality is in a neighborhood.
- **Labor Market Engagement Index:** The higher the score, the higher the labor force participation and human capital in a neighborhood.
- **Transit Trips Index:** The higher the trips transit index, the more likely residents in that neighborhood utilize public transit.
- **Low Transportation Cost Index:** The higher the index, the lower the cost of transportation in that neighborhood.
- **Jobs Proximity Index:** The higher the index value, the better access to employment opportunities for residents in a neighborhood.
- **Environmental Health Index:** The higher the value, the better environmental quality of a neighborhood.

To assist in this analysis, the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) convened in the California Fair Housing Task Force (Task Force) to “provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD).” The Task force has created Opportunity Maps to identify resources levels across the state “to accompany new policies aimed at increasing access to high opportunity areas for families with children in housing financed with 9% Low Income Housing Tax Credits (LIHTCs)”. These opportunity maps are made from composite scores of three different domains made up of a set of indicators related to economic, environmental, and educational opportunities and poverty and racial segregation. Based on these domain scores, tracts are categorized as Highest Resource, High Resource, Moderate Resource, Moderate Resource (Rapidly Changing), Low Resource, or areas of High Segregation and Poverty. [Table C-10](#) shows the full list of indicators.

**Table C-10: Domains and List of Indicators for Opportunity Maps**

Domain	Indicator
Economic	Poverty Adult education Employment Job proximity Median home value
Environmental	CalEnviroScreen 3.0 pollution Indicators and values
Education	Math proficiency Reading proficiency High School graduation rates Student poverty rates
Poverty and Racial Segregation	Poverty: tracts with at least 30% of population under federal poverty line Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County
Source: California Fair Housing Task Force, Methodology for TCAC/HCD Opportunity Maps, December 2020.	

**Regional Trend.** HUD Opportunity Indicator scores for Los Angeles County are shown in [Table C-11](#). The White population, including the population below the federal poverty line, received the highest scores in low poverty, school proficiency, labor market participation, jobs proximity, and environmental health. Hispanic communities scored the lowest in low poverty and labor market participation and Black communities scored the lowest in school proficiency, jobs proximity, and environmental health. Black residents were most likely to use public transit and have the lowest transportation costs.

**Table C-11: HUD Opportunity Indicators by Race/Ethnicity – Los Angeles County**

	Low Poverty	School Prof.	Labor Market	Transit	Low Transp. Cost	Jobs Prox.	Env. Health
<b>Total Population</b>							
White, non-Hispanic	62.59	65.09	65.41	82.63	74.09	55.80	18.99
Black, non-Hispanic	34.95	32.37	34.00	87.70	79.18	40.13	11.66
Hispanic	33.91	38.38	33.18	87.19	77.74	41.53	11.91
Asian or Pacific Islander, non-Hispanic	53.57	59.34	55.94	86.52	76.45	51.82	12.16
Native American, non-Hispanic	45.04	46.90	44.50	83.17	75.65	44.24	16.74
<b>Population below federal poverty line</b>							
White, non-Hispanic	50.68	58.06	57.49	86.42	79.48	57.52	16.66
Black, non-Hispanic	23.45	27.16	25.52	88.65	81.18	36.59	11.62
Hispanic	23.66	32.87	27.66	89.45	81.02	42.84	10.30
Asian or Pacific Islander, non-Hispanic	42.97	54.52	50.06	89.62	81.49	54.19	9.84
Native American, non-Hispanic	29.85	35.12	32.02	85.23	78.70	46.35	16.01
Source: HUD AFFH Database – Opportunity Indicators, 2020.							

The central Los Angeles County areas around the City of Los Angeles are comprised of mostly low and moderate resource tracts and areas of high segregation and poverty. The El Monte/Baldwin Park area and San Fernando area, including Van Nuys/North Hollywood, also have concentrations of low resource areas and some areas of high segregation and poverty. High and highest resource areas are mostly concentrated in coastal communities from Rolling Hills and Rancho Palos Verdes to Santa Monica, and areas in and around Beverly Hills, La Cañada Flintridge, and Pasadena/Arcadia.

**Local Trend.** Opportunity map scores for El Segundo census tracts are presented in [Figure C-18](#) along with the City’s sites inventory. As discussed previously, nearly all El Segundo residents reside in the northwestern corner of the City. A majority of the southern and northeastern areas are comprised of commercial, corporate, and industrial uses. There are no housing units in these tracts. Only four El Segundo tracts in the northwestern corner of the City have TCAC Opportunity Map designations. Due to insufficient data, the remaining two tracts the City, along the eastern and southern boundaries, do not have TCAC Opportunity Map categorizations.

All tracts with sufficient data in the City are highest resource tracts. There are no tracts in the City that are classified as areas of high segregation and poverty. Opportunity map categorization and domain scores for El Segundo census tracts are shown in [Table C-12](#).

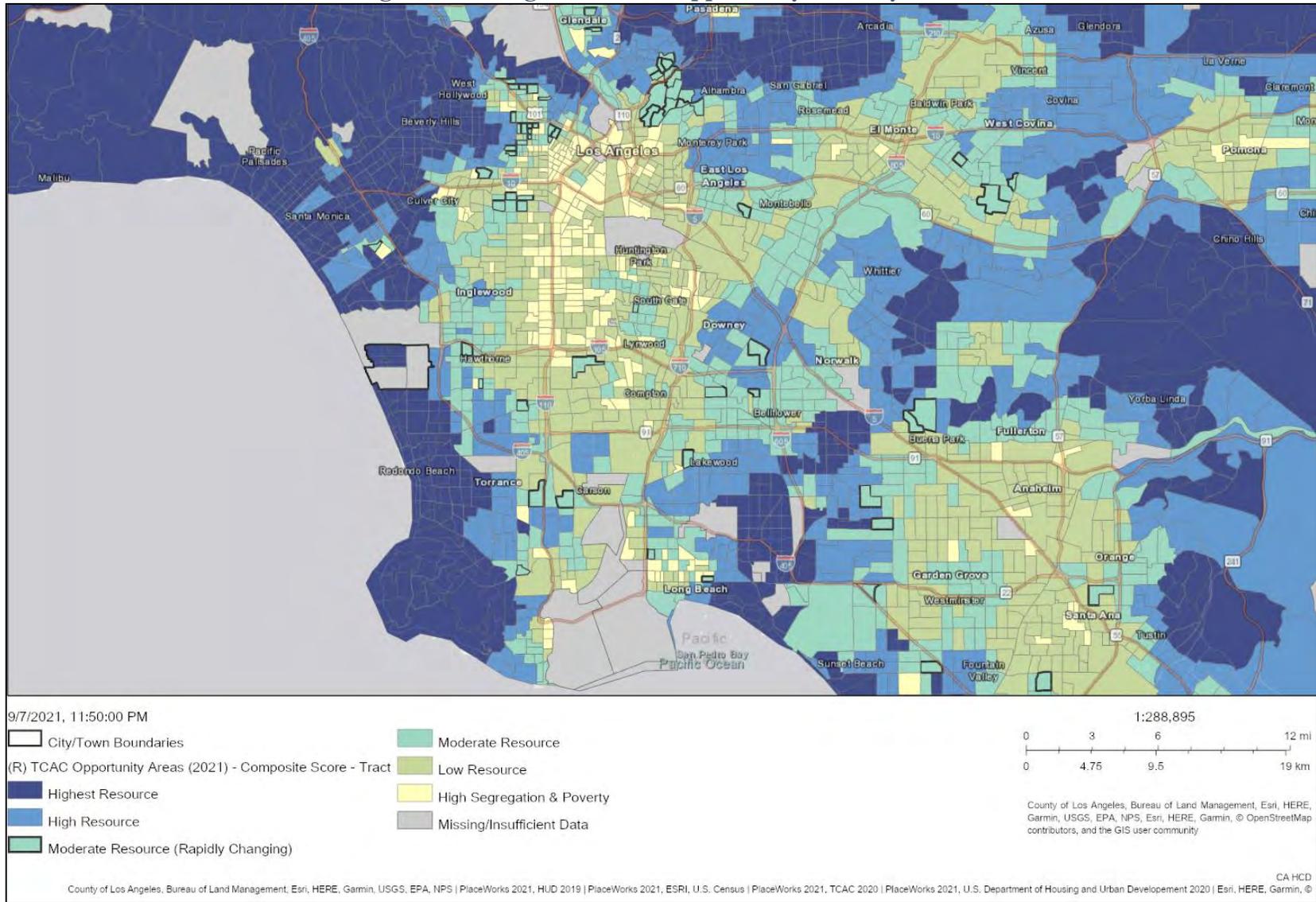
**Sites Inventory.** All units selected to meet the RHNA are in highest resource areas. The City’s RHNA strategy does not exacerbate fair housing conditions related to TCAC opportunity areas.

**Table C-12: Opportunity Map Scores and Categorization**

Census Tract	Economic Score	Environmental Score	Education Score	Composite Score	Final Category
6037620101	0.805	0.649	0.931	0.701	Highest Resource
6037620001	0.897	0.474	0.952	0.831	Highest Resource
6037620002	0.918	0.288	0.963	0.845	Highest Resource
6037620102	0.881	0.271	0.986	0.852	Highest Resource

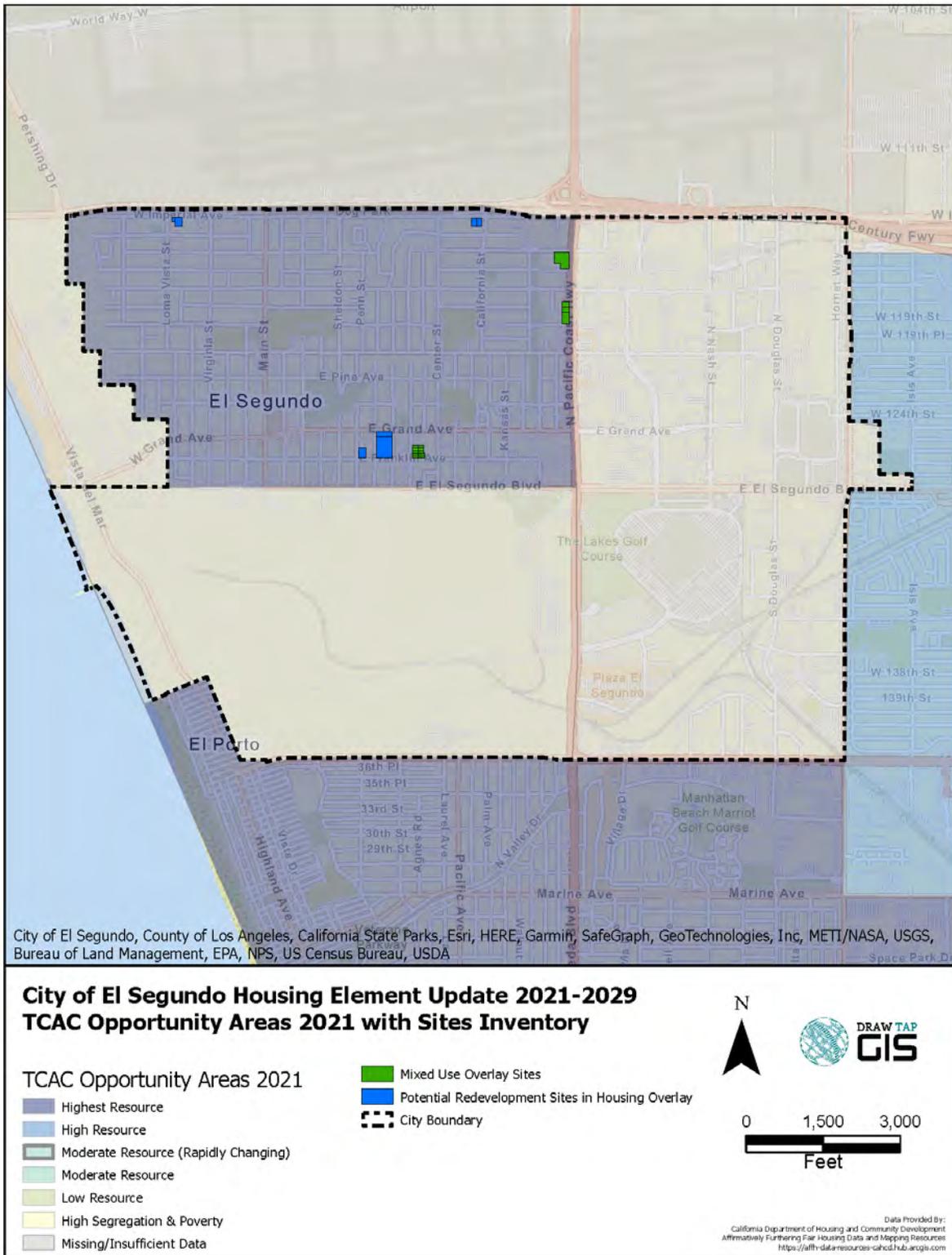
Source: California Fair Housing Task Force, Methodology for the 2021 TCAC/HCD Opportunity Maps, December 2020.

Figure C-17: Regional TCAC Opportunity Areas by Tract



Source: HCD AFFH Data Viewer, TCAC 2021, 2021.

**Figure C-18: TCAC Opportunity Areas by Tract and Sites Inventory**



Source: HCD AFFH Data Viewer, TCAC 2021, 2021.

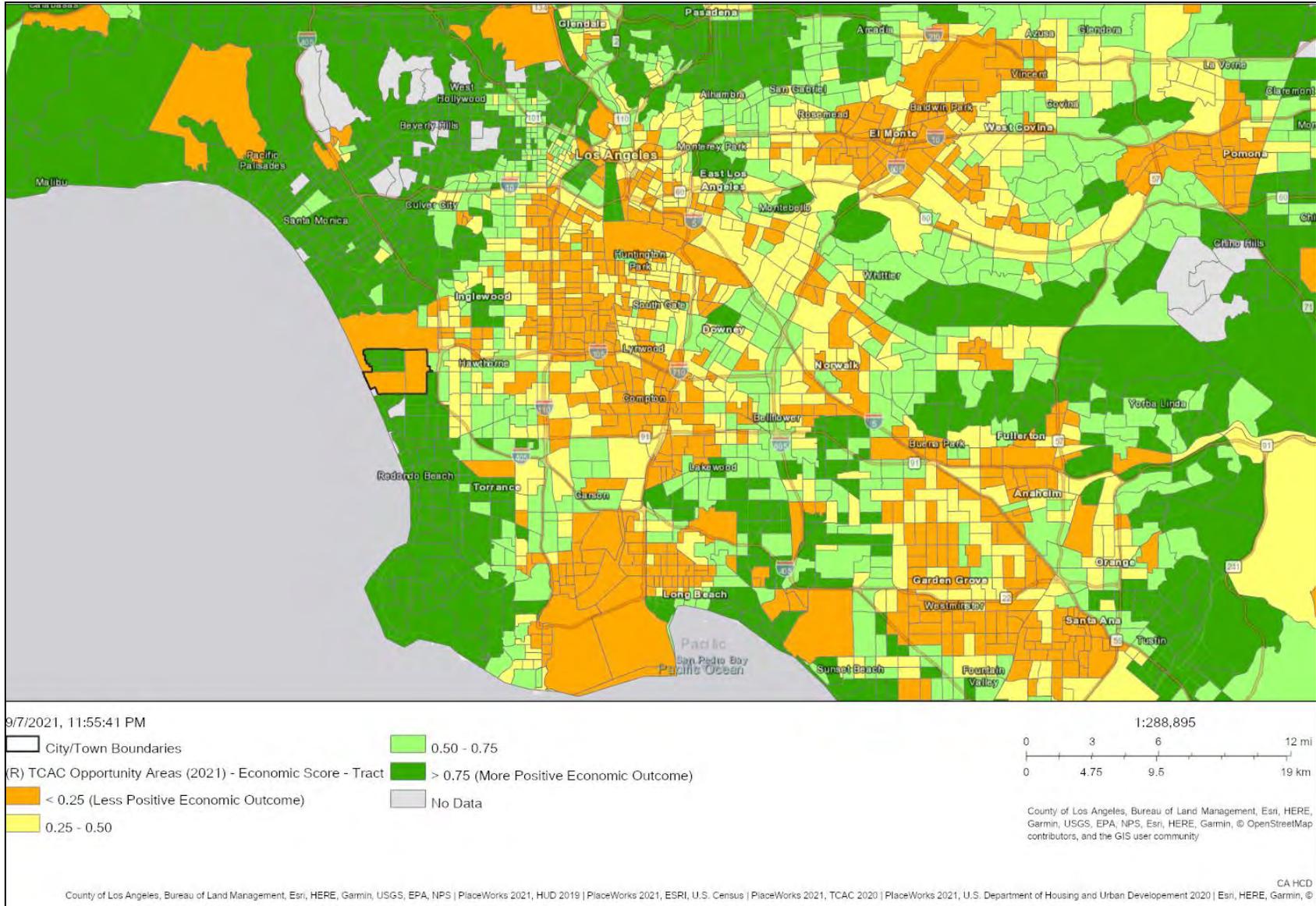
## ECONOMIC

As described previously, the Fair Housing Task Force calculates economic scores based on poverty, adult education, employment, job proximity, and median home values. See [Table C-10](#) for the complete list of TCAC Opportunity Map domains and indicators.

**Regional Trend.** As presented in [Table C-11](#) above, in Los Angeles County, White residents have the highest labor market participation, while Hispanic residents have the lowest labor market participation. [Figure C-19](#) shows TCAC Opportunity Map economic scores in the Los Angeles region by tract. Consistent with final TCAC categories, tracts with the highest economic scores are concentrated in coastal communities, from the Rancho Palos Verdes to Santa Monica, and areas around Beverly Hills, Pasadena, and Arcadia. Tracts with economic scores in the lowest quartile are concentrated in the central Los Angeles County areas, San Gabriel Valley cities around El Monte, and around the cities of Long Beach and Carson.

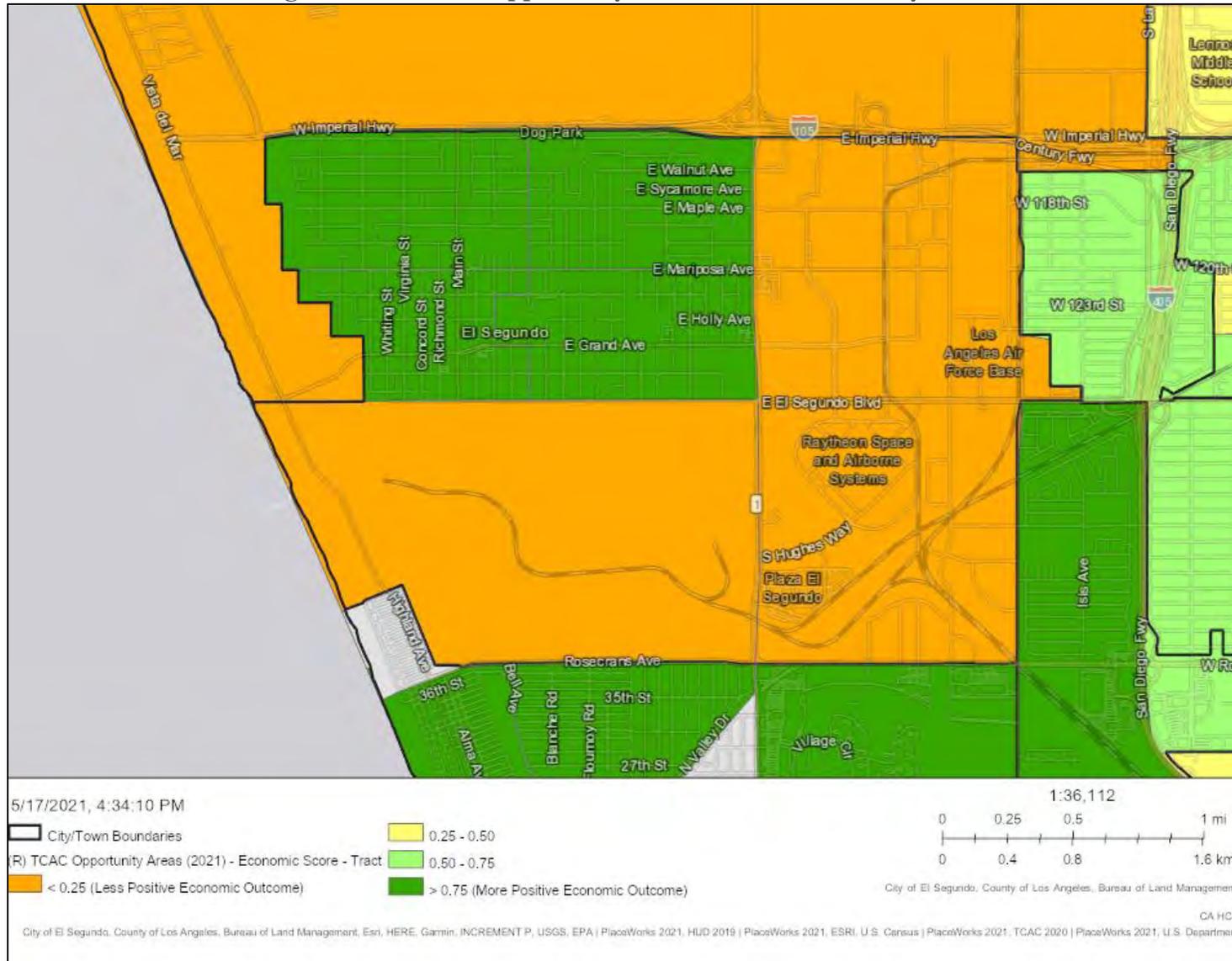
**Local Trend.** As presented in [Figure C-20](#), the northwestern corner of the City is comprised of tracts with economic scores in the highest quartile. As discussed previously, the tracts along the eastern and southern City boundaries are comprised of mostly industrial, corporate, and commercial uses. There are no housing units located in these tracts. These tracts scored in the lowest quartile for economic opportunity. The tract along the eastern City boundary has high concentrations of racial/ethnic minorities exceeding 81% (see [Figure C-3](#)).

Figure C-19: Regional TCAC Opportunity Area Economic Scores by Tract



Source: HCD AFFH Data Viewer, TCAC 2021, 2021

Figure C-20: TCAC Opportunity Area Economic Scores by Tract



Source: HCD AFFH Data Viewer, TCAC 2021, 2021.

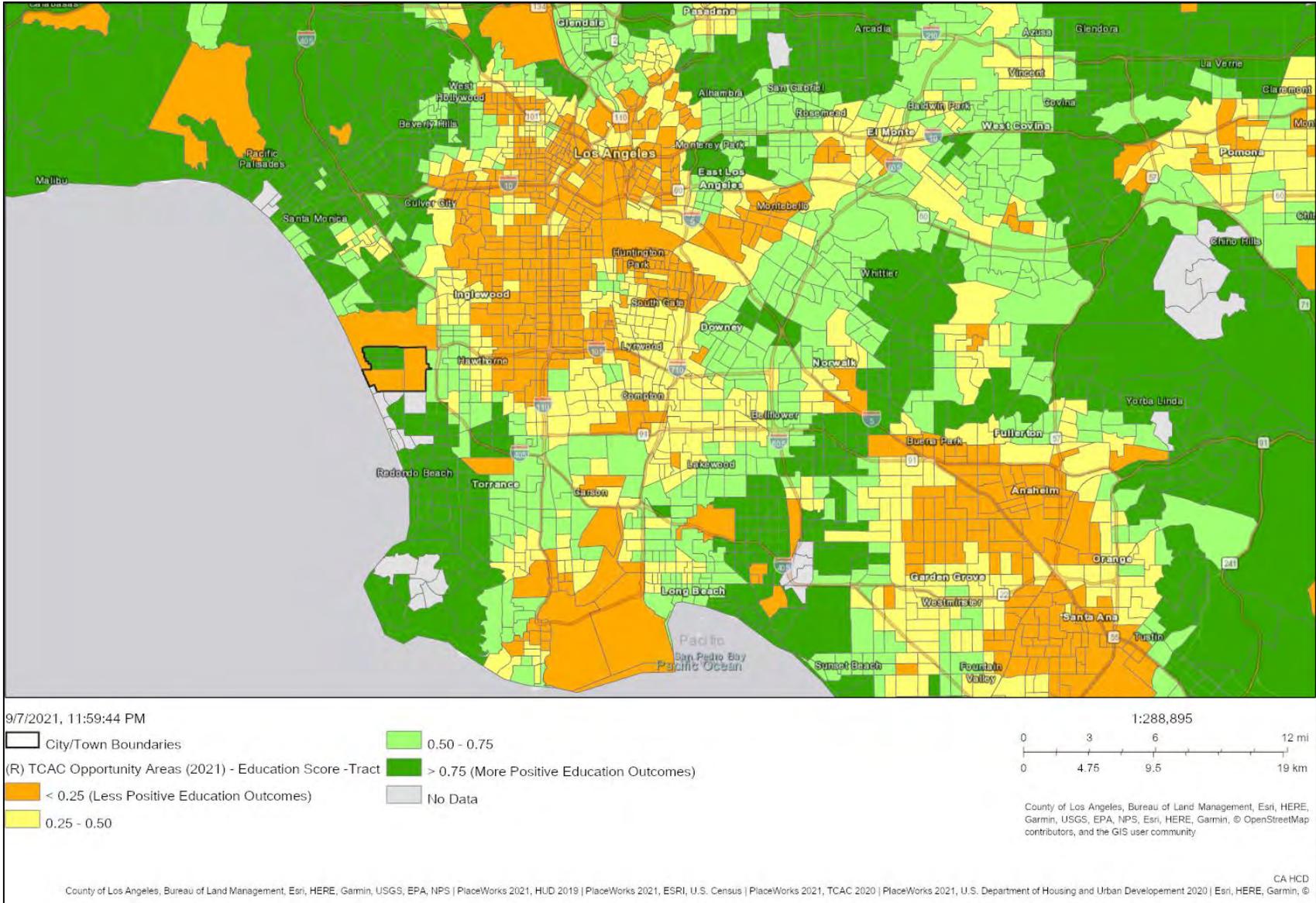
## EDUCATION

As described above, the Fair Housing Task Force determines education scores based on math and reading proficiency, high school graduation rates, and student poverty rates. See [Table C-10](#) for the complete list of TCAC Opportunity Map domains and indicators.

**Regional Trend.** As presented in [Table C-11](#) previously, White Los Angeles County communities are located closest to the highest quality school systems, while Black communities are typically located near lower quality school systems. TCAC Opportunity Map education scores for the region are shown in [Figure C-21](#). The central County areas have the highest concentration of tracts with education scores in the lowest percentile. There is also a concentration of tracts with low education scores around the San Pedro community and City of Long Beach. Coastal communities, and areas near Arcadia, Whittier, and Beverly Hills have the highest education scores.

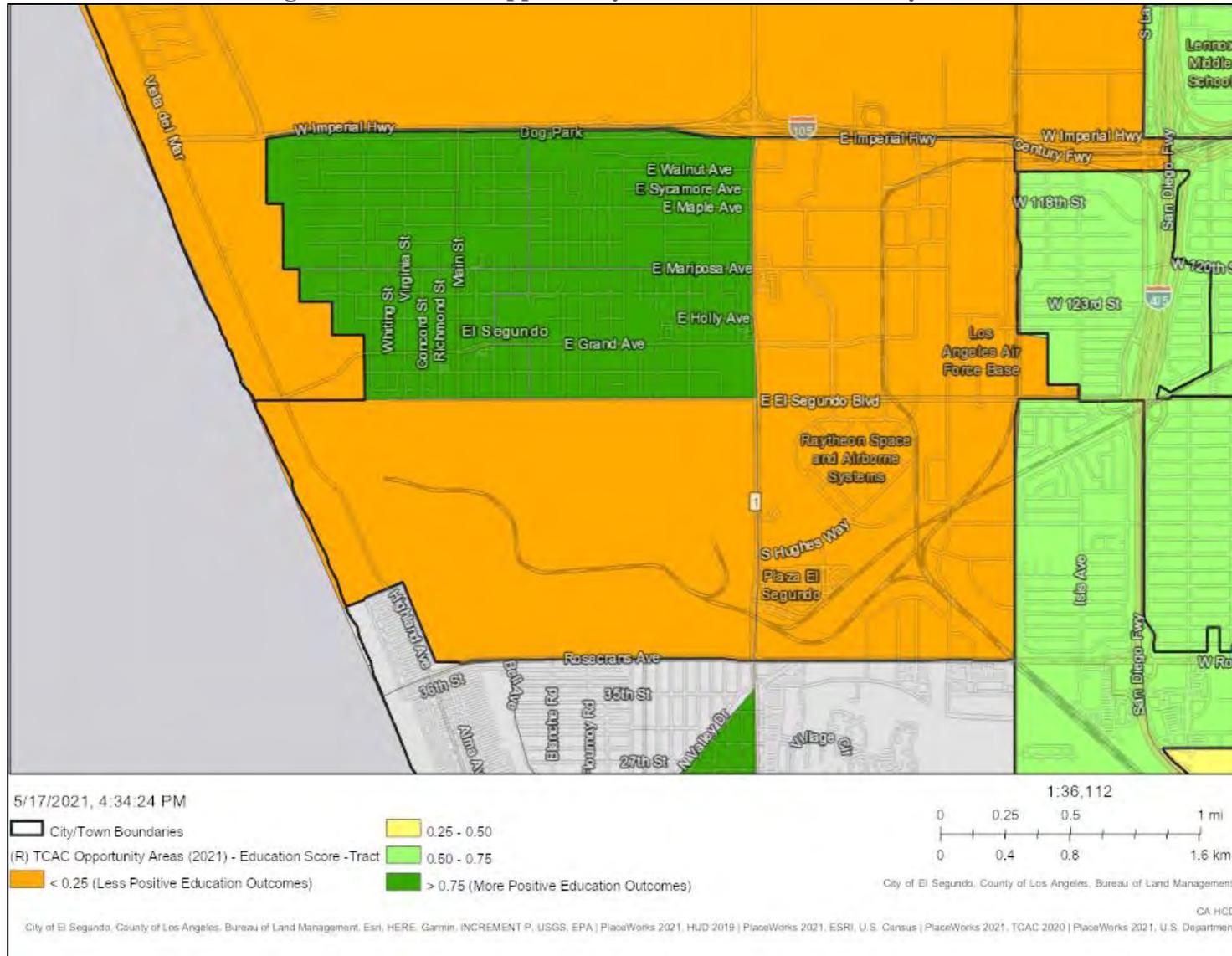
**Local Trend.** [Figure C-22](#) shows TCAC education scores for El Segundo tracts. Tracts in El Segundo received education scores consistent with economic scores discussed above. The northwestern corner of the City, where a large majority of El Segundo households are located, scored in the highest quartile, while the tracts along the eastern and southern City boundaries received education scores below 0.25.

Figure C-21: Regional TCAC Opportunity Area Education Scores by Tract



Source: HCD AFFH Data Viewer, TCAC 2021, 2021

Figure C-22: TCAC Opportunity Area Education Scores by Tract



Source: HCD AFFH Data Viewer, TCAC 2021, 2021

## ENVIRONMENTAL

Environmental health scores are determined by the Fair Housing Task Force based on CalEnviroScreen 3.0 pollution indicators and values. The California Office of Environmental Health Hazard Assessment (OEHHA) compiles these scores to help identify California communities disproportionately burdened by multiple sources of pollution. In addition to considering (1) environmental factors such as pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure and (2) sensitive receptors, including seniors, children, persons with asthma, and low birth weight infants, CalEnviroScreen also takes into consideration socioeconomic factors. These factors include educational attainment, linguistic isolation, poverty, and unemployment.

**Regional Trend.** As discussed previously, Black residents countywide are most likely to experience adverse environmental health conditions, while White residents are the least likely. A larger proportion of Los Angeles County has environmental scores in the lowest percentile compared to economic and education scores ([Figure C-23](#)). The central Los Angeles County, San Gabriel Valley, and South Bay areas all have concentrations of tracts with environmental scores in the lowest percentile. Tracts with the highest environmental scores are in western South Bay areas (i.e., Rolling Hills and Redondo Beach), and areas around Inglewood, Altadena, Whittier, Lakewood, and Malibu.

**Local Trend.** Environmental scores by tract in El Segundo are shown in [Figure C-24](#). Only one tract in the northwestern corner of the City received an environmental score above 0.50. The three remaining tracts in the northwestern corner scored between 0.25 and 0.50, and the tracts along the eastern and southern City boundaries scored in the lowest quartile. The tract along the eastern City boundary has a larger non-White population compared to the rest of the City (see [Figure C-3](#)).

[Access to parks, recreation, and open space is also crucial to healthy communities. To affirmatively further fair housing, all residents, regardless of demographics, should have access to recreational areas and open space. Figure C-25 shows protected open space in the City, including City and County land. There are many open space areas accessible to El Segundo residents in all areas of the City. The areas mapped include a variety of uses from national forests to small urban parks. In the case of El Segundo, most areas are parks and smaller open space areas. The northwestern section of the City, where nearly all residential units are located, has the highest density of open space. There are additional open space areas on the eastern side of the City and in the coastal area.](#)

**Sites Inventory.** The February 2021 update to the CalEnviroScreen (CalEnviroScreen 4.0) and the City's sites inventory is shown in [Figure C-26](#). A census tract's overall CalEnviroScreen percentile equals the percentage of all ordered CalEnviroScreen scores that fall below the score for that area. The areas with the highest (worst) scores are in the northwestern corner of the City; [however, nearly all residential units in the City, including potential sites for future residential development projects, are located in this corner.](#)

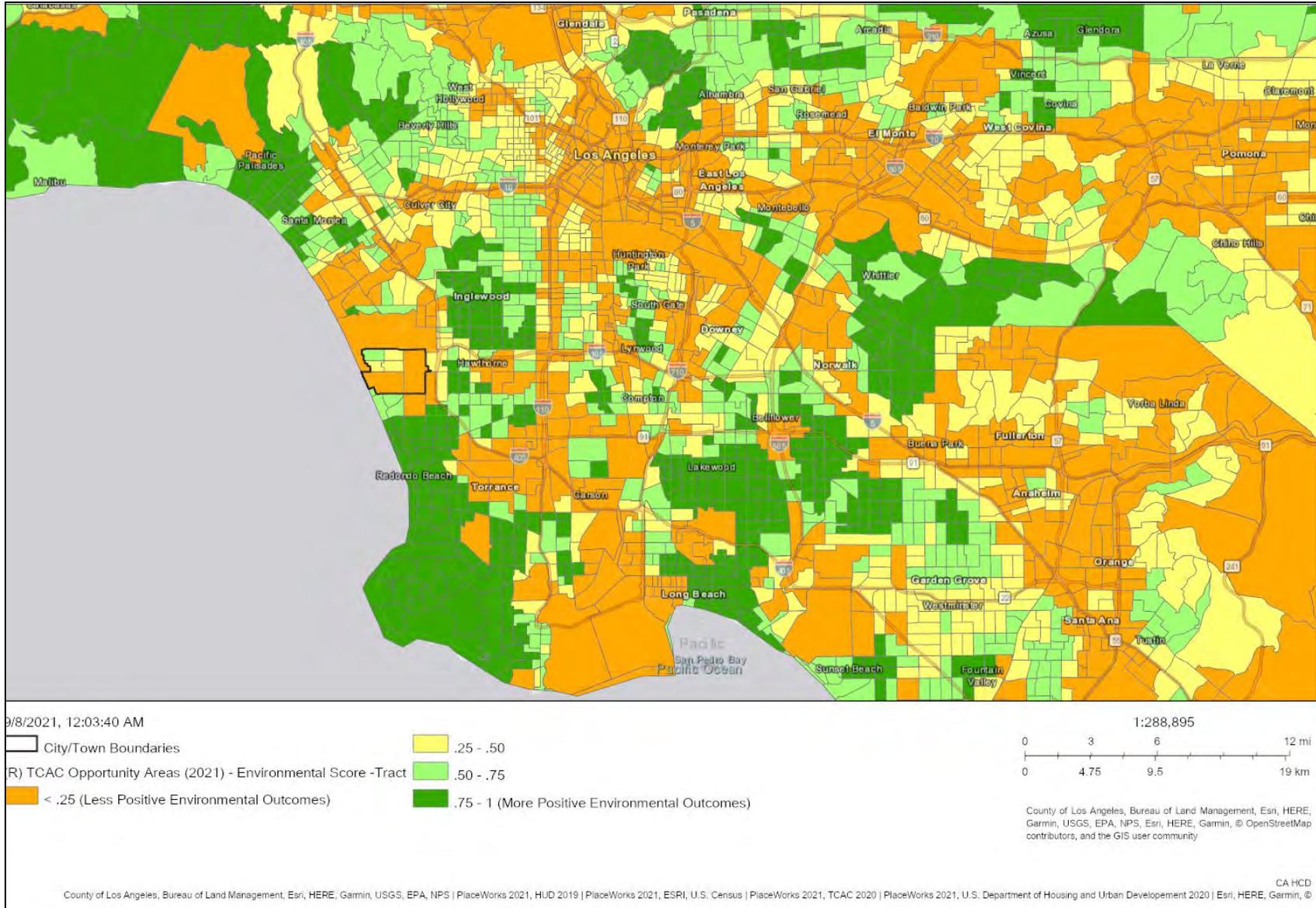
The distribution of RHNA units by CalEnviroScreen 4.0 score is shown in [Table C-13](#). Approximately [54%](#) of lower income units, [55%](#) of moderate income units, and [45%](#) of above moderate income units are in tracts scoring between the [51<sup>st</sup>](#) and [60<sup>th</sup>](#) percentile, [the worst scores amongst El Segundo tracts. As shown in Figure C-26, tracts with CalEnviroScreen 4.0 scores include the tract bound by City boundaries to the north and west, Sheldon Street to the east, and W. Mariposa Avenue to the south, and the tract bound by W. Mariposa Avenue to the north, the Pacific Coast Highway to the east, El Segundo Boulevard to the south, and Sheldon Street to the west. While there are a significant number of RHNA units in these tracts, it is also relevant to note that 40.1% of lower income units, 38.2% of moderate income units, and 49.5% of above moderate income units are also in tracts with](#)

CalEnviroScreen 4.0 scores in the 20<sup>th</sup> percentile or lower (best scores). RHNA units of all income levels are distributed throughout tracts with variable CalEnviroScreen 4.0 scores, ensuring housing units, specifically lower income units, are not concentrated in areas with worse environmental conditions. Further, all units are located in the northwestern area of the City where open space areas are prevalent and accessible (Figure C-25).

**Table C-13: Distribution of RHNA Units by CalEnviroScreen 4.0 Percentile Score**

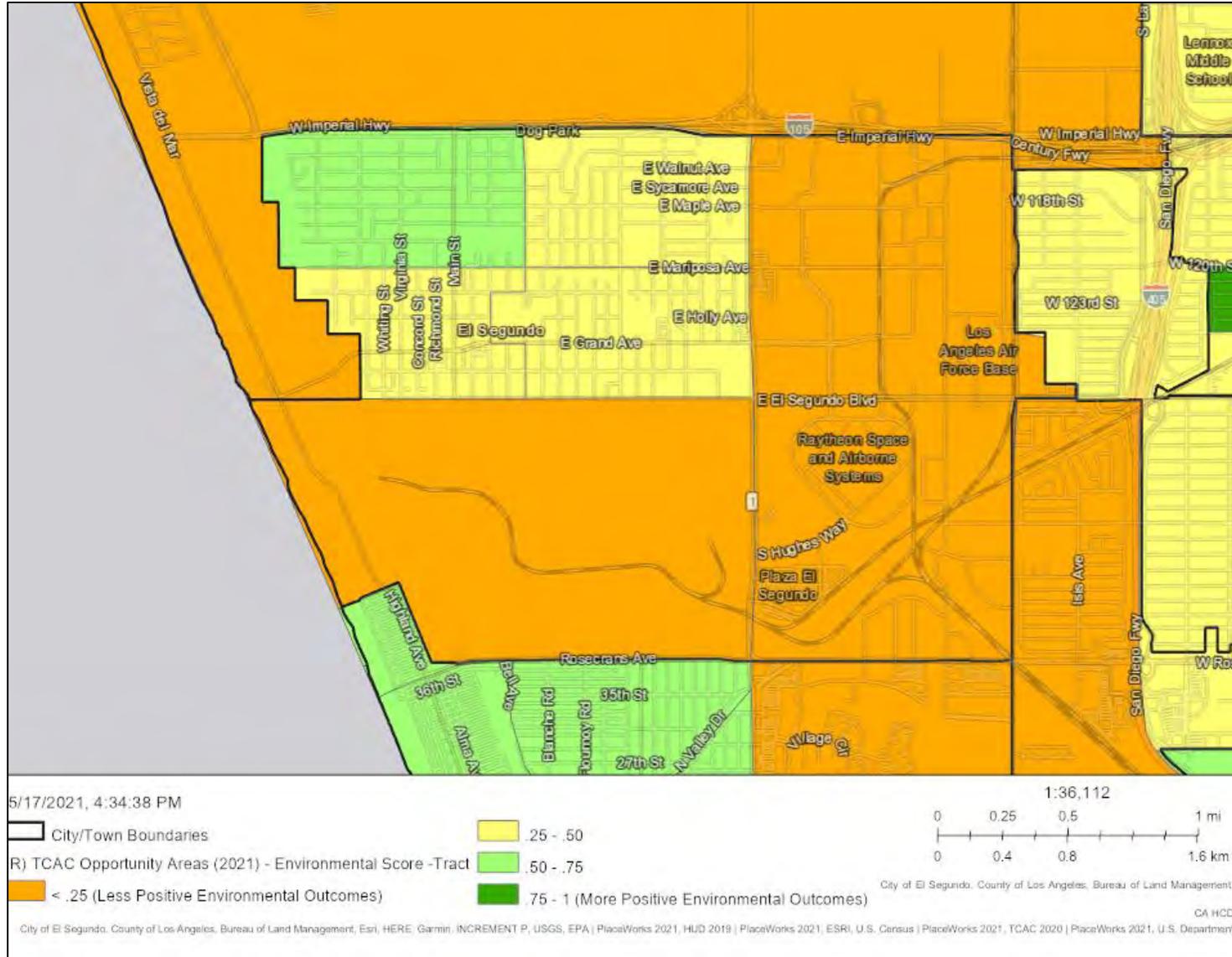
CalEnviroScreen 4.0 Percentile (Tract)	Lower Income		Moderate Income		Above Moderate Income		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
11-20%	103	40.1%	71	38.2%	117	49.8%	291	42.9%
21-30%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
31-40%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
41-50%	16	6.2%	12	6.5%	12	5.1%	40	5.9%
51-60%	138	53.7%	103	55.4%	106	45.1%	347	51.2%
<b>Total</b>	<b>257</b>	<b>100.0%</b>	<b>186</b>	<b>100.0%</b>	<b>235</b>	<b>100.0%</b>	<b>634</b>	<b>100.0%</b>

Figure C-23: Regional TCAC Opportunity Area Environmental Scores by Tract



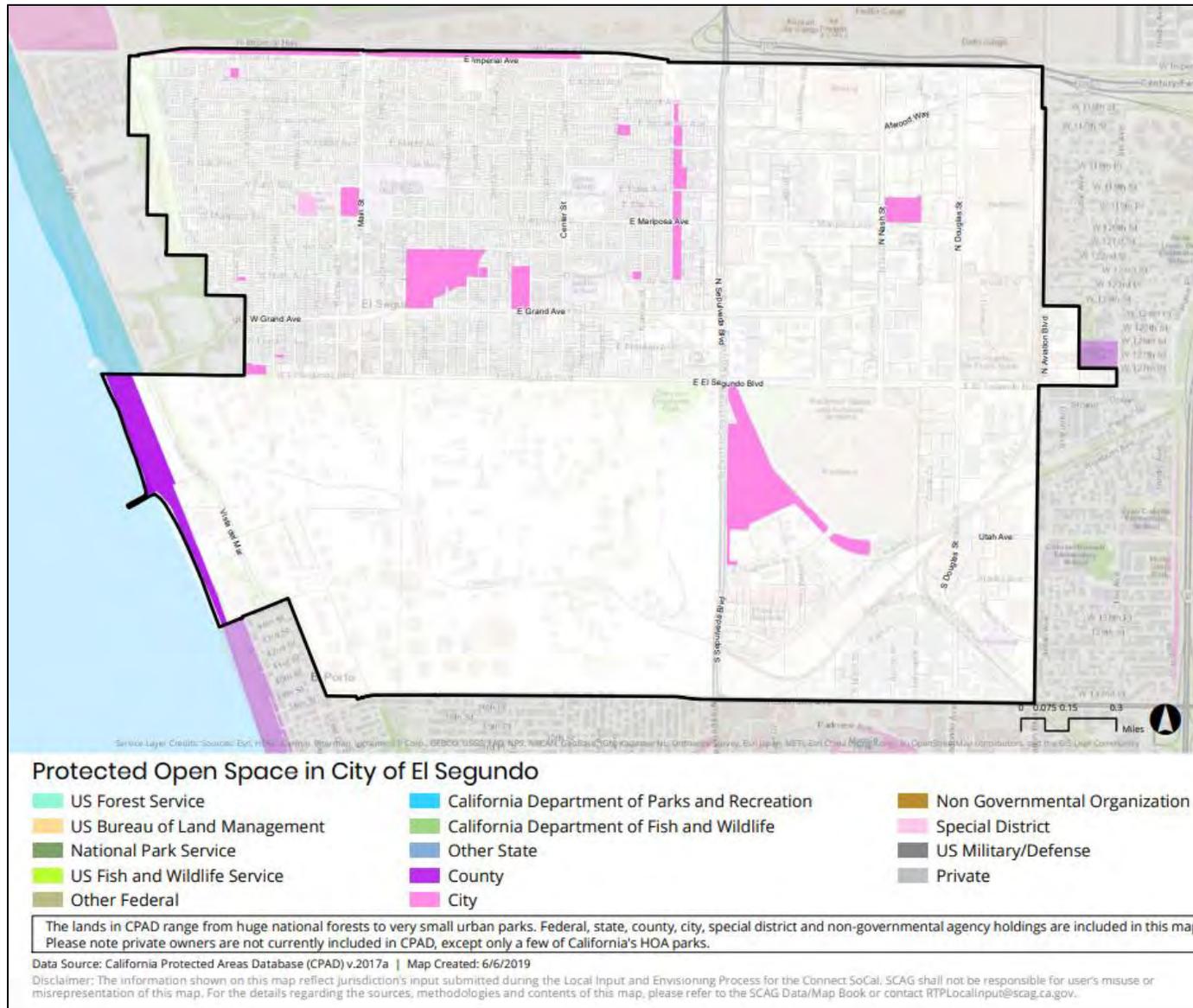
Source: HCD AFFH Data Viewer, TCAC 2021, 2021

Figure C-24: TCAC Opportunity Area Environmental Scores by Tract

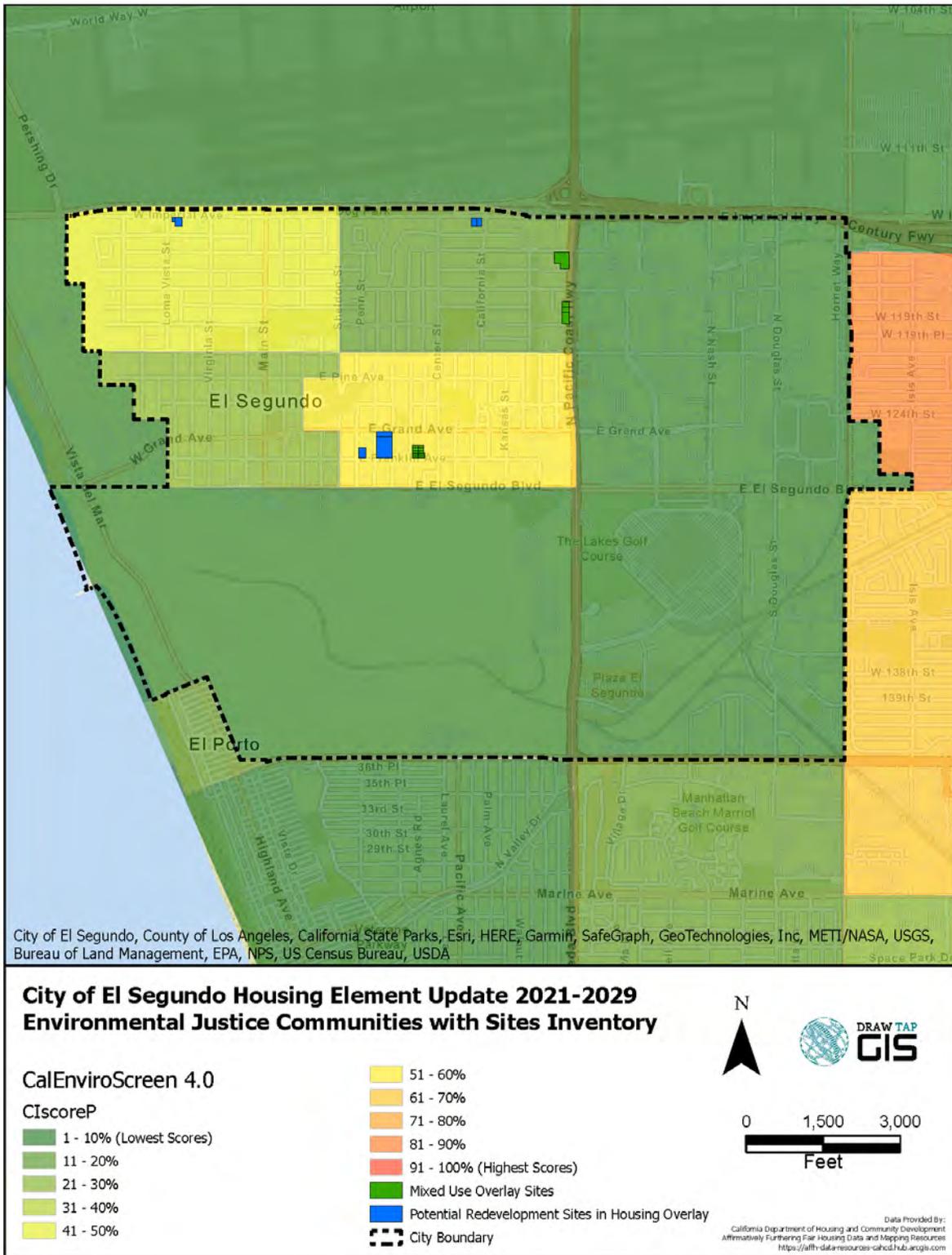


Source: HCD AFFH Data Viewer, TCAC 2021, 2021.

**Figure C-25: Protected Open Space in City of El Segundo (2019)**



**Figure C-26: CalEnviroScreen 4.0 Percentile Score by Tract and Sites Inventory**



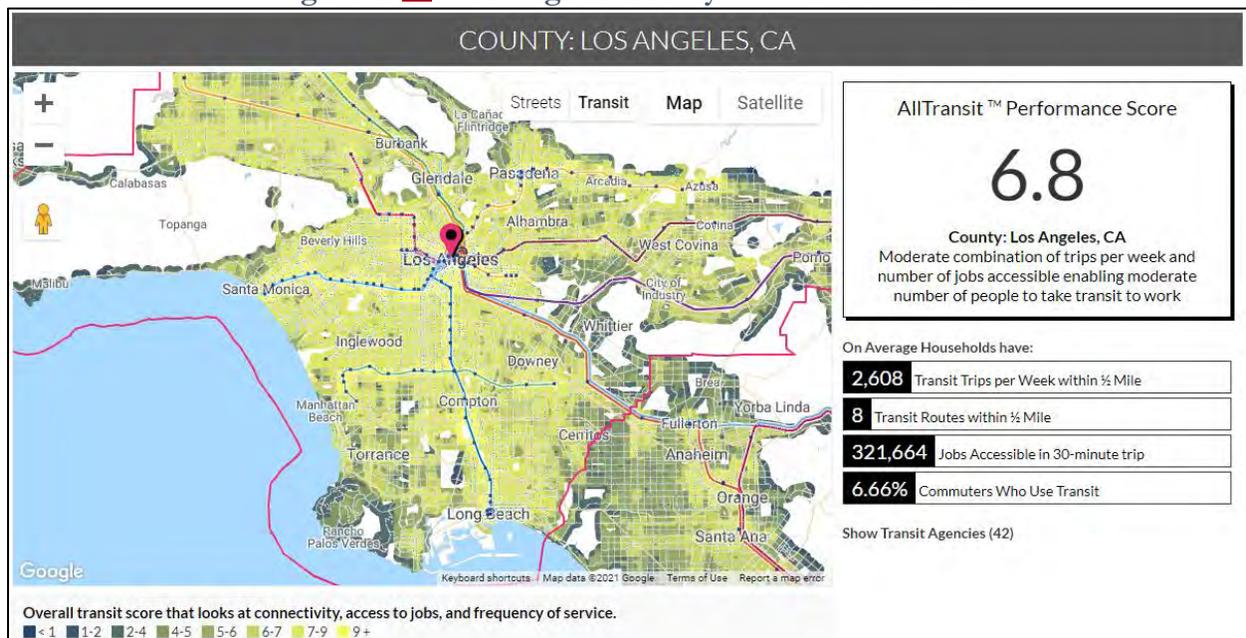
Source: HCD AFFH Data Viewer, CalEnviroScreen 4.0, 2021.

**TRANSPORTATION**

HUD’s Job Proximity Index, shown in [Table C-11](#), can be used to show transportation need geographically. Block groups with lower jobs proximity indices are located further from employment opportunities and have a higher need for transportation. Availability of efficient, affordable transportation can be used to measure fair housing and access to opportunities. SCAG developed a mapping tool for High Quality Transit Areas (HQTAs) as part of the Connect SoCal 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). SCAG defines HQTAs as areas within one-half mile from a major transit stop and a high-quality transit corridor. This section also utilizes All Transit metrics to identify transportation opportunities in Los Angeles County and El Segundo.

**Regional Trend.** All Transit explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. El Segundo’s All Transit Performance score of 5.8 Hawthorne (7.3), Hermosa Beach (6.4), Inglewood (7.7), Lawndale (7.8), Redondo Beach (6.6), and the County (6.8). The City scored slightly higher than Manhattan Beach (5.6). Los Angeles County All Transit metrics are shown in [Figure C-27](#). The County’s All Transit score of 6.8 indicates a moderate combination of trips per week and number of accessible jobs enabling a moderate number of people to take transit to work. All Transit estimates 93.9% of jobs and 90.1% of workers are located within ½ a mile from transit.

**Figure C-27: Los Angeles County All Transit Metrics**



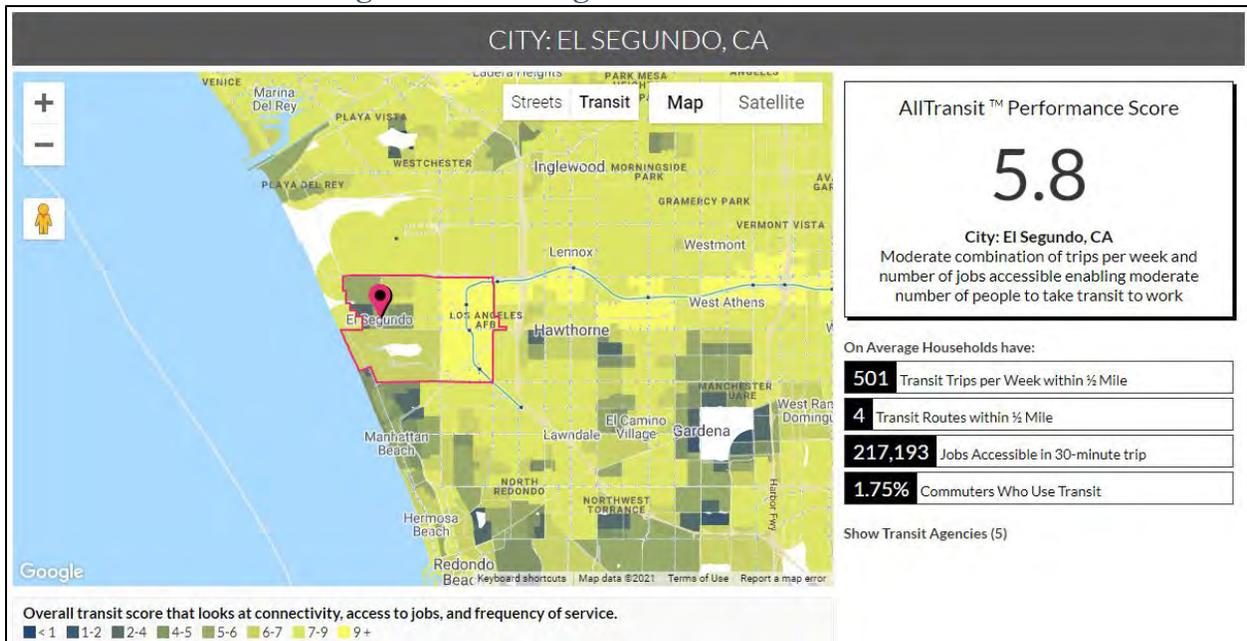
Source: All Transit Metrics: All Transit Performance Score – Los Angeles County, 2019.

As shown in [Figure C-29](#), block groups around Santa Monica and Beverly Hills, Pasadena, Torrance, downtown Los Angeles, and coastal areas around El Segundo have the highest jobs proximity index scores indicating employment opportunities are most accessible in these areas. Central County areas, from Inglewood to Bellflower, southern South Bay cities, and parts of the San Gabriel Valley have the lowest jobs proximity index scores. Most of the central County areas are considered HQTAs.

**Local Trend.** All Transit metrics for El Segundo are shown in [Figure C-28](#). El Segundo received an All Transit Performance Score of 5.8, indicating a moderate combination of trips per week and

number of jobs accessible by transit. All Transit estimates that 99.6% of jobs and 99.6% of workers in El Segundo are within 1/2 a mile from transit.

**Figure C-28: El Segundo All Transit Metrics**

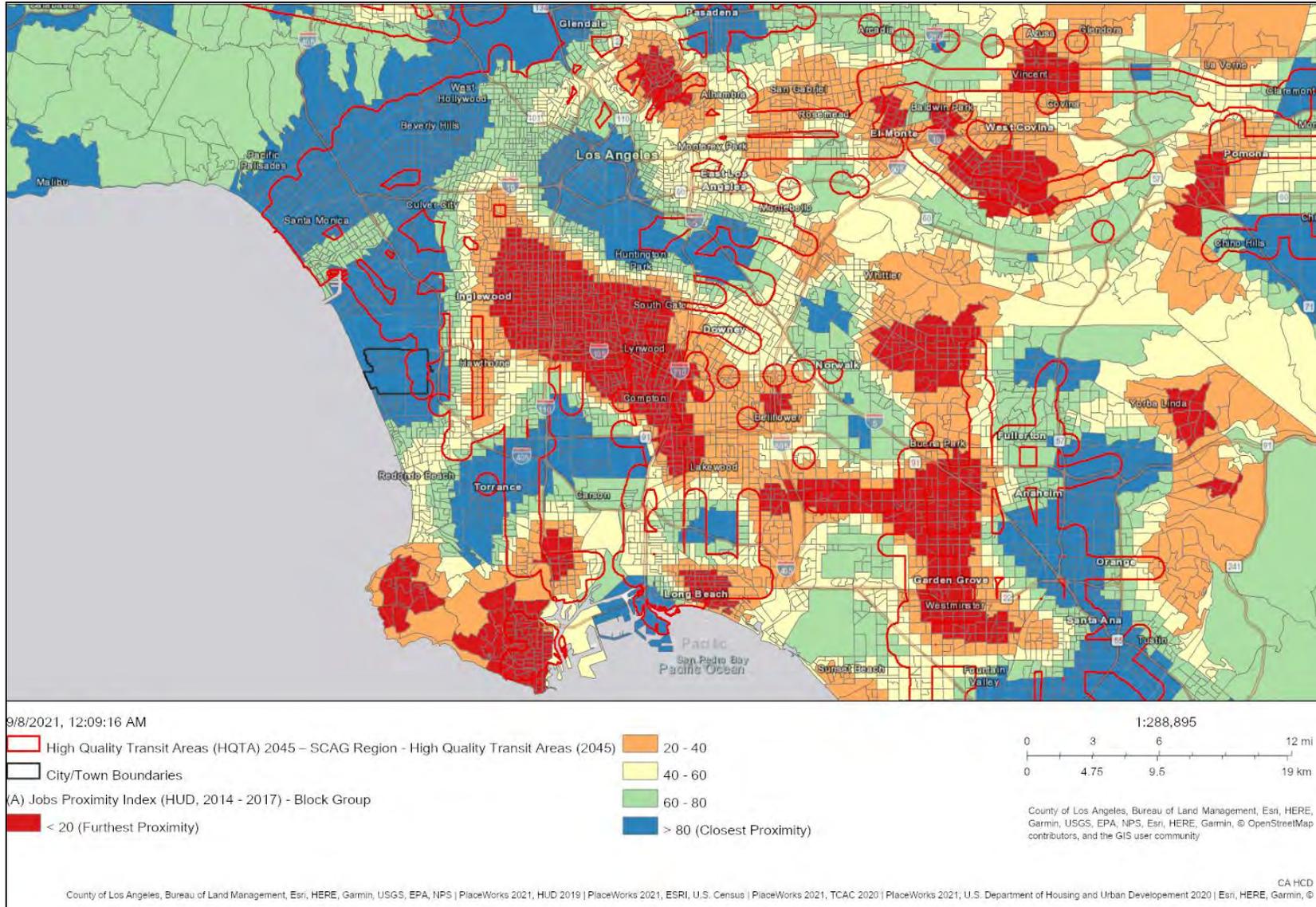


Source: All Transit Metrics: All Transit Performance Score – El Segundo, 2019.

As shown in [Figure C-30](#), all census block groups in El Segundo received the highest jobs proximity index scores exceeding 80, indicating that employment opportunities are very accessible in the City. Additionally, the eastern side of the City is considered an HQTAs ([Figure C-29](#)).

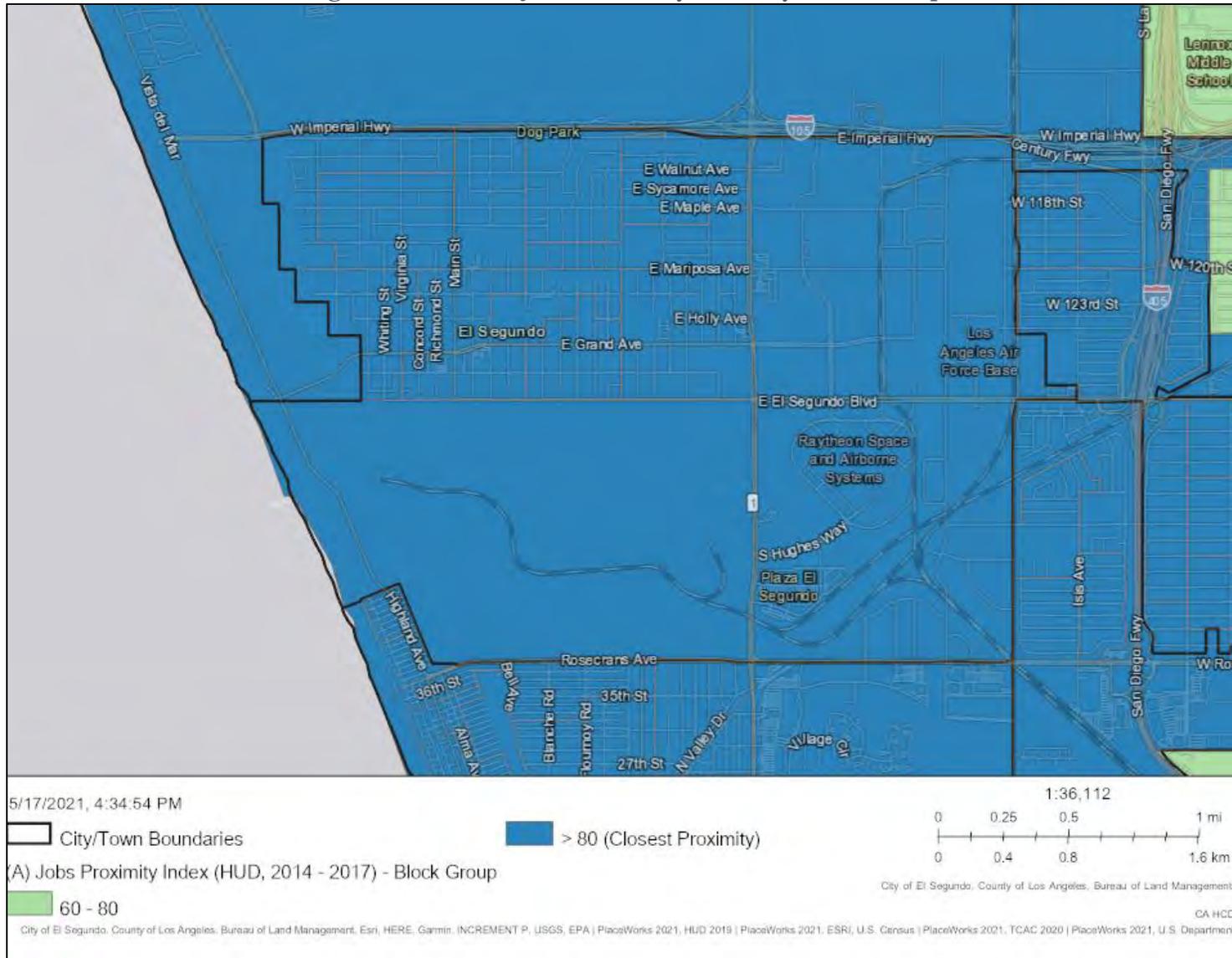
[Figure C-31](#) shows bikeways throughout the City. El Segundo has a widespread network of proposed or planned interconnected bikeways according to the SCAG Data/Map Book for the City of El Segundo. Additional bikeways throughout the City will encourage mobility, specifically in the northwestern corner of the City where nearly all residential units are located.

Figure C-29: Regional HUD Jobs Proximity Index by Block Group and HQTAs



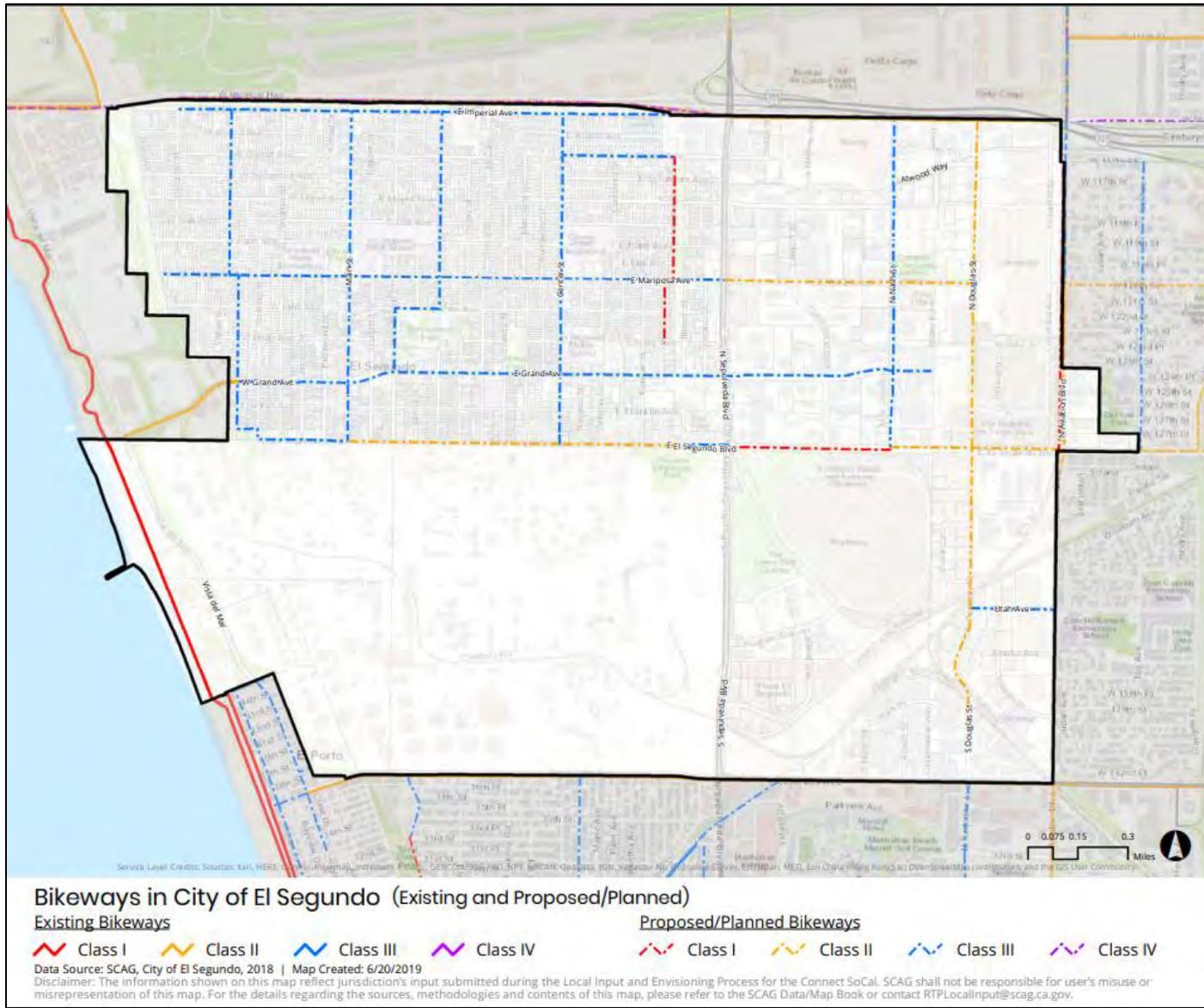
Source: HCD AFFH Data Viewer, HUD 2014-2017, 2021.

Figure C-30: HUD Jobs Proximity Index by Block Group



Source: HCD AFFH Data Viewer, HUD 2014-2017, 2021.

**Figure C-31: Bikeways in the City of El Segundo**



## 5. Disproportionate Housing Needs

Housing problems in El Segundo were calculated using HUD’s 2020 Comprehensive Housing Affordability Strategy (CHAS) data based on the 2013-2017 ACS. [Table C-14](#) breaks down households by race and ethnicity and presence of housing problems for El Segundo and Los Angeles County households. The following conditions are considered housing problems:

- Substandard Housing (measured by incomplete plumbing or kitchen facilities)
- Overcrowding (more than 1 person per room)
- Cost burden (housing costs greater than 30%)

In El Segundo, 24.7% of owner-occupied households and 44.4% of renter-occupied households have one or more housing problems. The City has a smaller proportion of households with a housing problem compared to the County, where 38.9% of owner-occupied households and 62.3% of renter-occupied households experience a housing problem. In El Segundo, all Pacific Islander renter-households experience a housing problem. White owner-occupied households, Asian owner-occupied households, and Hispanic renter-occupied households also experience housing problems at a higher rate than the City average.

**Table C-14: Housing Problems by Race/Ethnicity**

	El Segundo		Los Angeles County	
	Owner	Renter	Owner	Renter
White	26.6%	43.7%	32.1%	52.6%
Black	--	43.8%	41.5%	63.7%
Asian	38.0%	42.4%	38.3%	56.3%
American Indian	--	--	39.7%	56.4%
Pacific Islander	--	100.0%	39.7%	55.5%
Hispanic	0.0%	53.3%	48.2%	71.1%
Other	0.0%	24.0%	36.5%	55.7%
<b>All</b>	<b>24.7%</b>	<b>44.4%</b>	<b>38.9%</b>	<b>62.3%</b>

Note: -- = 0 households in category.  
Source: HUD CHAS Data (based on 2013-2017 ACS), 2020.

### **COST BURDEN**

Households are considered cost burdened if housing costs exceed 30% of their gross income for housing, and severely cost burdened if housing costs exceed 50% of their gross income. Cost burden in El Segundo and Los Angeles County is assessed using 2020 HUD CHAS data (based on 2013-2017 ACS estimates) and the HCD Data Viewer (based on 2010-2014 and 2015-2019 ACS estimates).

**Regional Trend.** Cost burden by tenure and race/ethnicity for Los Angeles County is shown in [Table C-15](#). Approximately 45% of Los Angeles County households are cost burdened, including 35% of owner-occupied households and 54.2% of renter-occupied households. Non-Hispanic Black and Hispanic renter households have the highest rate of cost burden of 59.6% and 58.3%, respectively. Non-Hispanic White and non-Hispanic Pacific Islander owner households have the lowest rate of cost burden of 31.1% and 33.3%, respectively. Cost burden is more common amongst renter households than owner households regardless of race or ethnicity.

**Table C-15: Cost Burden by Race/Ethnicity and Tenure – Los Angeles County**

	Cost Burdened (>30%)	Severely Cost Burdened (>50%)	Total Households
<b>Owner-Occupied</b>			
White, non-Hispanic	31.1%	14.8%	648,620
Black, non-Hispanic	40.0%	19.6%	104,895
Asian, non-Hispanic	34.4%	15.8%	255,890
American Indian, non-Hispanic	36.9%	16.3%	3,215
Pacific Islander, non-Hispanic	33.3%	14.8%	2,165
Hispanic	39.5%	17.8%	470,670
Other	34.9%	17.2%	26,905
<b>Renter-Occupied</b>			
White, non-Hispanic	49.4%	27.5%	541,545
Black, non-Hispanic	59.6%	34.8%	206,950
Asian, non-Hispanic	47.6%	25.5%	226,765
American Indian, non-Hispanic	48.8%	26.8%	4,420
Pacific Islander, non-Hispanic	47.9%	22.5%	4,355
Hispanic	58.3%	30.5%	755,590
Other	50.9%	27.5%	43,210

Source: HUD CHAS Data (based on 2013-2017 ACS), 2020.

Cost burden [Figure C-32](#) and [Figure C-33](#) show concentrations of cost burdened owners and renters by tract for the region. Tracts with high concentrations of cost burdened owners are generally dispersed throughout the County. Overpaying owners are most prevalent in the central County areas, in the westside cities of Santa Monica and Beverly Hills, and parts of the San Gabriel Valley. In most tracts in coastal areas from Rolling Hills to El Segundo, 20% to 60% of owners are cost burdened. There is a higher concentration of cost burdened renters countywide. More than 40% of renters overpay for housing in most Los Angeles County tracts. Tracts where more than 60% of renters are cost burdened are most concentrated in the central County areas around Inglewood and the City of Los Angeles, Long Beach, eastern County cities including Norwalk, and parts of the San Gabriel Valley. Between 20% and 60% of renters in coastal areas around El Segundo overpay for housing. There is a higher concentration of overpaying renters in tracts to the east of the City.

**Local Trend.** Cost burden by tenure in El Segundo based on HUD CHAS data is shown in [Table C-16](#). Pacific Islander, Hispanic, and Black renter-occupied households have the highest rate of cost burden in the city (100%, 45.3%, and 43.8% respectively). There are no cost burdened Hispanic owners or owners of a race not listed (“other”) in El Segundo. For all racial and ethnic groups other than Asians, cost burden is more prevalent amongst renter-occupied households. Overall, 31.9% of El Segundo households are cost burdened, and 14.6% are severely cost burdened. Only 24% of owners in El Segundo spend more than 30% of their income on housing, compared to 38.3% of renters. Fewer households are cost burdened in El Segundo compared to the County.

**Table C-16: Cost Burden by Race/Ethnicity and Tenure – El Segundo**

	Cost Burdened (>30%)	Severely Cost Burdened (>50%)	Total Households
<b>Owner-Occupied</b>			
White, non-Hispanic	26.2%	11.5%	2,350
Black, non-Hispanic	--	--	0
Asian, non-Hispanic	38.0%	20.0%	250
American Indian, non-Hispanic	--	--	0
Pacific Islander, non-Hispanic	--	--	0
Hispanic	0.0%	0.0%	285
Other	0.0%	0.0%	75
<b>Renter-Occupied</b>			
White, non-Hispanic	40.0%	16.8%	2,325
Black, non-Hispanic	43.8%	25.0%	80
Asian, non-Hispanic	22.7%	3.0%	330
American Indian, non-Hispanic	--	--	0
Pacific Islander, non-Hispanic	100.0%	0.0%	10
Hispanic	45.3%	26.3%	685
Other	20.0%	20.0%	250

Source: HUD CHAS Data (based on 2013-2017 ACS), 2020.

Figure C-34 through Figure C-37 compare cost burden by tract in using the 2010-2014 and 2015-2019 ACS. The rate of cost burdened owners has decreased or remained the same in all tracts in El Segundo since the 2010-2014 ACS. Between 20% and 40% of owners are currently cost burdened in all tracts. The rate of cost burdened renters has increased in one tract in the northwestern corner of the City. According to the most recently 2015-2019 ACS estimates, between 40% and 60% of renters overpay in most El Segundo tracts. Only 20% to 40% of renters overpay in the tract at the cross section of the PCH and El Segundo Boulevard.

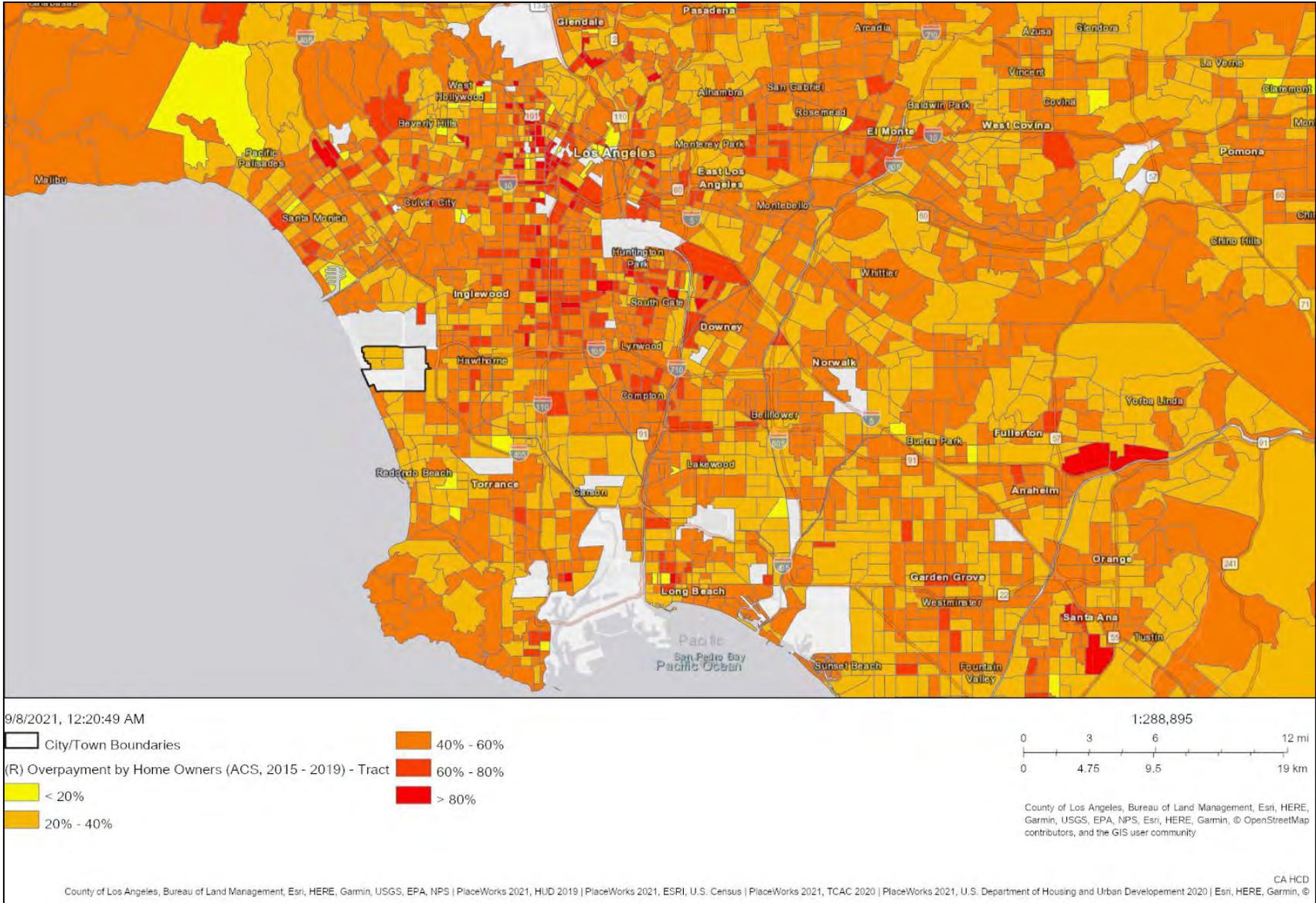
**Sites Inventory.** As discussed above, between 20% and 40% of owners overpay for housing in all El Segundo tracts; therefore, all RHNA units are located in tracts with populations of cost burdened owners in this range. The distribution of RHNA units by cost burdened renters is shown below. Over half (51.2%) of RHNA units are in tracts where 20% to 40% of renters overpay for housing, including 53.7% of lower income units, 55.4% of moderate income units, and 45.1% of above moderate income units. The other 48.8% of RHNA units are in tracts where 40% to 60% of renters overpay. As shown in Figure C-37, the distribution of RHNA units is consistent with the Citywide trend where 40% and 60% of renters are cost burdened in a majority of the City. The City’s RHNA strategy does not exacerbate existing fair housing conditions related to cost burden.

**Table C-17: Distribution of RHNA Units by Percent of Cost Burdened Renters**

Cost Burdened Renters (Tract)	Lower Income		Moderate Income		Above Moderate Income		Total	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
20-40%	138	53.7%	103	55.4%	106	45.1%	347	51.2%
40.1-60%	119	46.3%	83	44.6%	129	54.9%	331	48.8%

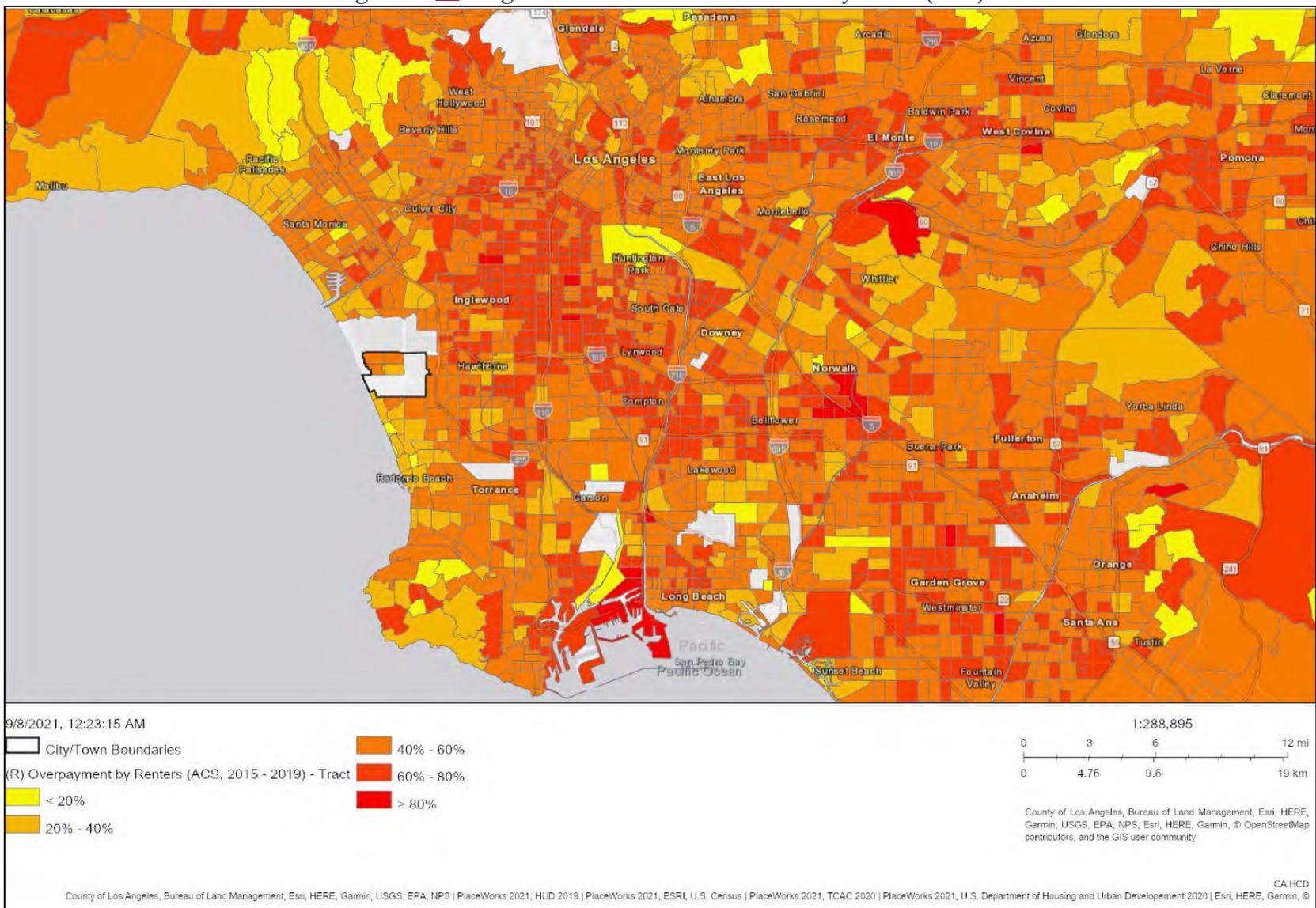
<u>Total</u>	<u>257</u>	<u>100.0%</u>	<u>186</u>	<u>100.0%</u>	<u>235</u>	<u>100.0%</u>	<u>678</u>	<u>100.0%</u>
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Figure C-32: Regional Cost Burdened Owners by Tract (2019)



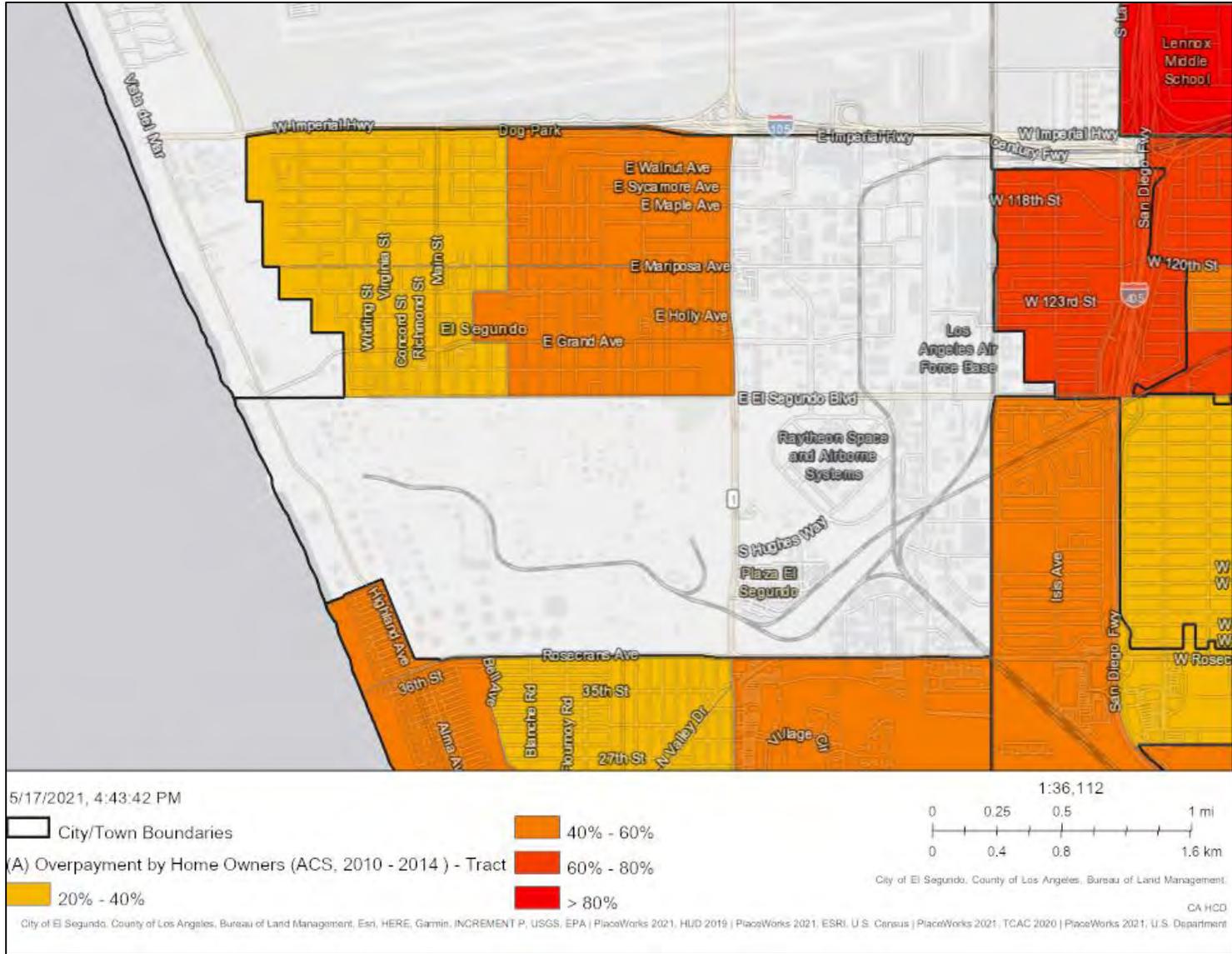
Source: HCD AFFH Data Viewer, 2010-2014 ACS, 2021.

Figure C-33: Regional Cost Burdened Renters by Tract (2019)



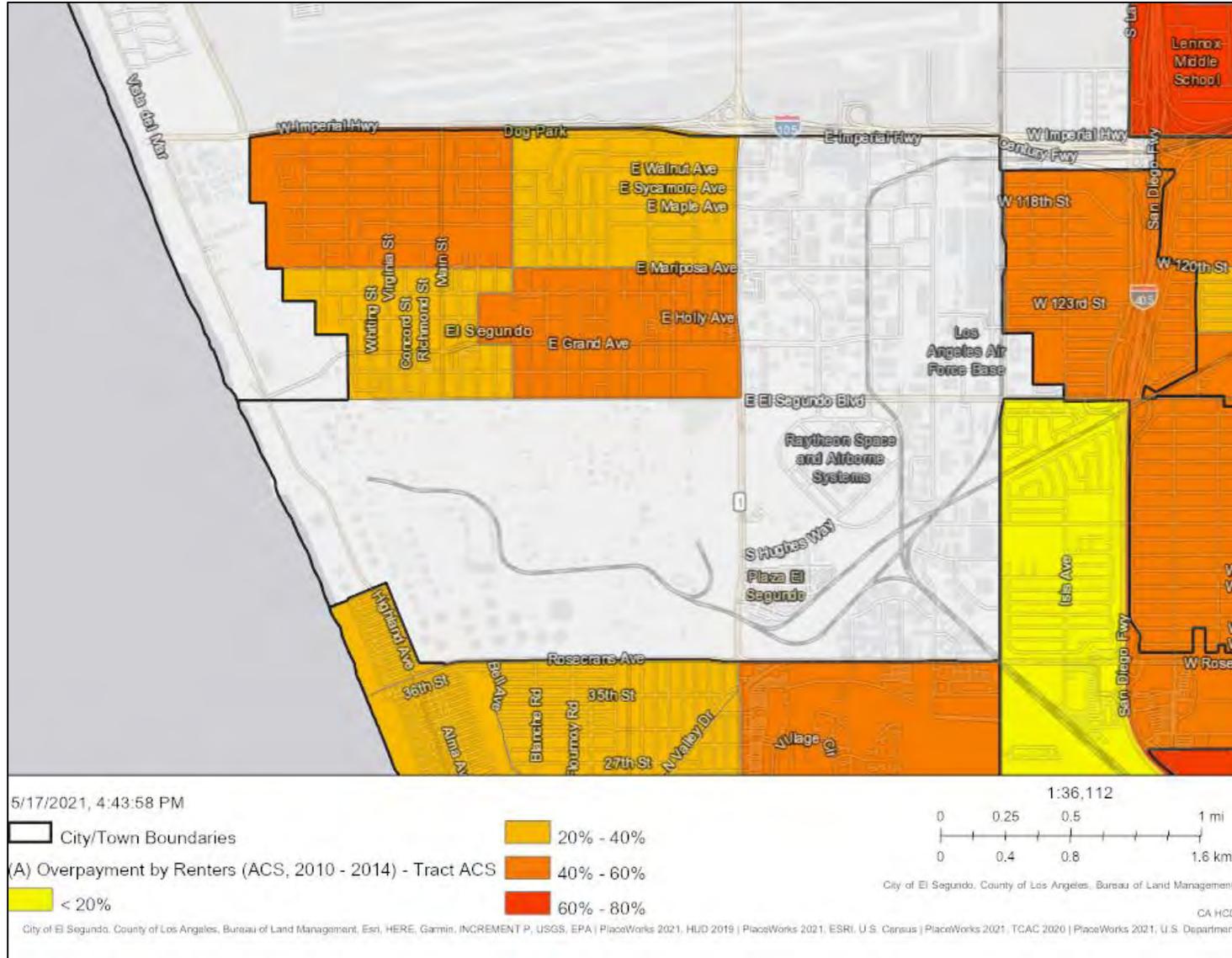
Source: HCD AFFH Data Viewer, 2010-2014 ACS, 2021.

Figure C-34: Cost Burdened Owners by Tract (2014)



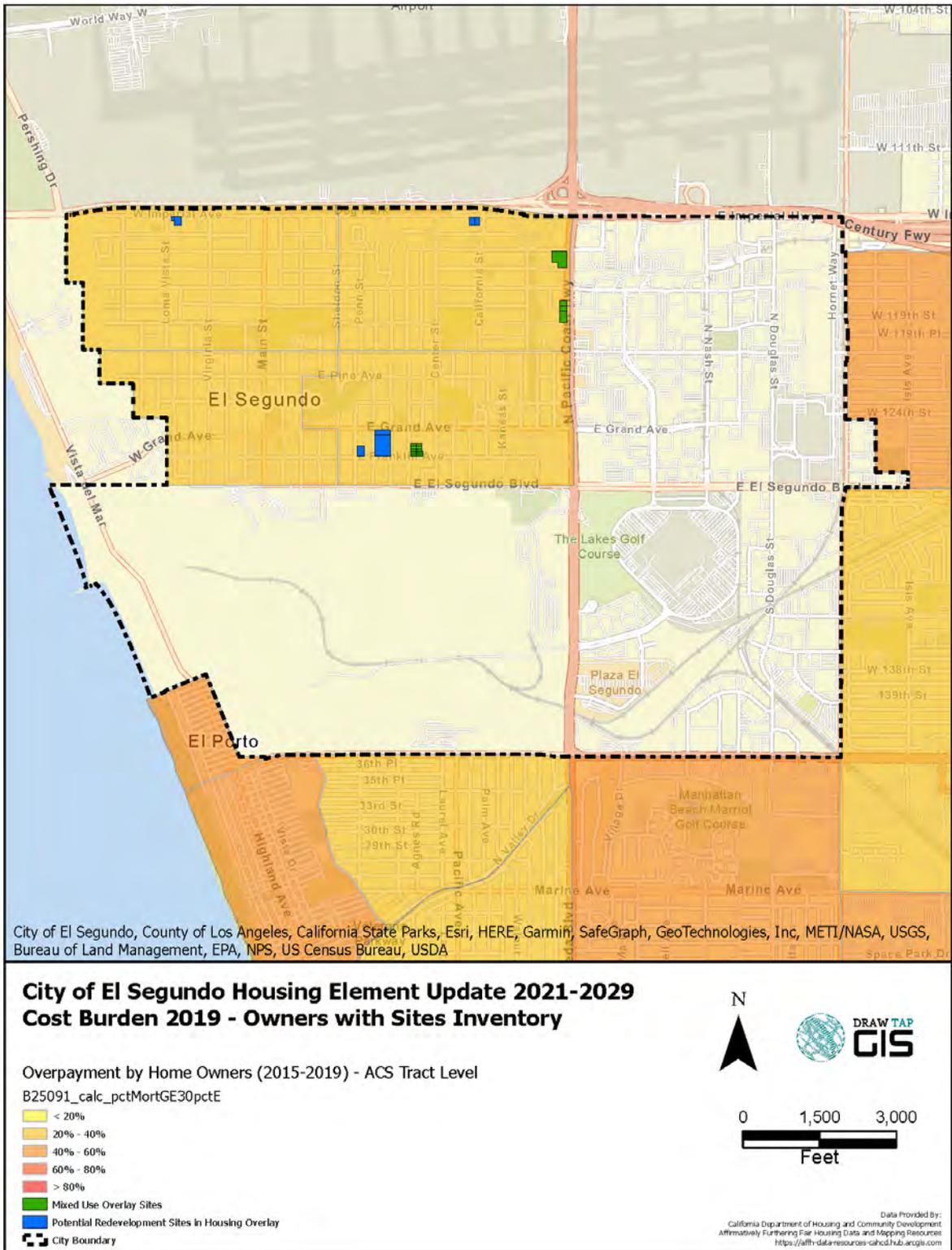
Source: HCD AFFH Data Viewer, 2010-2014 ACS, 2021.

Figure C-35: Cost Burdened Renters by Tract (2014)



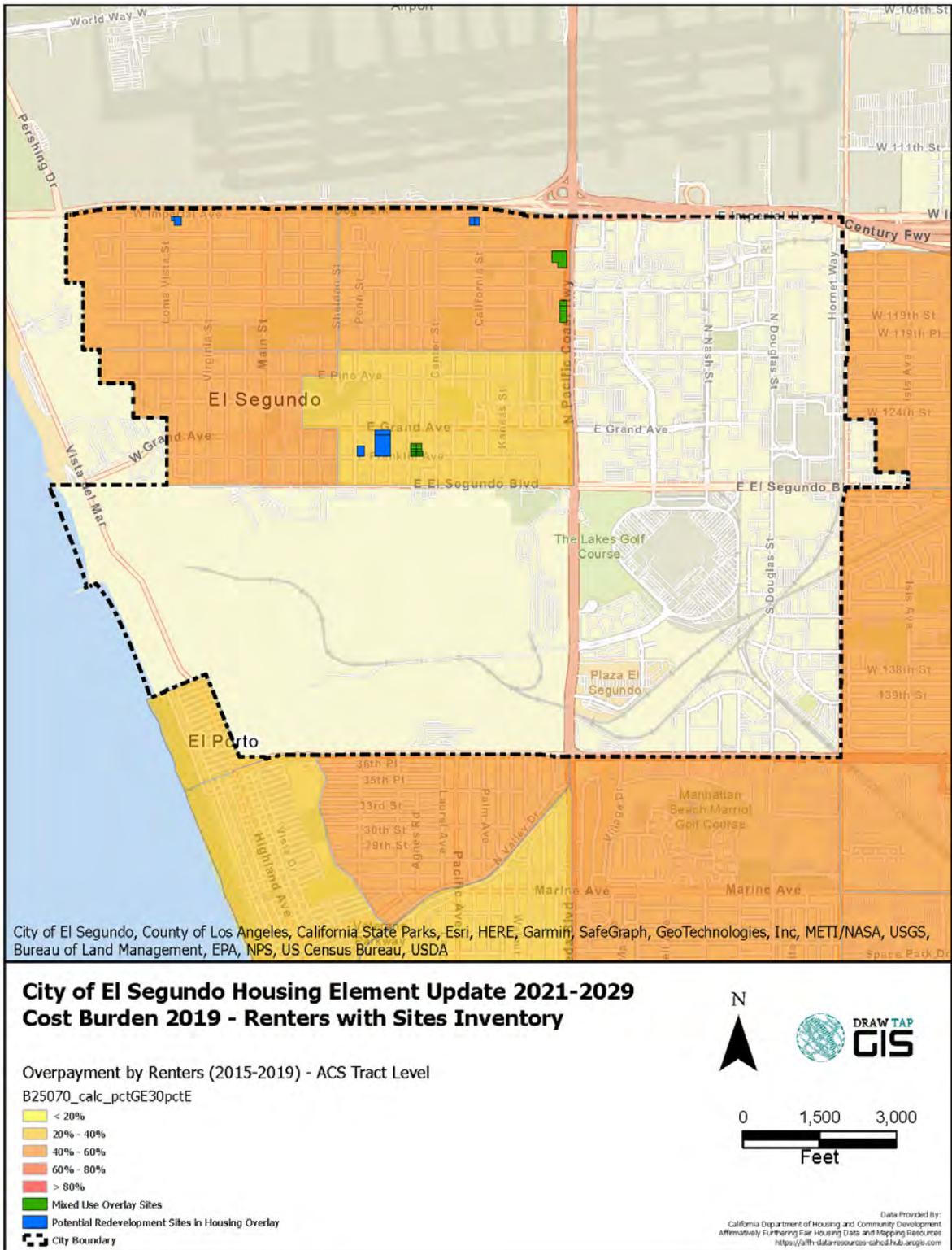
Source: HCD AFFH Data Viewer, 2010-2014 ACS, 2021.

**Figure C-36: Cost Burdened Owners by Tract and Sites Inventory (2019)**



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

**Figure C-37: Cost Burdened Renters by Tract and Sites Inventory (2019)**



Source: HCD AFFH Data Viewer, 2015-2019 ACS, 2021.

## OVERCROWDING

A household is considered overcrowded if there is more than one person per room and severely overcrowded if there is more than 1.5 persons per room. HUD CHAS data based on the 2013-2017 ACS and the HCD AFFH Data Viewer (2015-2019 ACS) is used to show overcrowding in El Segundo and Los Angeles County.

**Regional Trend.** As shown in [Table C-18](#), 5.7% of owner-occupied households and 16.7% of renter-occupied households in the County are overcrowded. Severe overcrowding is also an issue in the County, especially amongst renter households. More than 1% of owner households and 7.6% of renter households are severely overcrowded.

**Table C-18: Overcrowding by Tenure**

	Overcrowded (>1 person per room)		Severely Overcrowded (>1.5 persons per room)		Total Households
	Households	Percent	Households	Percent	
<b>El Segundo</b>					
Owner-Occupied	25	0.8%	15	0.5%	2,960
Renter-Occupied	215	5.8%	80	2.2%	3,680
<b>Los Angeles County</b>					
Owner-Occupied	85,870	5.7%	23,025	1.5%	1,512,365
Renter-Occupied	298,460	16.7%	134,745	7.6%	1,782,835

Source: HUD CHAS Data (based on 2013-2017 ACS), 2020.

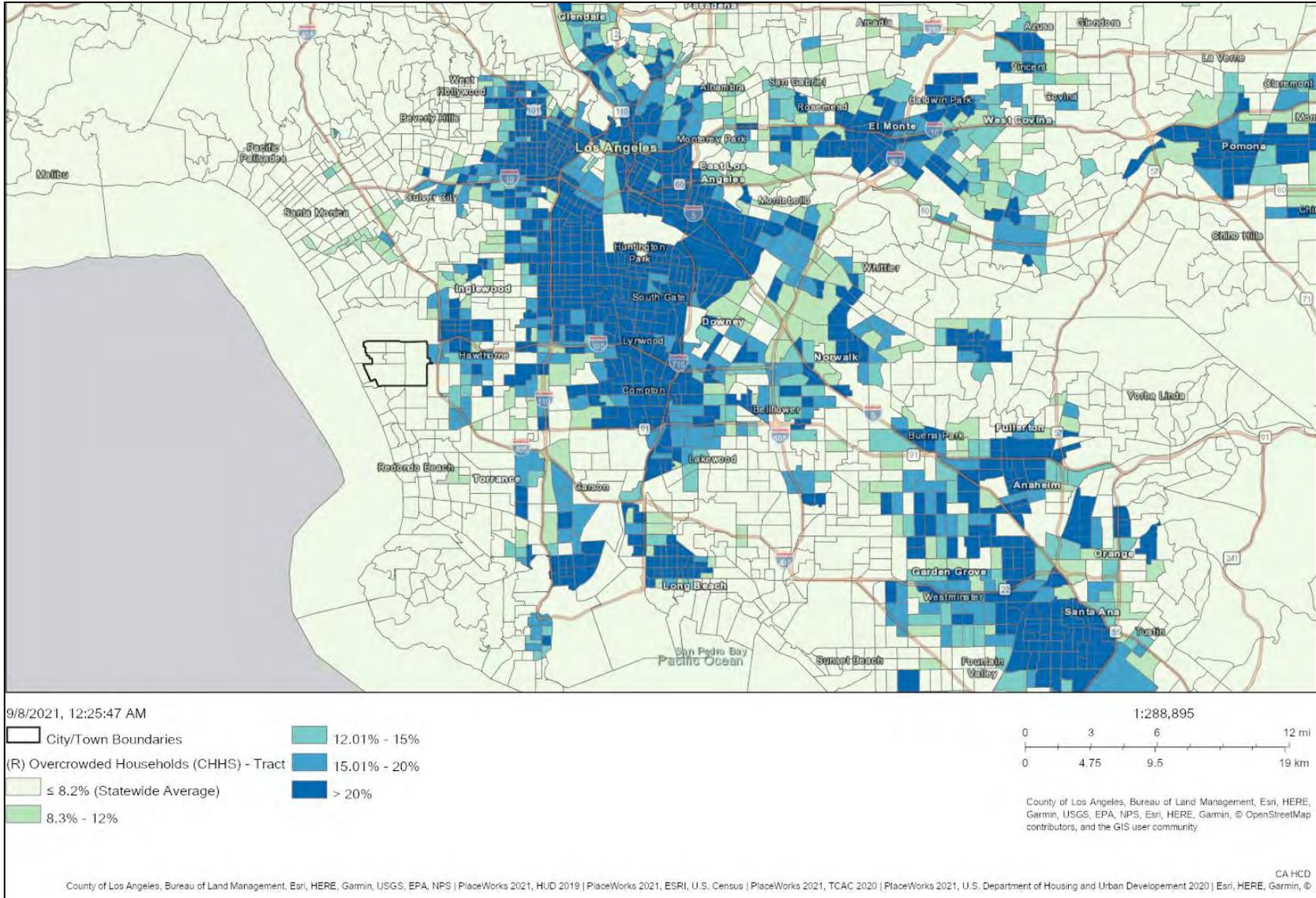
[Figure C-38](#) shows concentrations of overcrowded households by tract regionally. Overcrowded households are most concentrated in the central County areas, including the City of Los Angeles, South Gate, and Compton, and in parts of San Gabriel Valley. Areas north and south of El Segundo have concentrations of overcrowded households below the State average. Tracts east of El Segundo, around Hawthorn and Inglewood, have significantly more overcrowding.

**Local Trend.** As presented in [Table C-18](#) above, a smaller share of households in El Segundo are overcrowded compared to the countywide average. Less than 1% of owner-occupied households and 5.8% of renter-occupied households in the City have more than one person per room. Only 0.5% of owner households and 2.2% of renter households are severely overcrowded, with more than 1.5 persons per room.

[Figure C-39](#) shows overcrowding by tract in the City. There are no tracts in El Segundo where the percent of overcrowded households exceeds the statewide average of 8.2%.

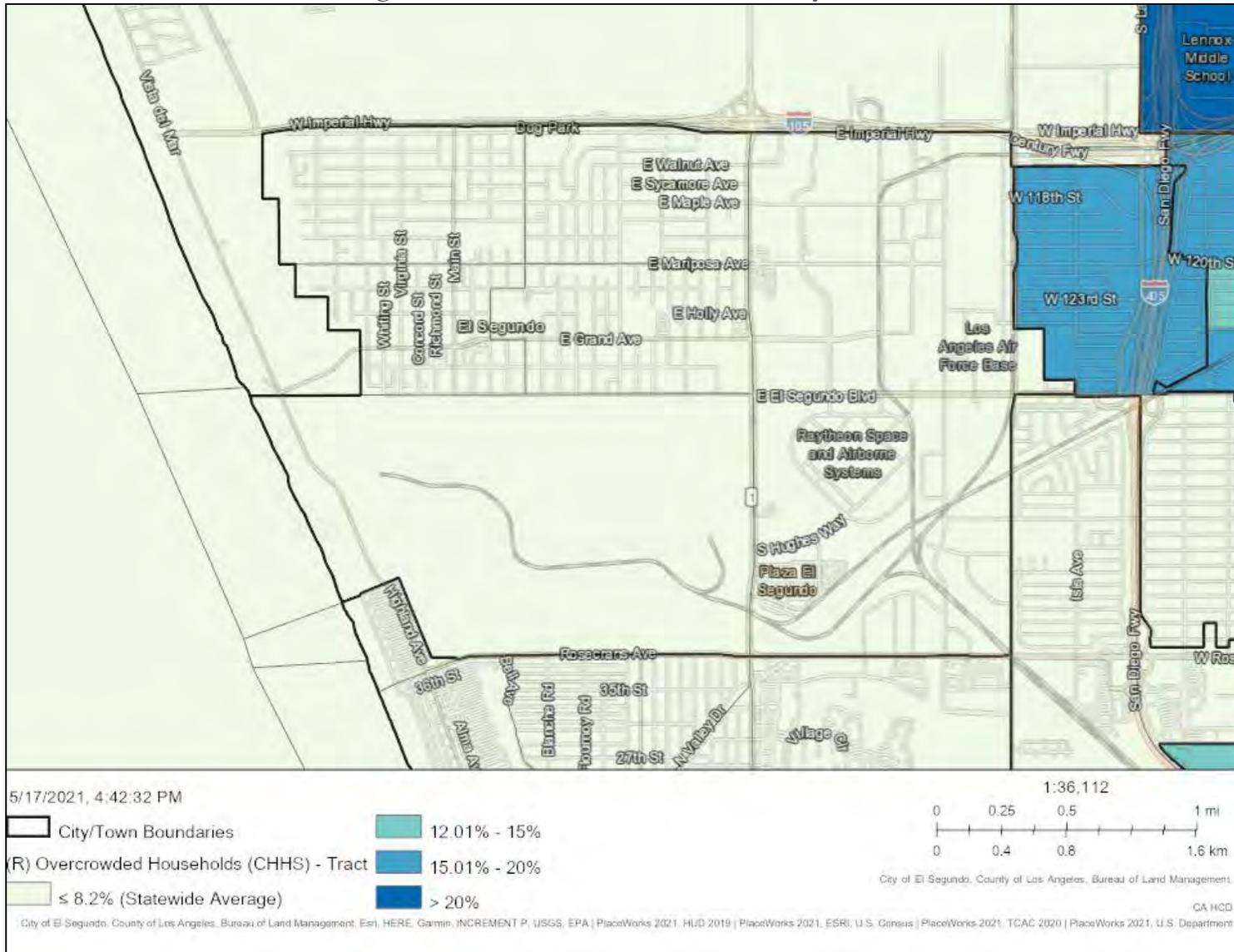
**Sites Inventory.** There are no RHNA units in tracts where the population of overcrowded households exceeds the statewide average of 8.2%. The City's RHNA strategy does not exacerbate conditions related to overcrowding.

Figure C-38: Regional Overcrowded Households by Tract



Source: HCD AFFH Data Viewer, 2020 HUD CHAS data, 2021.

Figure C-39: Overcrowded Households by Tract



Source: HCD AFFH Data Viewer, 2020 HUD CHAS data, 2021.

## **SUBSTANDARD HOUSING**

Incomplete plumbing or kitchen facilities and housing stock age can be used to measure substandard housing conditions. Incomplete facilities and housing age are based on the 2015-2019 ACS. In general, residential structures over 30 years of age require minor repairs and modernization improvements, while units over 50 years of age are likely to require major rehabilitation such as roofing, plumbing, and electrical system repairs.

**Regional Trend.** Less than 1% households in the County lack complete plumbing facilities, and 1.5% lack complete kitchen facilities. Incomplete facilities are more common amongst renter-occupied households. Only 0.4% of owner households lack complete kitchen facilities compared to 2.5% of renters ([Table C-19](#)).

**Table C-19: Incomplete Facilities**

	Lacking Complete Plumbing Facilities		Lacking Complete Kitchen Facilities		Total Households
	Households	Percent	Households	Percent	
<b>El Segundo</b>					
Owner-Occupied	0	0.0%	0	0.0%	2,792
Renter-Occupied	19	0.5%	129	3.6%	3,625
Total	19	0.3%	129	2.0%	6,417
<b>Los Angeles County</b>					
Owner-Occupied	3,672	0.2%	5,823	0.4%	1,519,516
Renter-Occupied	11,410	0.6%	44,441	2.5%	1,797,279
Total	15,082	0.5%	50,264	1.5%	3,316,795

Source: 2015-2019 ACS (5-Year Estimates).

Housing age can also be used as an indicator for substandard housing and rehabilitation needs. In general, residential structures over 30 years of age require minor repairs and modernization improvements, while units over 50 years of age are likely to require major rehabilitation such as roofing, plumbing, and electrical system repairs. In the County, 86% of the housing stock was built prior to 1990, including 60.5% built prior to 1970 ([Table C-20](#)).

**Local Trend.** There are no owner-occupied households lacking complete plumbing or kitchen facilities in El Segundo ([Table C-19](#)). A larger proportion of renter-occupied households in El Segundo lack complete kitchen facilities compared to the share countywide. Of renter households, 0.5% lack complete plumbing facilities and 3.6% lack complete kitchen facilities.

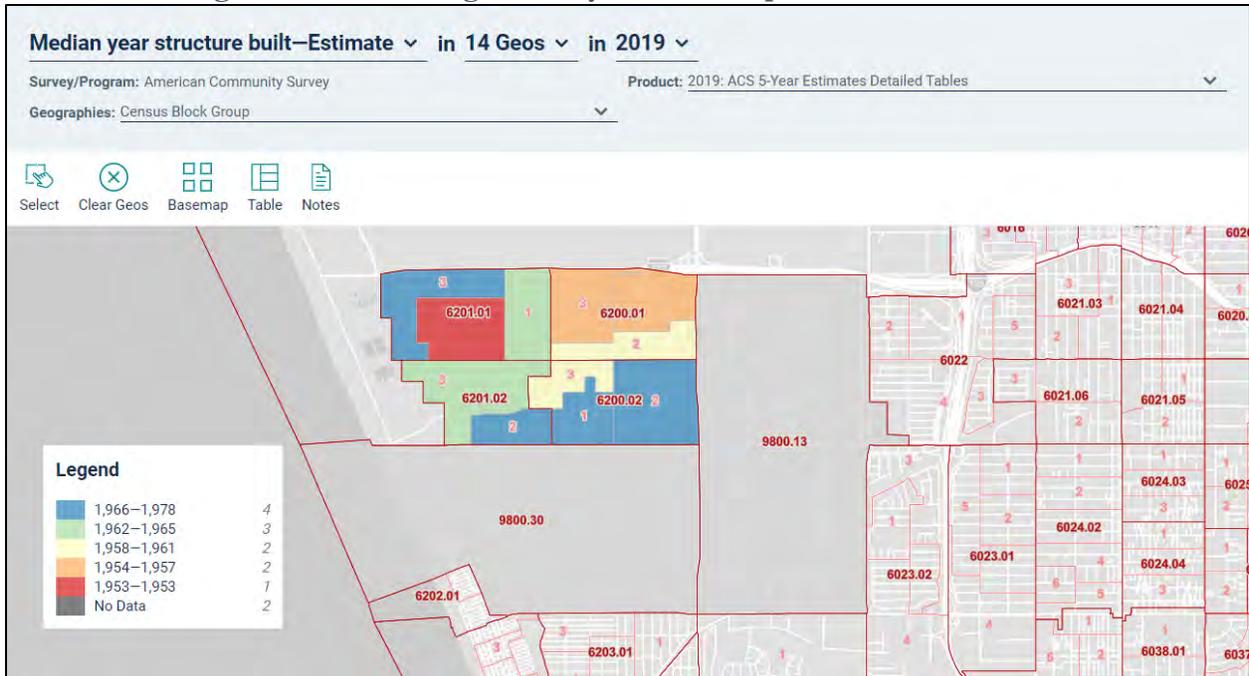
[Table C-20](#) shows the housing stock age in El Segundo and El Segundo block groups. Nearly 90% of the City's housing stock was built prior to 1990, a slightly higher share than the County. Tract 6200.01 block groups 1 and 3, and tract 6201.01 block group 2 have the largest share of housing units aged 50 or older. More than 70% of housing units in these block groups were built prior to 1970. [Figure C-40](#) shows the median year housing units were built by block group. The northernmost tracts, tracts 6201.01 and 6200.01, have slightly older housing stocks.

**Table C-20: Housing Unit Age**

Tract/Jurisdiction	1969 or Earlier (50+ Years)	1970-1989 (30-50 Years)	1990 or Later (<30 Years)	Total Housing Units
Block Group 1, Tract 6200.01	73.1%	21.0%	5.9%	442
Block Group 2, Tract 6200.01	64.9%	27.8%	7.3%	479
Block Group 3, Tract 6200.01	76.5%	11.0%	12.4%	571
Block Group 1, Tract 6200.02	55.3%	29.4%	15.4%	494
Block Group 2, Tract 6200.02	42.5%	29.7%	27.7%	602
Block Group 3, Tract 6200.02	59.9%	29.1%	11.1%	416
Block Group 1, Tract 6201.01	57.4%	38.1%	4.6%	680
Block Group 2, Tract 6201.01	75.3%	18.9%	5.8%	782
Block Group 3, Tract 6201.01	56.8%	33.3%	9.9%	718
Block Group 1, Tract 6201.02	57.5%	23.1%	19.4%	381
Block Group 2, Tract 6201.02	55.1%	36.7%	8.2%	403
Block Group 3, Tract 6201.02	62.0%	29.9%	8.1%	803
Block Group 1, Tract 9800.13	--	--	--	0
Block Group 1, Tract 9800.30	--	--	--	0
El Segundo	61.7%	27.4%	10.9%	6,771
Los Angeles County	60.5%	25.4%	14.1%	3,542,800

Source: 2015-2019 ACS (5-Year Estimates).

**Figure C-40: Housing Stock by Block Group – Median Year Built**



Source: 2015-2019 ACS (5-Year Estimate).

## DISPLACEMENT RISK

HCD defines sensitive communities as “communities [that] currently have populations vulnerable to displacement in the event of increased development or drastic shifts in housing cost.” The following characteristics define a vulnerable community:

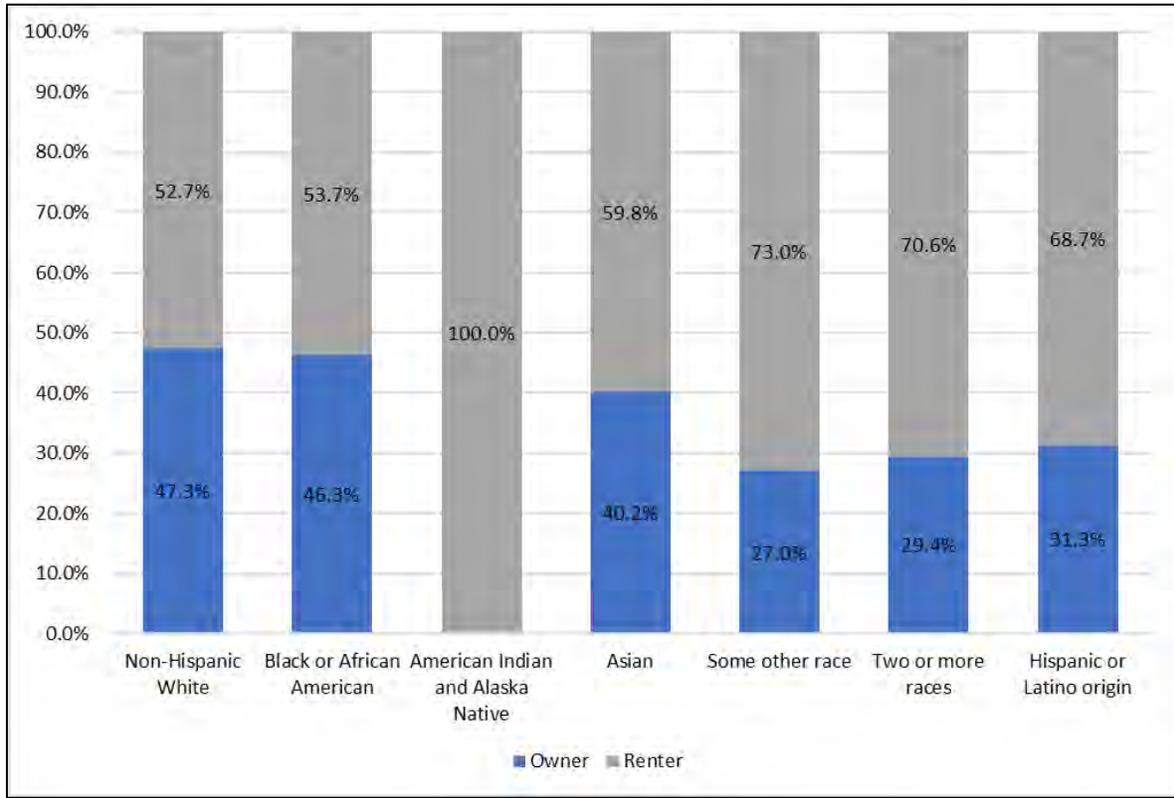
- The share of very low-income residents is above 20%; and
- The tract meets two of the following criteria:
  - Share of renters is above 40%,
  - Share of people of color is above 50%,
  - Share of very low-income households that are severely rent burdened households is above the county median,
  - The area or areas in close proximity have recently experienced displacement pressures (percent change in rent above County median for rent increases), or
  - Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap).

**Regional Trend.** [Figure C-43](#) shows sensitive communities at risk of displacement in the region. Vulnerable communities are most concentrated in the central County areas around the City of Los Angeles, Inglewood, South Gate, and Compton, East Los Angeles, and parts of the San Gabriel Valley. There are fewer vulnerable communities in coastal areas from Rolling Hills to Malibu.

**Local Trend.** As shown in [Figure C-44](#), there are no sensitive communities at risk of displacement in El Segundo. Tracts just east of the City in Hawthorne and Lawndale are considered vulnerable to displacement in the event of increased redevelopment or shifts in housing cost.

As discussed previously, vulnerability is measured based on several variables including: share of renters exceeding 40%, share of people of color exceeding 50%, share of low income households severely rent burdened, and proximity to displacement pressures. Displacement pressures were defined based on median rent increases and rent gaps. According to 2015-2019 ACS estimates, 56.5% of households in El Segundo are renter-occupied, a slight increase from 55.7% during the 2006-2010 ACS. All racial/ethnic minority groups are more likely to be renters compared to White householders. As presented in [Figure C-41](#), 100% of American Indian and Alaska Native householder (15 total households), 73% of households of some other race, 70.6% of households of two or more races, 68.7% of Hispanic or Latino households, 59.8% of Asian households, and 53.7% of Black or African American households are renter-occupied compared to only 52.7% of non-Hispanic White households. As discussed previously, some racial/ethnic minority groups are more likely to experience housing problems including cost burden (see [Table C-16](#)). Based on this demographic data, racial/ethnic minority populations in El Segundo are more likely to be at risk of displacement.

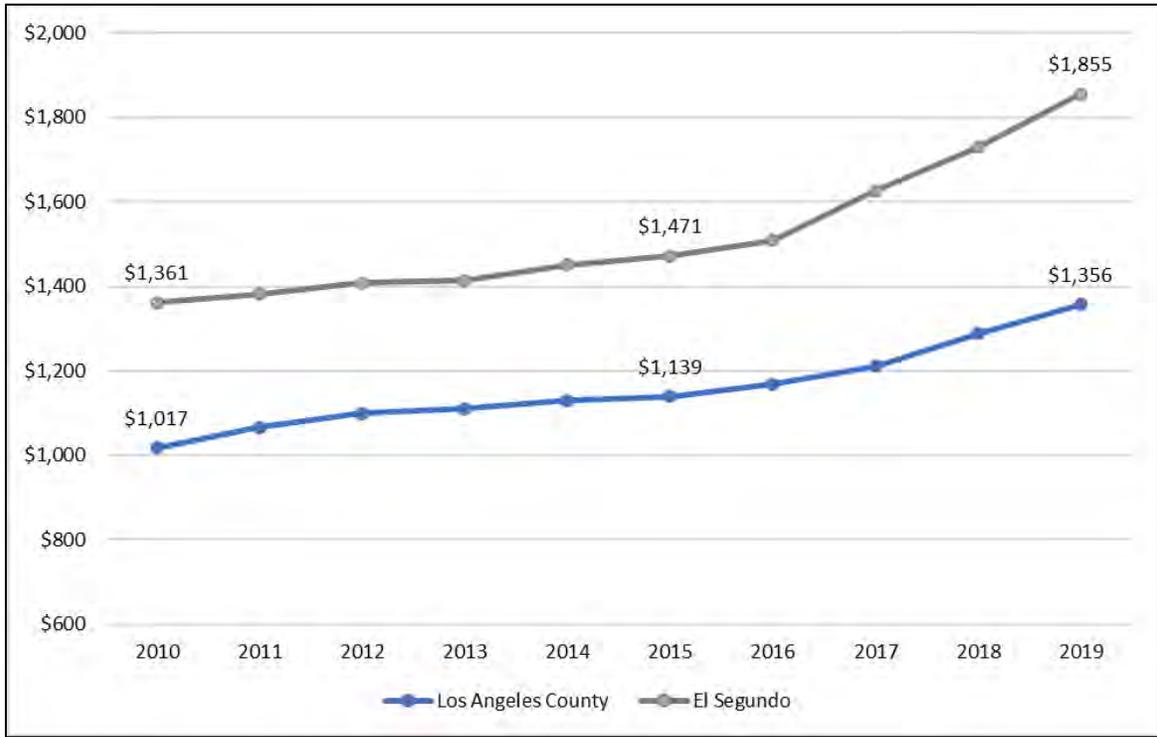
**Figure C-41: Tenure by Race (2019)**



Source: 2015-2019 ACS (5-Year Estimate).

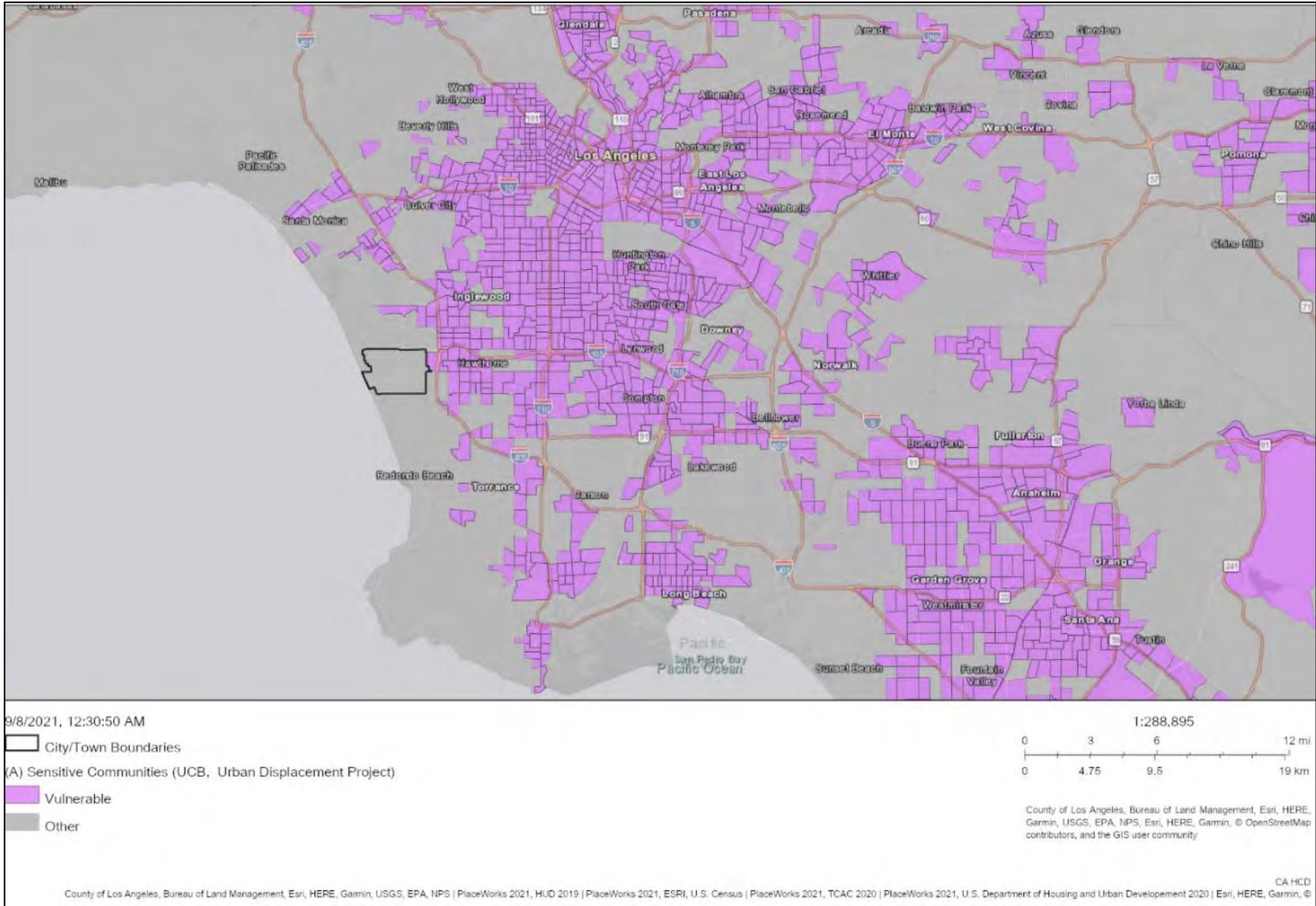
Figure C-42 shows the median contract rent in El Segundo and Los Angeles from 2010 to 2019. El Segundo tends to have higher median contract rental prices compared to the County. As of 2019, the median contract rent in El Segundo was \$1,855 compared to \$1,356 in Los Angeles County. During this period, both the County and El Segundo have seen significantly median rental price increases. Between 2010 and 2019, the median contract rental price in El Segundo increased by 36.3% compared to only 33.3% Countywide. As presented above, increasing rental prices in the City are more likely to disproportionately affect people of color.

**Figure C-42: Median Contract Rent (2010-2019)**



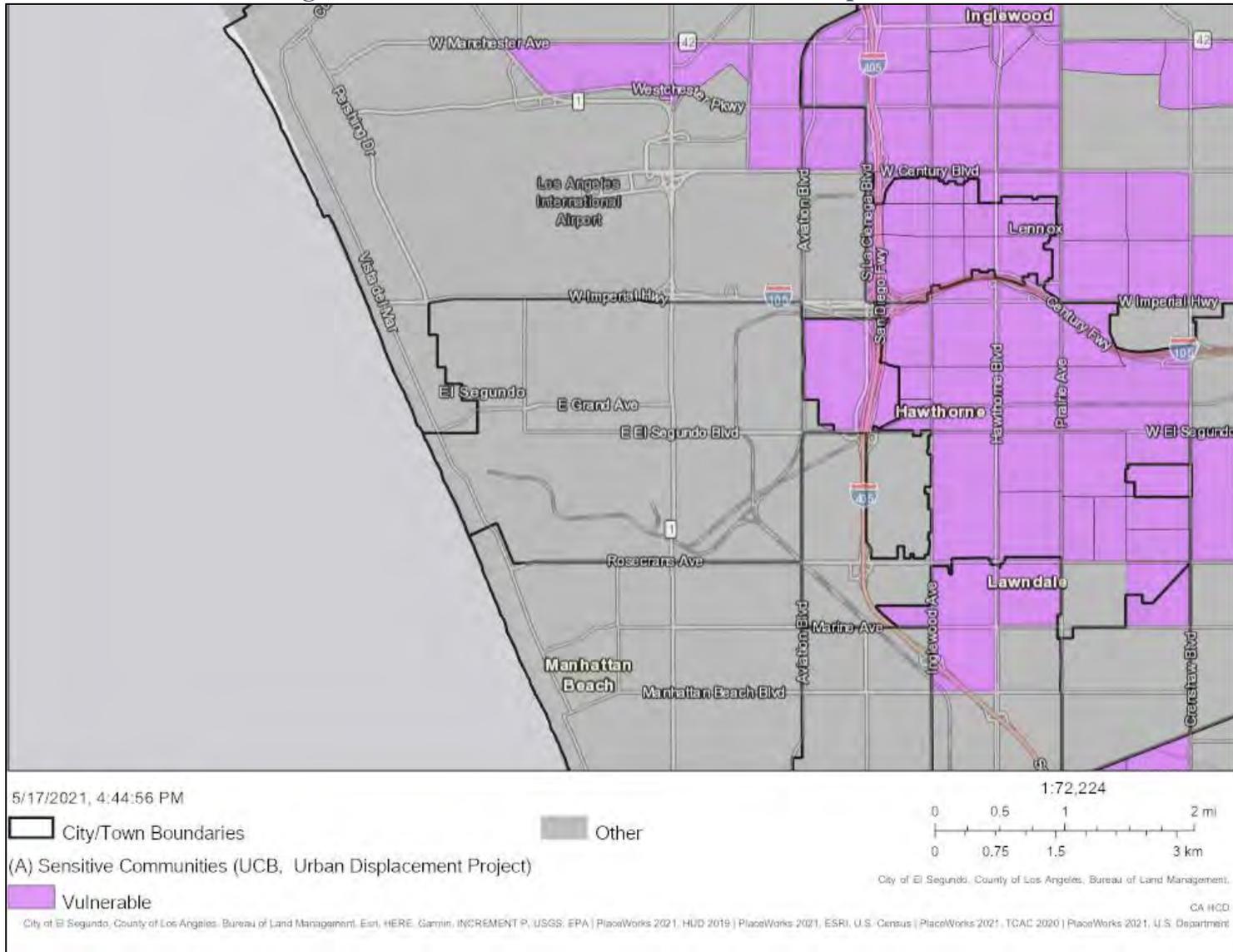
Source: 2006-2010 through 2015-2019 ACS (5-Year Estimate).

Figure C-43: Regional Sensitive Communities At Risk of Displacement



Source: HCD AFFH Data Viewer, 2020 Urban Displacement Project, 2021.

Figure C-44: Sensitive Communities At Risk of Displacement

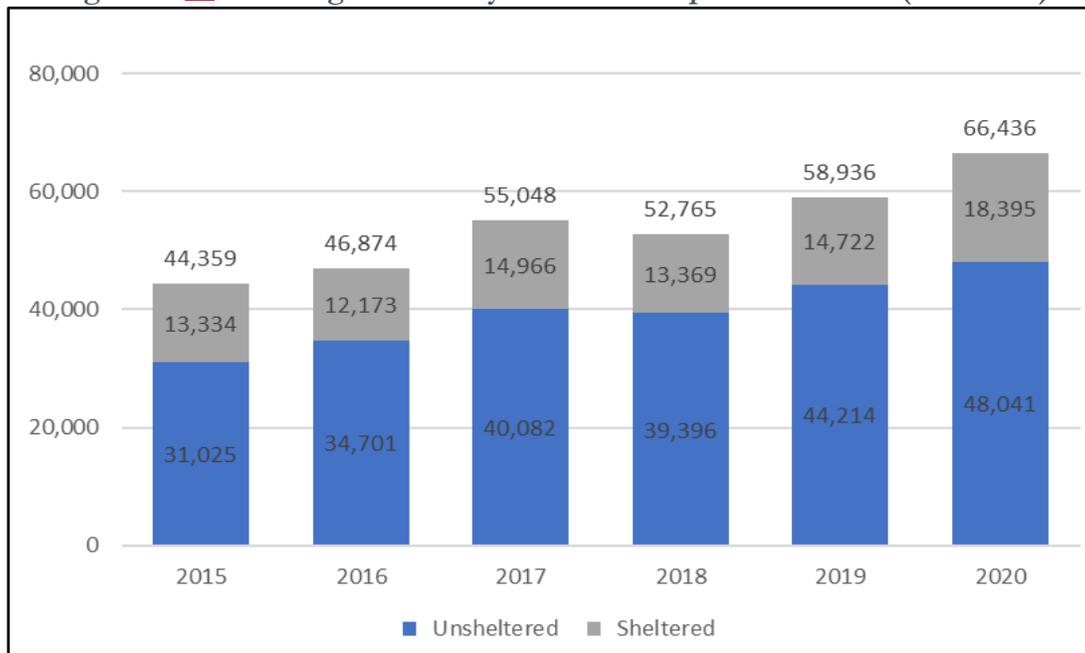


Source: HCD AFFH Data Viewer, 2020 Urban Displacement Project, 2021.

## HOMELESSNESS

**Regional Trend.** The Los Angeles Homeless Services Authority (LAHSA) estimates there were 66,436 persons experiencing homelessness in the Los Angeles County, based on the 2020 Greater Los Angeles Homeless Point-in-Time (PIT) Count. [Figure C-45](#) shows the Los Angeles County homeless populations from 2015 to 2020. Approximately 72% of the homeless population is unsheltered and the remaining 28% is sheltered. The homeless population has increased by nearly 50% since 2015, and 12.7% since 2019. According to 2020 Department of Finance (DOF) estimates, the Los Angeles County population as a whole has grown only 0.5% since 2015.

**Figure C-45: Los Angeles County Homeless Population Trend (2015-2020)**



Source: Los Angeles Homeless Services Authority (LAHSA), 2015-2020 LA County/LA Continuum of Care (CoC) Homeless Counts.

[Table C-21](#) shows the homeless populations in 2019 and 2020 by population type, gender, and health/disability. Approximately 19% of the homeless population belongs to a family with one or more child, 38.4% are chronically homeless, and 22.3% have a serious mental illness. Since 2019, the population of homeless family members (+45.7%), persons experiencing chronic homelessness (+54.2%), persons fleeing domestic violence (+40%), non-binary/gender non-conforming persons (+325.5%), and persons with a substance use disorder (+104%) have increased the most drastically. The population of transgender persons and persons with HIV/AIDS experiencing homelessness have decreased by 81.4% and 4.7%, respectively.

**Table C-21: Los Angeles County Homeless Population Demographics (2019-2020)**

	2019		2020		Percent Change
	Persons	Percent	Persons	Percent	
<b>Total</b>	<b>58,936</b>	<b>100.0%</b>	<b>66,436</b>	<b>100.0%</b>	<b>12.7%</b>
Individuals	50,071	85.0%	53,619	80.7%	7.1%
Transitional Aged Youth (18-24)	3,635	6.2%	4,278	6.4%	17.7%
Unaccompanied Minors (under 18)	66	0.1%	74	0.1%	12.1%
Family Members*	8,799	14.9%	12,817	19.3%	45.7%
Veterans	3,878	6.6%	3,902	5.9%	0.6%
People Experiencing Chronic Homelessness	16,528	28.0%	25,490	38.4%	54.2%
Fleeing Domestic/Intimate Partner Violence	3,111	5.3%	4,356	6.6%	40.0%
<b>Gender</b>					
Male	39,348	66.8%	44,259	66.6%	12.5%
Female	18,331	31.1%	21,129	31.8%	15.3%
Non-Binary/Gender Non-Conforming	200	0.3%	851	1.3%	325.5%
Transgender	1,057	1.8%	197	0.3%	-81.4%
<b>Health and Disability**</b>					
Substance Use Disorder	7,836	13.3%	15,983	24.1%	104.0%
HIV/AIDS	1,306	2.2%	1,245	1.9%	-4.7%
Serious Mental Illness	13,670	23.2%	14,790	22.3%	8.2%
<b>Percent of Total County Population</b>	--	<b>0.6%</b>	--	<b>0.7%</b>	--
*Members of families with at least one child under 18.					
** Indicators are not mutually exclusive.					
Source: Los Angeles Homeless Services Authority (LAHSA), 2019-2020 LA County/LA Continuum of Care (CoC) Homeless Counts.					

The following data refers to the Los Angeles Continuum of Care (CoC) region, covering all Los Angeles County jurisdictions except for the cities of Long Beach, Pasadena, and Glendale. Special needs groups are considered elderly or disabled (including developmental disabilities), female-headed households, large families, farmworkers, and people experiencing homelessness.

Nearly 20% of the homeless population are members of families with one or more child under the age of 18, 9.9% are elderly persons aged 62 and older, 17% have a physical disability, and 8.3% have a developmental disability. Only 32% of homeless persons with a developmental disability, 17.3% with a physical disability, and 21.5% of homeless seniors are sheltered. However, most families (76.3%) are sheltered ([Table C-22](#)).

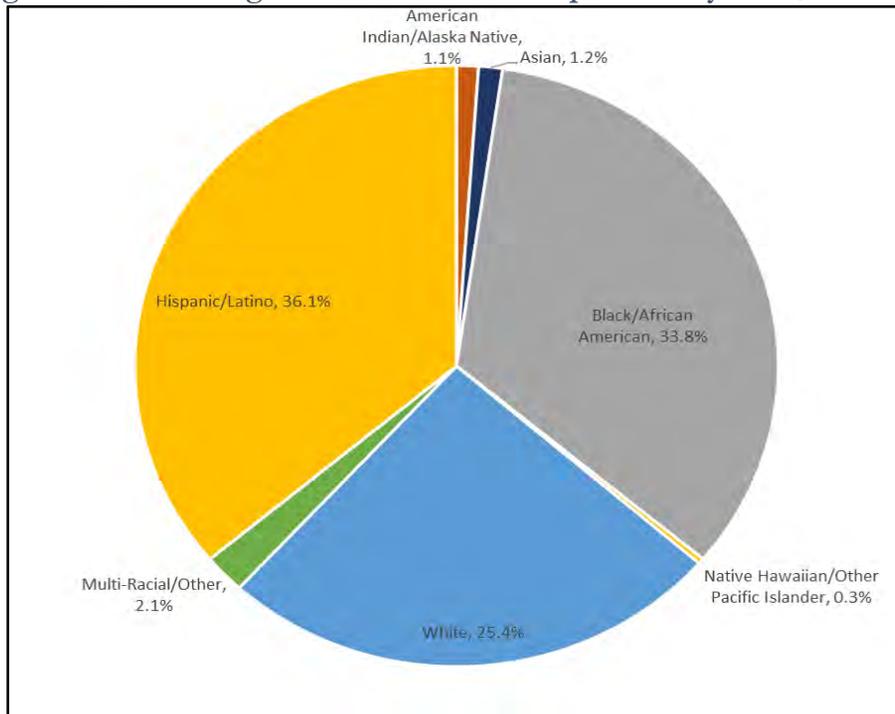
**Table C-22: Homeless Populations and Special Needs Groups**

Special Needs Group	Sheltered	Unsheltered	Total
Developmental Disability	32.1%	67.9%	5,292
Physical Disability	17.3%	82.7%	10,833
Family Members	76.3%	23.7%	12,416
62+	21.5%	78.5%	6,290

Source: LAHSA, 2020 LA CoC Homeless Count.

Figure C-46 and Table C-23 show the Los Angeles CoC homeless population by race and ethnicity. The Hispanic/Latino, Black/African American, and White populations make up the largest proportions of the homeless population. The Black/African American population is the most overrepresented in the Los Angeles CoC region. Nearly 34% of homeless persons are Black or African American, compared to only 7.8% of the population countywide. The American Indian and Alaska Native population is also overrepresented, making up only 0.2% of the County population, but 1.1% of the homeless population.

**Figure C-46: Los Angeles CoC Homeless Population by Race/Ethnicity**



Source: LAHSA, 2020 LA CoC Homeless Count.

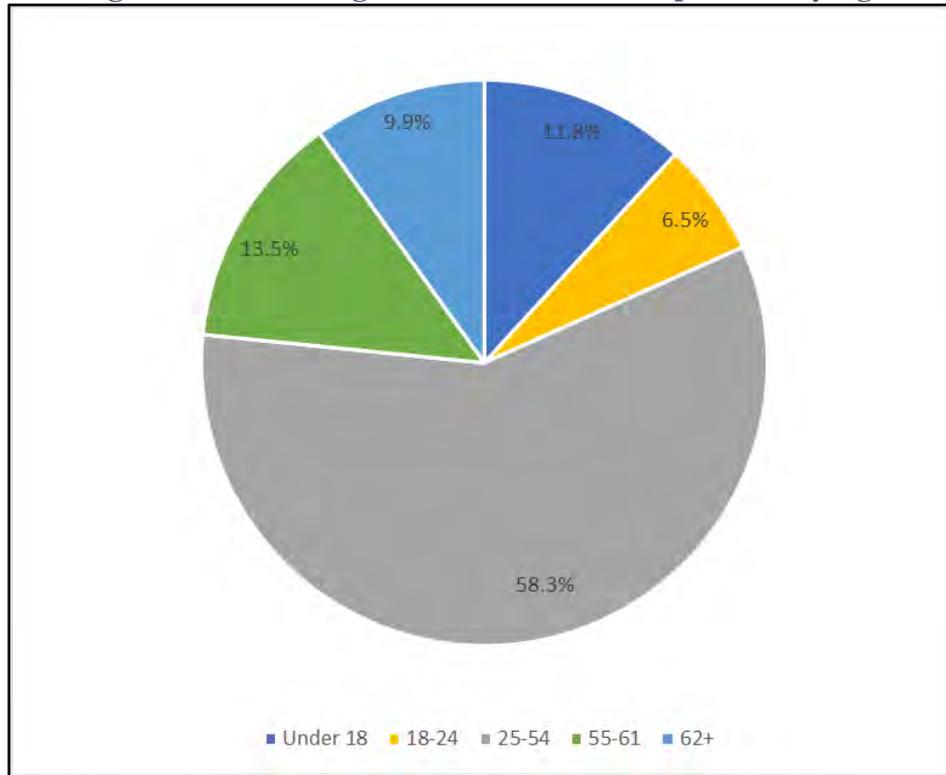
**Table C-23: Los Angeles CoC Homeless Population by Race/Ethnicity**

Race/Ethnicity	Homeless Population		% LA County Population
	Persons	Percent	
American Indian/Alaska Native	686	1.1%	0.2%
Asian	774	1.2%	14.4%
Black/African American	21,509	33.8%	7.8%
Hispanic/Latino	23,005	36.1%	48.5%
Native Hawaiian/Other Pacific Islander	205	0.3%	0.2%
White	16,208	25.4%	26.2%
Multi-Racial/Other	1,319	2.1%	2.6%

Source: LAHSA, 2020 LA CoC Homeless Count; 2015-2019 ACS (5-Year Estimates).

Figure C-47 and Table C-24 show the distribution of homeless persons in the Los Angeles CoC region by age. Adults aged 25 to 54 make up most of the homeless population, followed by adults aged 55 to 61, and children under 18. Children account for 11.8% of the homeless population and seniors (age 62+) account for 9.9% of the population; 6.6% of the homeless population is transitional aged youths between the ages of 18 and 24.

**Figure C-47: Los Angeles CoC Homeless Population by Age**



Source: LAHSA, 2020 LA CoC Homeless Count.

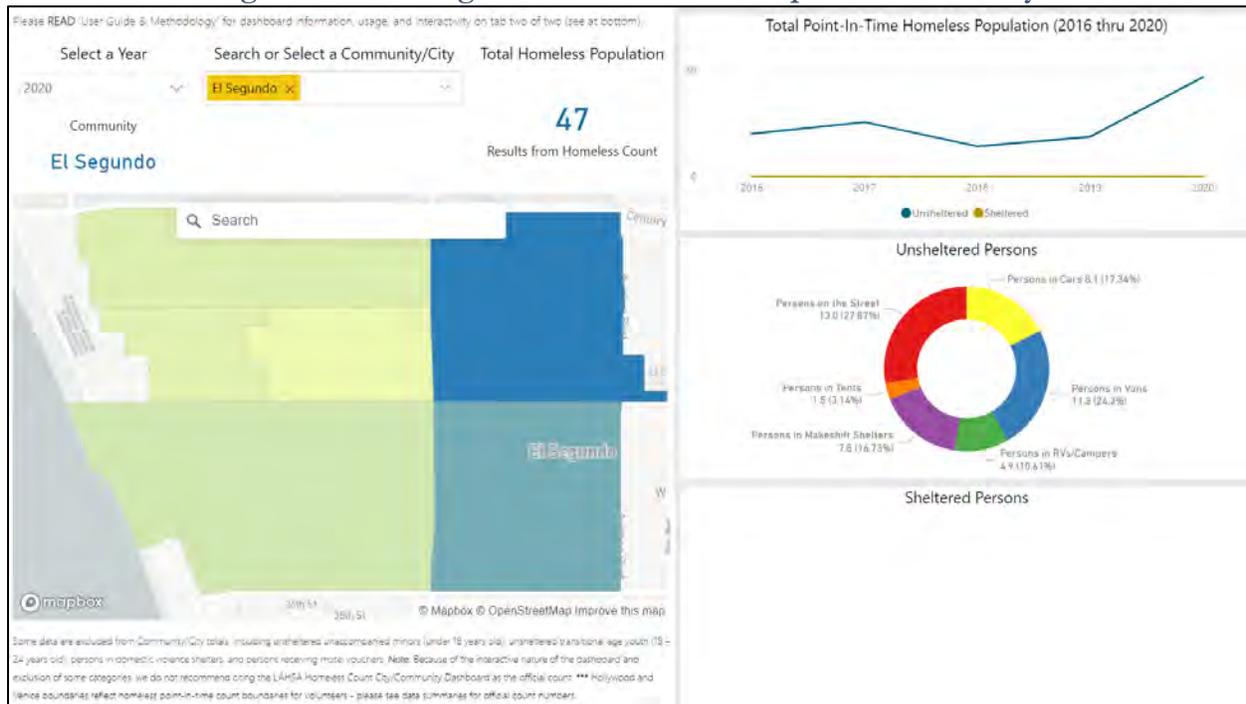
**Table C-24: Los Angeles CoC Homeless Population by Age**

Age	Homeless Population		% LA County Population
	Persons	Percent	
Under 18	7,491	11.8%	22.0%
18-24	4,181	6.6%	9.7%
25-54	37,138	58.3%	43.2%
55-61	8,606	13.5%	8.7%
62+	6,290	9.9%	16.4%

Source: LAHSA, 2020 LA CoC Homeless Count; 2015-2019 ACS (5-Year Estimates).

**Local Trend.** According to the Los Angeles County PIT count, there were 47 persons experiencing homelessness in El Segundo in 2020. As presented in [Figure C-48](#), the homeless population in the City has increased from 20 persons in 2016. All persons experiencing homeless in the City are unsheltered. A higher concentration of persons experiencing homelessness were identified in tracts along the eastern side of the City.

**Figure C-48: El Segundo Homelessness Population Summary**



Source: LAHSA, 2020 LA CoC Homeless Count.

Based on Los Angeles County Coordinated Entry System (CES) statistics, of the 27 persons experiencing homelessness assessed in El Segundo between July and December of 2020, three were youth, three were members of families with one or more child, two were veterans, and three were elderly adults aged 62 and over.

## 6. Other Relevant Factors

### HISTORICAL TRENDS

The City of El Segundo was incorporated in 1917. El Segundo was originally purchased by the

Standard Oil refinery in 1911 and remained a “one-industry town” until the 1920s. The Los Angeles International Airport (LAX) opened in 1930, making El Segundo an aerospace hub.<sup>6</sup> While El Segundo is predominantly White, historically, the City was given a C-rating under HOLC’s redlining maps, further described below. Lower ratings generally indicated a higher concentration of racial/ethnic minority populations while higher ratings were considered areas better for investments and were typically predominantly White neighborhoods. El Segundo likely received a C-rating due to the high number of blue collar workers brought in by the Standard Oil Company and LAX.

The 1896 Supreme Court ruling of Plessy v. Ferguson upheld the constitutionality of “separate but equal,” ushering in the Jim Crow Era of racial segregation and disenfranchisement. This sentiment spread beyond the South, where African Americans and other minority groups were expelled from predominantly White communities, through the adoption of policies forbidding them from residing or even being within town borders after dark, known as ‘sundown towns.’ Contrary to the widespread misconception that these existed only in the deep south, sundown towns were prominent throughout the Country, including more than 100 California towns, several of which in Los Angeles County.

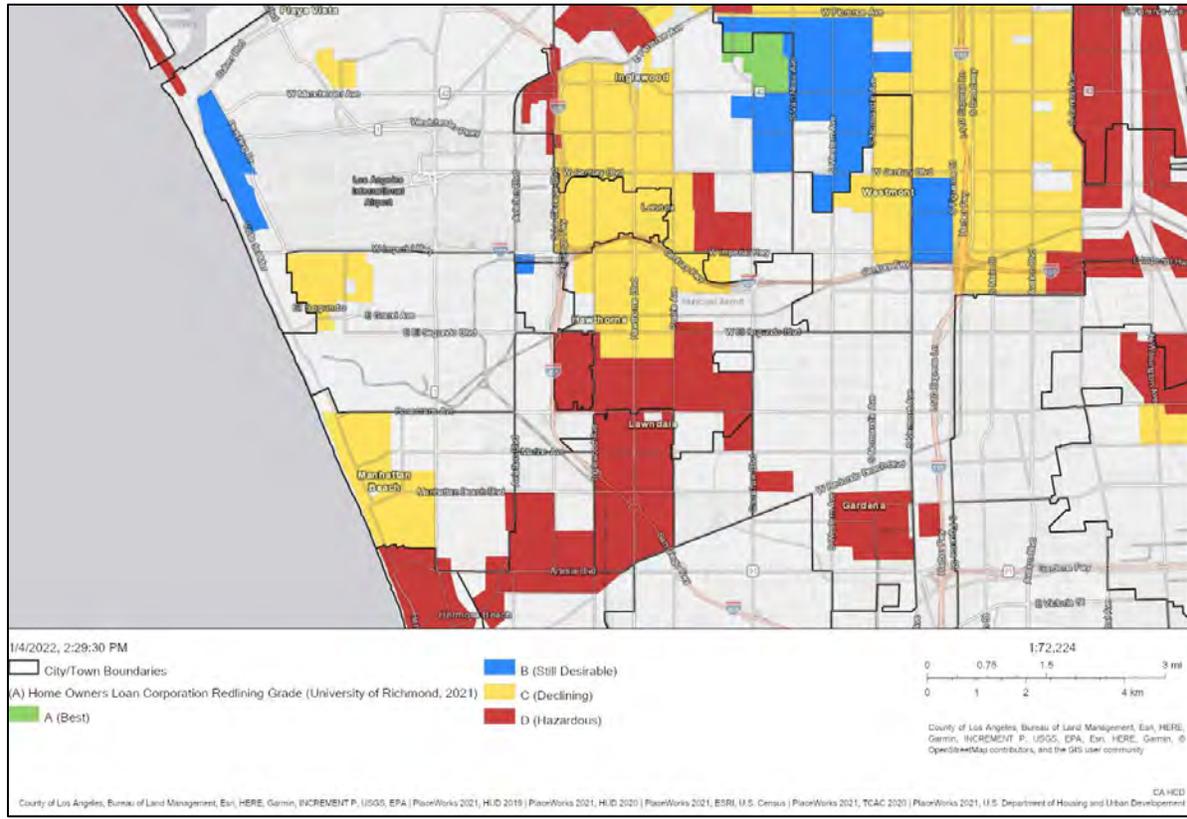
The Home Owners’ Loan Corporation (HOLC), formed in 1933 under the New Deal Program, established the County’s first red-lining maps. The northwestern corner of El Segundo received a C-rating, indicating the community was “declining” and a higher loan risk. Redlined, or D-rated communities, were typically comprised of large minority communities. Segregation achieved through red-lining was further exacerbated through the establishment of the Federal Housing Administration in 1934. The FHA insured bank mortgages that covered 80% of purchase prices and had terms of 20 years and were fully amortized. However, the FHA also conducted its own appraisals; mortgages were granted only to Whites and mixed-race neighborhoods or White neighborhoods in the vicinity of Black neighborhoods were deemed “too risky.”<sup>7</sup> Figure C-44 shows the redlining maps for El Segundo and the surrounding areas.

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<sup>6</sup> Megowan Realty Group, Bruce and Maureen Megowan. 2020. <https://maureenmegowan.com/south-bay-history/history-of-el-segundo/>. Accessed January 2022.

<sup>7</sup> Rothstein, Richard. (2017). *The Color of Law: A Forgotten History of How Our Government Segregated America*. Liveright Publishing Corporation.

**Figure C-49: Redlining Map – El Segundo and Surrounding Areas**



**LENDING PRACTICES**

Home loan applications in El Segundo by race and income are shown in Table C-25. Black and joint race applicants were denied loans at the highest rates (25% and 18%, respectively), while American Indian/Alaska Native (one applicant; 0 percent), Asian (5.4%), two or more minority race (one applicant; 0%) and Hispanic/Latino (8.7%) applicants were denied at the lowest rates. Applicants belonging to lower income categories had higher denial rates; 50% of loan applications submitted by low income residents were denied compared to 33.3% of moderate income residents, 13.8% of middle income residents, and only 6.1% of applications submitted by upper income residents.

**Table C-25: Home Loan Approval and Denial Rates – El Segundo (2020)**

<b>Loan Type/Applicant Demographics</b>	<b>Approved/Originated</b>	<b>Denied</b>	<b>Total Applications</b>
<b>Loan Purpose and Type</b>			
<u>Purchase – Conventional</u>	<u>77.0%</u>	<u>7.0%</u>	<u>213</u>
<u>Purchase – Government</u>	<u>45.5%</u>	<u>18.2%</u>	<u>11</u>
<u>Home Improvement</u>	<u>66.7%</u>	<u>14.6%</u>	<u>48</u>
<u>Refinancing</u>	<u>71.3%</u>	<u>11.7%</u>	<u>349</u>
<b>Applicant Race/Ethnicity</b>			
<u>American Indian/Alaska Native</u>	<u>100.0%</u>	<u>0.0%</u>	<u>1</u>
<u>Asian</u>	<u>89.2%</u>	<u>5.4%</u>	<u>37</u>
<u>Black or African American</u>	<u>75.0%</u>	<u>25.0%</u>	<u>4</u>
<u>Hawaiian / Pacific Islander</u>	<u>N/A</u>	<u>N/A</u>	<u>0</u>
<u>White</u>	<u>71.5%</u>	<u>11.8%</u>	<u>407</u>
<u>2 or More Minority Races</u>	<u>100.0%</u>	<u>0.0%</u>	<u>1</u>
<u>Joint Race (White/Minority)</u>	<u>71.4%</u>	<u>17.9%</u>	<u>28</u>
<u>Race Not Available</u>	<u>70.6%</u>	<u>6.3%</u>	<u>143</u>
<u>Hispanic or Latino</u>	<u>60.9%</u>	<u>8.7%</u>	<u>23</u>
<u>Not Hispanic or Latino</u>	<u>74.1%</u>	<u>11.9%</u>	<u>428</u>
<b>Applicant Income</b>			
<u>Low (0-49% of Median)</u>	<u>50.0%</u>	<u>50.0%</u>	<u>2</u>
<u>Moderate (50-79% of Median)</u>	<u>22.2%</u>	<u>33.3%</u>	<u>9</u>
<u>Middle (80-119% of Median)</u>	<u>72.4%</u>	<u>13.8%</u>	<u>29</u>
<u>Upper (&gt;=120% of Median)</u>	<u>72.4%</u>	<u>10.2%</u>	<u>532</u>
<u>Income Not Available</u>	<u>83.7%</u>	<u>6.1%</u>	<u>49</u>
Note: This dataset excludes withdrawn/incomplete applications. Sum of percentages may not total 100%.			
Source: Home Mortgage Disclosure Act (HMDA) Data – City of El Segundo, 2020.			

**ZONING DESIGNATIONS**

The El Segundo Zoning Map is shown in Figure C-50. The northwestern section of the City north of El Segundo Boulevard and west of the Pacific Coast Highway, where a majority of residential households are located, is primarily zoned for single-family residential (R-1) and multi-family residential (R-3). There are also two-family residential (R-2) designations as well as the following specific plans: Smoky Hollow East (SHE), Smoky Hollow West (SHW), 222 Kansas Street (222KSSP), and 540 E Imperial Avenue (450EIASP). This area contains block groups with smaller racial/ethnic minority populations compared to the eastern side of the City but slightly larger LMI household populations (see Figure C-4 and Figure C-12). All tracts in this corner of the City are highest resource areas (see Figure C-18). As shown in Figure C-51, there are more renter-occupied households on the southern side of this area compared to the northern side. This area has more R-3 and specific plan zoning designations, whereas the northern area, where there are fewer renter-occupied units, is

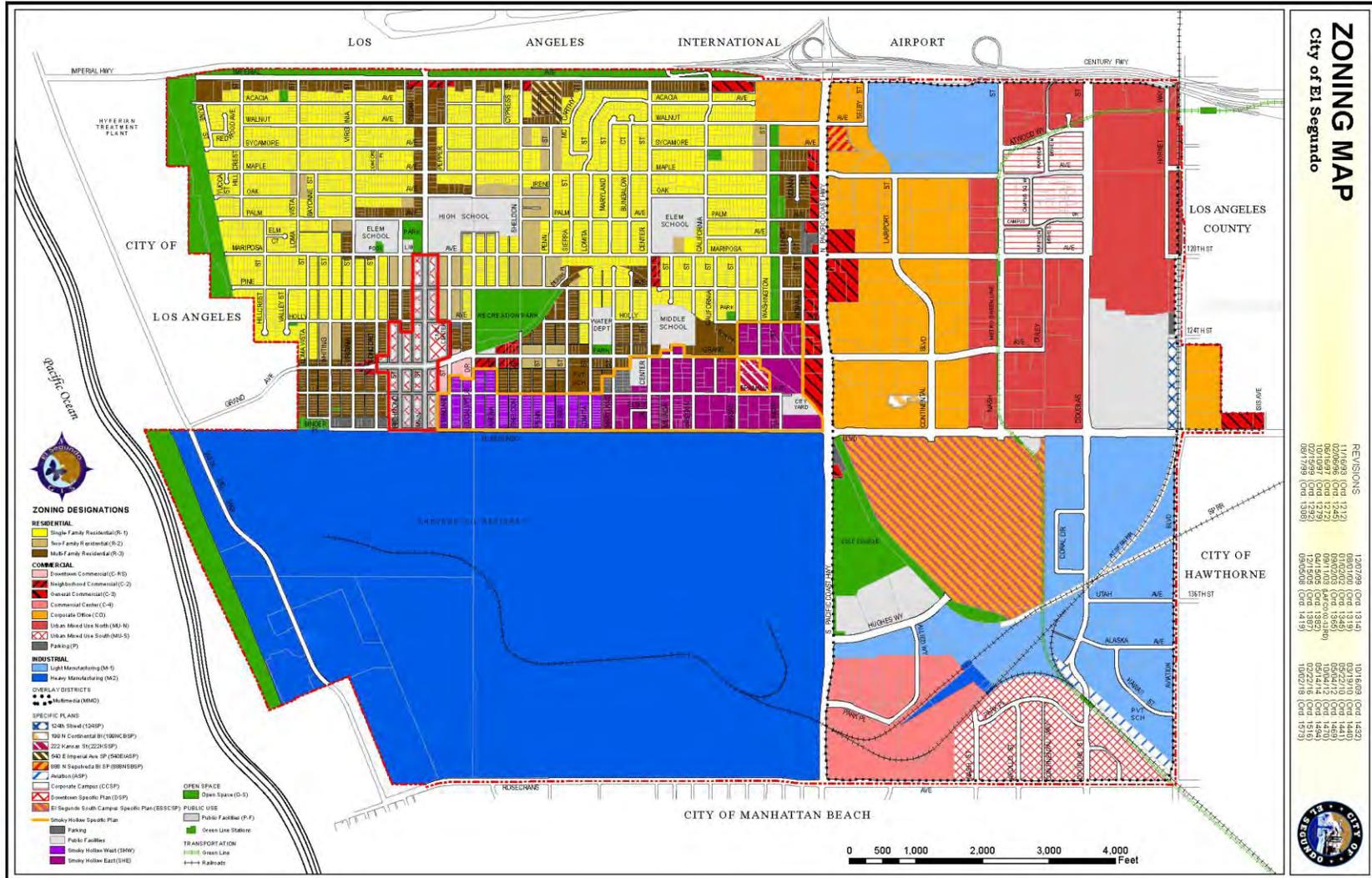
predominantly zoned R-1. Housing units also tend to be older in this section of the City (see Figure C-40).

The northeastern section of the City, north of El Segundo Boulevard and east of the Pacific Coast Highway, is primarily zoned for Urban Mixed Use North (MU-N) and Corporate Office (CO). There are also smaller pockets of Light Manufacturing (M-1) and General Commercial (C-3) zones in this section of El Segundo. There are few households residing in this section of the City, therefore demographic data is limited. The tract encompassing the eastern side of the City has a larger racial/ethnic minority population of 90.2% compared to the northwestern area of the City. There are no RHNA sites in this section of the City.

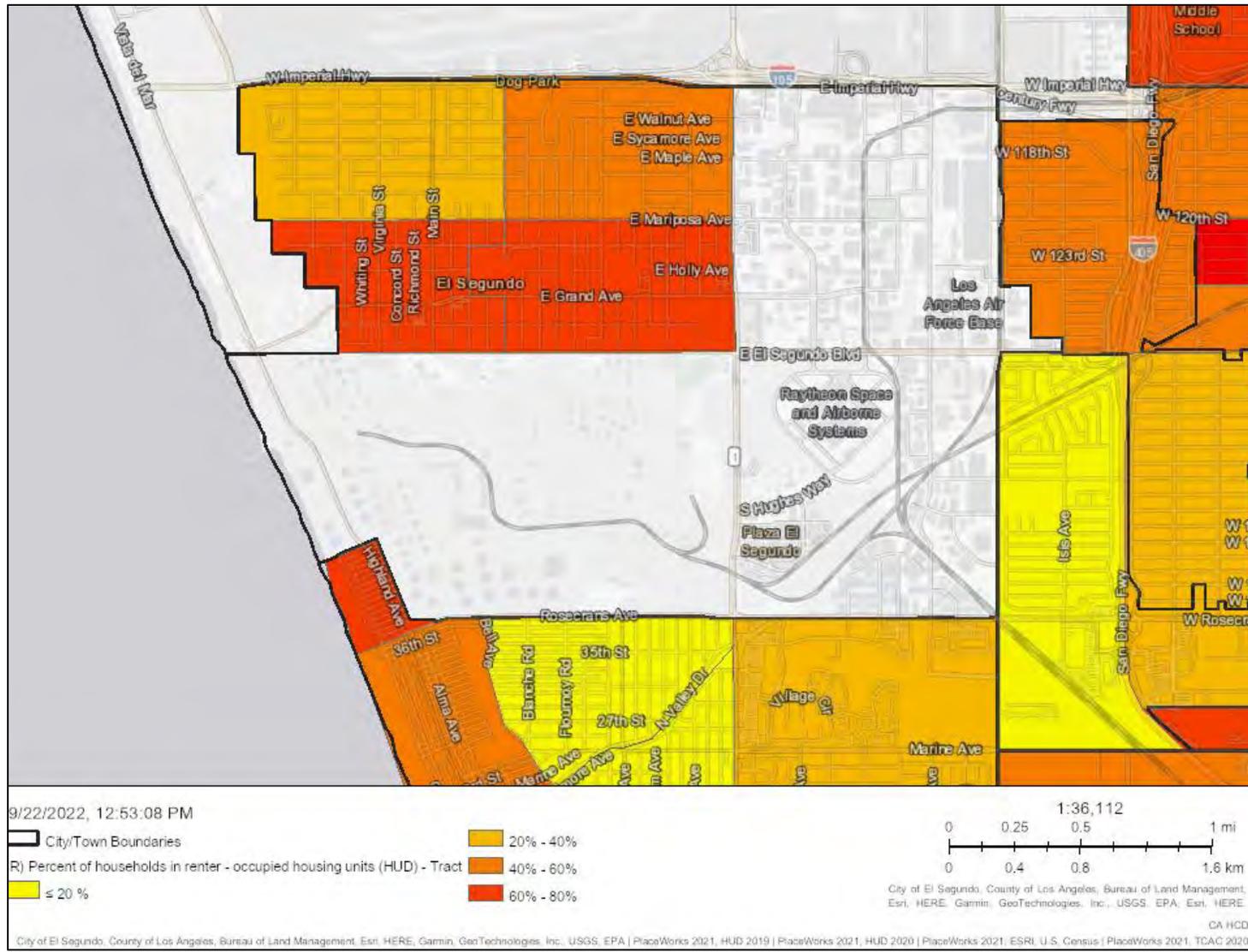
Similarly, there are few households residing in the southeast section of the City, south of El Segundo Boulevard and east of the Pacific Coast Highway. This area is primarily zoned for Light Manufacturing (M-1), Commercial Center (C-4), and The Lakes Specific Plan (TLSP). This area of El Segundo is also located in the tract where 90.2% of the population belongs to a racial or ethnic minority group. There are no RHNA sites in this section of the City.

The southwestern section of the City, south of El Segundo Boulevard and west of the Pacific Coast Highway, is zoned only for Heavy Manufacturing (M-2) and contains no residential units. There are no RHNA sites proposed in this section of the City.

Figure C-50: El Segundo Zoning Map



**Figure C-51: Renter-Occupied Housing Units by Tract**



## **2018 REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE**

The 2018 Los Angeles County Regional Analysis of Impediments to Fair Housing Choice (AI) cites the following contributing factors as high priority items. These factors are described below as they relate to the City of El Segundo.

***Significant disparities in the proportion of members of protected classes experiencing substandard housing when compared to the total population.*** In El Segundo, Pacific Islander and Hispanic renter households are most likely to experience housing problems compared to other racial or ethnic groups. Renter-occupied households are significantly more likely to experience housing problems including cost burden. Approximately 37 percent of renter households in El Segundo have householders of a racial or ethnic minority group compared to only 21 percent of owner-occupied households according to 2020 HUD CHAS data.

***Noise Pollution due to plane traffic from Los Angeles International Airport (LAX).*** According to the 2018 AI, there are an estimated 8,424 dwelling units impacted by noise from LAX. The 2018 AI states that noise pollution continues to be a hazard for low income households and R/ECAPs. While there are no concentrations of LMI households or R/ECAPs in the City, the northern side of El Segundo is directly adjacent to LAX.

***Lack on information on affordable housing.*** According to HCD AFFH Data Viewer data, there are few to no households in El Segundo receiving housing choice vouchers (HCV) despite populations of cost burdened renters exceeding 40 percent in two City tracts. Outreach related to fair housing is minimal and there is limited fair housing information available on the City website.

***Discrimination in private rental and home sales markets.*** The 2018 AI states that racial and ethnic minorities are more likely to be denied a mortgage and that most HUD fair housing complaints were filed on the basis of disability status, race, or familial status. In El Segundo, Black/African American home loan applicants are significantly more likely to be denied compared to other racial/ethnic groups.

***Lack of opportunities for residents to obtain housing in higher opportunity areas.*** The 2018 AI states there is a lack of affordable housing options in higher opportunity areas, with access to transportation, jobs, and education. El Segundo is considered a TCAC highest resource area. However, there are no public housing buildings or subsidized housing projects in the City. There are also very few renters receiving HCVs in El Segundo.

## **C. SITES INVENTORY**

In general, the El Segundo is an affluent City and is considered a highest resource area according to TCAC Opportunity Maps. There are no concentrations of LMI households or low resource areas in the City; therefore, the City's RHNA strategy does not disproportionately locate units, specifically lower income units, in low income or low opportunity areas. There are also no concentrations of persons with disabilities in the City and the City's RHNA strategy does not disproportionately place lower or moderate units in areas with larger non-White populations, low environmental quality, or cost burdened households. The City's sites inventory is further described below. Table C-26 shows the distribution of RHNA units at the tract level by AFFH variables. Figure C-52 presents the mixed use overlay sites and Figure C-53 shows the potential redevelopment sites in the housing overlay. Sites selected to meet the RHNA are generally distributed throughout the residential area of El Segundo and are not concentrated in a single area of the City. As mentioned previously, much of the City is zoned for manufacturing, commercial uses, or corporate office uses and is not suitable for residential

development. Therefore, nearly all existing residential homes, and all sites selected to meet the RHNA, are in the northwest corner of the City. RHNA sites will not be exposed to adverse fair housing conditions in excess of the Citywide trend. The City's RHNA strategy will not exacerbate fair housing conditions.

## **1. Tract 6200.01**

Tract 6200.01 is located in the northeastern section of the residential area of El Segundo, bound by the northern City boundary, Pacific Coast Highway to the east, W. Mariposa Avenue to the south, and Sheldon Street to the west. As shown in Figure C-50 previously, this tract is predominantly zoned for single-family residential (R-1) uses. There are also areas, mostly located along the borders of this tract, zoned for two-family residential (R-2) and multi-family residential (R-3). The following sites have been identified in the tract to meet the City's RHNA:

- 835 N. Sepulveda Boulevard (Mixed Use Overlay) – 137 units (55 lower income, 41 moderate income, 41 above moderate income).
- 703 N. Pacific Coast Highway (Mixed Use Overlay) – 60 units (10 lower income, 50 above moderate income)
- 739 and 755 N. Pacific Coast Highway (Mixed Use Overlay) – 50 units (20 lower income, 16 moderate income, 14 above moderate income)
- 1300 E. Imperial Avenue (Housing Overlay) – 22 units (9 lower income, 7 moderate income, 6 above moderate income)
- 1306 E. Imperial Avenue (Housing Overlay) – 22 units (9 lower income, 7 moderate income, 6 above moderate income)

A total of 291 RHNA units, 103 lower income, 71 moderate income, and 117 above moderate income units, have been allocated in tract 6200.01. Tracts 6200.01 and 6200.02, discussed below, contain the largest concentration of RHNA units. Like the remainder of the City, tract 6200.01 is a TCAC highest resource tract. This tract contains block groups with smaller racial/ethnic minority populations, ranging from 29.6% to 40.7%, and LMI household populations, ranging from 15.1% to 19.3%. Tract 6200.01 has a moderate renter population (49.9%) compared to other El Segundo tracts and a population of cost burdened renters (42.9%) comparable to the Citywide trend. This tract is the only tract in the City that is considered an RCAA. This tract has few fair housing issues or populations of sensitive/protected persons in excess of the Citywide average. While this tract is considered an RCAA, the City's RHNA strategy allocates a variety of RHNA units that can adequately serve lower, moderate, and above moderate income populations, ensuring units serving a single income level are not concentrated in the RCAA. The City's RHNA strategy in tract 6200.01 does not exacerbate existing fair housing conditions and promotes mixed income communities in El Segundo.

## **2. Tract 6200.02**

Tract 6200.02 is located in the southeastern section of the residential area of the City, generally bound by E. Mariposa Avenue to the north, the Pacific Coast Highway to the east, El Segundo Boulevard to the south, and Sheldon Street to the west. Zoning designations in this tract, presented in Figure C-50 previously, include R-1, R-3, and the Smoky Hollow Specific Plan (SHW and SHE). A small pocket of R-2 zone and the 222 Kansas Street Specific Plan (222KSSP) are also located in this tract. The following sites have been identified in tract 6200.02:

- Wiley Park (Mixed Use Overlay) – 99 units (39 lower income, 29 moderate income, 31 above moderate income)
- 205 Lomita Street (Housing Overlay) – 170 units (68 lower income, 51 moderate income, 51 above moderate income)
- 210 Penn Street (Housing Overlay) – 38 units (15 lower income, 11 moderate income, 12 above moderate income)
- 710 E Grand Avenue (Housing Overlay) – 40 units (16 lower income, 12 moderate income, 12 above moderate income)

Tract 6200.02 has the highest concentration of RHNA units compared to other tracts in El Segundo. A total of 347 units have been allocated in this tract, including 138 lower income units, 103 moderate income units, and 106 above moderate income units. Like all of El Segundo, tract 6200.02 is a highest resource area. Tract 6200.02 has a racial/ethnic minority population comparable to the remainder of El Segundo (40.5%), and a slightly larger LMI population compared to other areas (44%). This tract has the largest renter population compared to other El Segundo tracts (73.1%) but the smallest proportion of cost burdened renters (37.7%). Like El Segundo in general, fair housing issues are not prevalent in tract 6200.02. Though there is a slightly larger population of low and moderate income households in this block group compared to other areas of the City, El Segundo’s RHNA strategy ensures lower and moderate income units are not allocated in this tract alone. RHNA sites in tract 6200.02 promote mixed income communities and housing units in an area with the highest access to opportunities. Sites in tract 6200.02 do not exacerbate fair housing conditions.

### **3. Tract 6201.01**

Tract 6201.01 is located in the northwestern corner of the City, bound by Sheldon Street to the east, W. Mariposa Avenue to the south, and City boundaries to the north and west. This tract is predominantly zoned R-1 with R-3 zones generally along Imperial Avenue and Main Street. There are also smaller pockets of R-2 zones in this tract. The following RHNA sites are located in tract 6201.01:

- 514 W. Imperial Avenue (Housing Overlay) – 33 units (13 lower income, 10 moderate income, and 10 above moderate income)
- 546 W. Imperial Avenue (Housing Overlay) – 7 units (3 lower income, 2 moderate income, and 2 above moderate income)

This tract is a highest resource area where 43.6% of the population belongs to a racial or ethnic minority group and 30% of households are low or moderate income. The racial/ethnic minority and LMI household populations are consistent with the populations Citywide. Tract 6201.01 has the smallest population of renters (39.7%) compared to other tracts but the largest proportion of cost burdened renters (44.3%). However, the proportion of cost burdened renters in tract 6201.01 is still comparable to the rate Citywide. Like the RHNA strategy in all El Segundo tracts, a variety of units suitable for households of all income levels are allocated in tract 6201.01. RHNA units allocated in this section of the City represent a small proportion of the total units identified, but continue to promote mixed income communities within the City. Further, future households in this area of El Segundo will not be exposed to adverse fair housing conditions in excess of the Citywide trend. Like all of El Segundo, educational, economic, transportation, and environmental opportunities are prevalent in tract 6201.01. RHNA units in this section of the City will not exacerbate conditions related to fair housing.

**Table C-26: Distribution of RHNA Units by Tract and AFFH Variable**

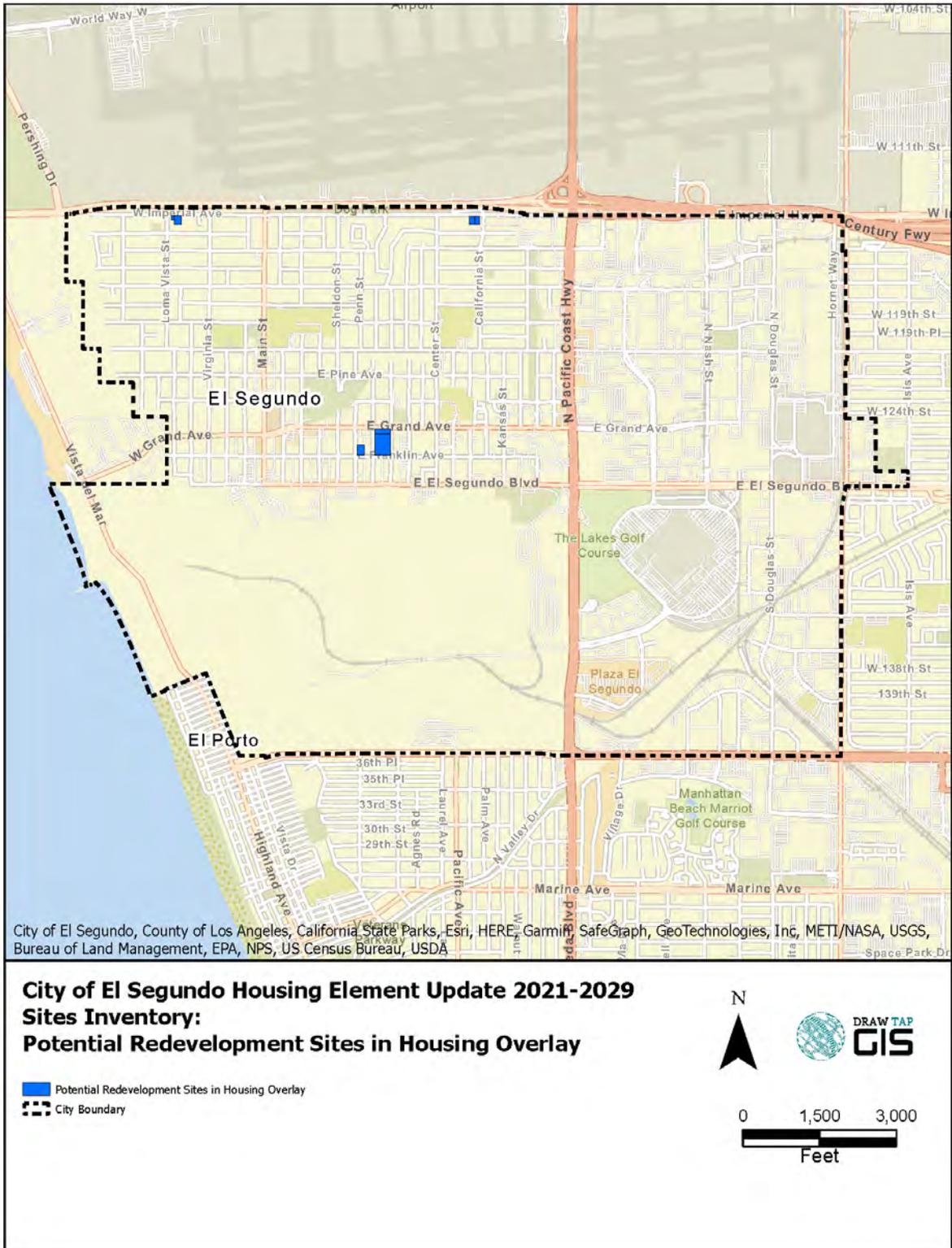
Tract	# of HHs in Tract	Total Capacity (Units)	Income Distribution			Non-White Pop.*	LMI HH Pop.*	TCAC Opp. Cat.	R/ECAP?	RCAA?	Cost Burdened Renters	Renter Pop.
			Lower	Moderate	Above Moderate							
<u>6200.01</u>	<u>1,445</u>	<u>291</u>	<u>103</u>	<u>71</u>	<u>117</u>	<u>29.6 – 40.7%</u>	<u>15.1 – 19.3%</u>	<u>Highest</u>	<u>No</u>	<u>Yes</u>	<u>42.9%</u>	<u>49.9%</u>
<u>6200.02</u>	<u>1,485</u>	<u>347</u>	<u>138</u>	<u>103</u>	<u>106</u>	<u>40.5%</u>	<u>44.0%</u>	<u>Highest</u>	<u>No</u>	<u>No</u>	<u>37.7%</u>	<u>73.1%</u>
<u>6201.01</u>	<u>2,162</u>	<u>40</u>	<u>16</u>	<u>12</u>	<u>12</u>	<u>43.6%</u>	<u>30.0%</u>	<u>Highest</u>	<u>No</u>	<u>No</u>	<u>44.3%</u>	<u>39.7%</u>
<b>Total</b>		<b>678</b>	<b>257</b>	<b>186</b>	<b>235</b>							

\* Data may be presented as ranges as multiple block groups may be located within a single tract.

**Figure C-52: Mixed Use Overlay RHNA Sites**



**Figure C-53: Potential Redevelopment Sites in Housing Overlay**



## D. IDENTIFICATION AND PRIORITIZATION OF CONTRIBUTING FACTORS

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### 1. Insufficient Fair Housing Monitoring and Outreach Capacity

El Segundo has limited fair housing information available on the City website. Fair Housing outreach efforts in the City are limited. There were two FHEO inquiries in the City between 2013 and 2021, both not related to a specific fair housing issue. There is not a concentration of renters received HCVs anywhere in the City.

#### *Contributing Factors*

- Lack of monitoring
- Lack of a variety of media inputs
- Lack of marketing communities

### 2. Concentration of Protected Groups

While the City generally has low concentrations of racial/ethnic minority populations and LMI households, some block groups in the northwestern area of the City larger non-White and low to moderate income populations. Up to 60% of households also overpay in some of these areas. There are very few HCV recipients in the City despite the level of overpaying households. There are no affordable housing units, other than senior housing, located in the City.

#### *Contributing Factors*

- Location and type of affordable housing, lack of HCVs

### 3. Substandard Housing Conditions

A large proportion of the housing stock in El Segundo was built in 1969 or earlier (61.7% of housing stock). Aging housing units are most concentrated in areas in along the northwestern City boundary. A larger proportion of renter-occupied households also lack complete kitchen facilities (3.6%) compared to the County average (2.5%). In 2014-2021, 538 residential violations of the El Segundo Municipal Code property maintenance standards were reported. While only a small proportion of the housing stock is considered to be in need of rehabilitation, much of the City's housing stock is aging and may be in need of rehabilitation in the near future. Further, aging housing units are most concentrated in areas where there are higher concentrations of overpaying renters and households with lower median incomes.

#### *Contributing Factors*

- Age of housing stock
- Cost of repairs/rehabilitation

### 4. Displacement Risk

Though there are no sensitive communities at risk of displacement identified in El Segundo, there are areas in the City where up to 60% of households overpay for housing. Many of these tracts also have higher concentrations of non-White populations and LMI households. The homeless population in

the City has more than doubled since 2016.

***Contributing Factors***

- Displacement risk due to economic pressures
- Increasing rents

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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Sacramento, CA 95833  
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April 8, 2022

Darrell George, Interim City Manager  
City of El Segundo  
350 Main Street  
El Segundo, CA 90245

Dear Darrell George:

**RE: City of El Segundo's 6<sup>th</sup> Cycle (2021-2029) Adopted Housing Element**

Thank you for submitting the City of El Segundo's (City) adopted housing element received for review on February 7, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element addresses many statutory requirements described in HCD's December 8, 2021 review; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code). See enclosed Appendix.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

As a reminder, the City's 6th cycle housing element was due October 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described above, adopt, and submit to HCD to regain housing element compliance.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law,

and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD is committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at [shawn.danino@hcd.ca.gov](mailto:shawn.danino@hcd.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall". The signature is stylized and somewhat cursive.

Paul McDougall  
Senior Program Manager

Enclosure

## APPENDIX CITY OF EL SEGUNDO

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> and includes the Government Code addressing State Housing Element Law and other resources.

### **A. Housing Needs, Resources, and Constraints**

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Outreach: The element did not address this requirement. Please see HCD's prior review.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): While the element included data on the number of regional housing need allocation (RHNA) units by income category relative to some socio-economic concentrations, the analysis should discuss the magnitude of the impact including the number of units by income group relative to locations or neighborhoods within the City, including any isolation of the RHNA and then address whether sites exacerbate or improve segregation and integration.

Local Data and Knowledge: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Other Relevant Factors: The element was revised to describe the history of El Segundo, including historical lending practices, as well as providing some local knowledge on loan approvals and denial rates (pp. C-67 to C-70). However, the element should also discuss historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends and other information that may have impeded housing choices and mobility.

Goals, Actions, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment,

metrics, and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

Given the City listed substandard housing conditions as a contributing factor with significant residential code violations, the element may, for example, dedicate resources to provide home rehabilitations for lower income homeowners. The element may also, for example, create a checklist for Senate Bill 9 to facilitate lot splits and the permitting of duplexes in single unit neighborhoods and create more housing opportunity. The element may also, for example, create a program to dedicate in lieu parking fees and other sources of funds for active mobility improvements. To reduce overcrowding, the City may also, for example, revise Program 8 to create development standards for allowing naturally affordable housing types such as Single Room Occupancies (SROs) ministerially with permissive development standards within one year of adoption.

2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Realistic Capacity: The element states minimum densities were utilized (p. 51) for realistic capacity calculations. However, as stated in the prior review, some calculations for total capacity appear incorrect based on the stated acreage and minimum density, and the element should be revised as appropriate. Specifically, Sites 17, 18, 19, and 20 must be revised to recalculate total capacity.

Suitability of Nonvacant Sites: The element was revised to describe the City's selection criteria and added information to Table 5-4. However, the element still must analyze market conditions, development trends and past experience with converting existing uses. This discussion should relate to the uses identified in the inventory and demonstrate existing uses do not impede additional development in the planning period. Please see HCD's prior review for additional information.

In addition, because the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, it must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Environmental Constraints: The element does not address this requirement. Please see HCD's prior review.

Infrastructure: The element was not revised address this requirement. Please see HCD's prior review.

Electronic Site Inventory: As noted in the prior review, pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory and submit an electronic version of the sites inventory. While the City has submitted an electronic version of the sites inventory, if changes occur, any future re-adopted versions of the element must also submit the electronic version of the sites inventory.

3. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)*

Land Use Controls: The element was revised to describe the new Housing Overlay and Mixed Use Overlay that will be utilized to accommodate housing capacity sufficient for RHNA (p. 40). However, the element generally was not revised to address this requirement. For example, several development standards and land use controls should still be analyzed as constraints such as lot coverages and heights in the medium density residential (MDR) zone. Please see HCD's prior review for additional information.

Processing and Permit Procedures: The element was revised to describe its permit processes, including approval bodies and typical timing of approval. However, the element should specifically list and analyze approval findings for impacts on approval certainty. For example, the Site Plan Review requires a finding that proposed development will not adversely affect the orderly and harmonious development of the area. The element should discuss how this finding is implemented, any mechanisms to promote approval certainty and discuss whether this finding is a constraint on development.

Fees and Exaction: HCD's prior review found the element should analyze the fees for a conditional use permit and include programs to address identified constraints as appropriate. In response, the element states no residential development is required to go through either Administrative Use Permits or Conditional Use Permits. However, some residential uses appear to be restricted to a conditional use permit. Also, other residential uses may see exceptions through the conditional use permit. As a result, the element must still include an analysis as described in the prior review and add or modify programs as appropriate.

Reasonable Accommodation: HCD's prior review found the element should describe the process and decision-making criteria such as approval findings and analyze any potential constraints on housing for persons with disabilities. In response, the element

describes reasonable accommodations will be subject to administrative adjustment procedures. However, a reasonable accommodation is a unique exception process in zoning and land use and should have clear decision-making standards such as whether the request is a fundamental alteration to zoning and land use. As a result, the element must include a program to establish a written procedure early in the planning period (e.g., within one year). HCD will send examples of written procedures under separate cover.

## **B. Housing Programs**

1. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding A2, the element does not include a complete site analysis, therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

In addition, Program 7 (Lot Consolidation) must still be revised as described in HCD's prior review. For example, the Program should commit to implement alternative actions if the Program is not successful by a date certain early in the planning period. The Program should also commit to implement the strategy earlier in the planning period than October 2024 (e.g., within one year).

2. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding A3, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

In addition, while Program 8 (Municipal Code Amendments) was revised in its description of permitting group homes for seven or more persons, it must still commit to allowing these group homes of seven or more persons in all residential zones and provide procedures that will promote objectivity and approval certainty (e.g., not a conditional use permit).

3. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element does not contain programs that satisfy the AFFH requirements for specific and meaningful actions to overcome fair housing issues. Based on a complete analysis, the element must add or revise programs.

### **C. Public Participation**

*Local governments 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 element shall describe this effort. (Gov. Code, § 65583, subd.(c)(8).)*

The element was not revised to address this requirement. Please see HCD's prior review.

# Exhibit No. 4

HE Topic	Key HCD Comments	Response to Comments
<b>A. Housing Needs and Resources</b>		
<b>1. Affirmatively Furthering Fair Housing</b>		
Outreach	<ul style="list-style-type: none"> <li>Summarize outreach efforts and relate to all components of the AFFH analysis; modify or add goals and actions as appropriate.</li> <li>Relate Regional AI outreach to El Segundo.</li> </ul>	Add discussion on Housing Element and Regional AI outreach efforts as it relates to AFFH and El Segundo (pg. C-3 to C-4)
Identified Sites and AFFH	<ul style="list-style-type: none"> <li>Include number of units by income group.</li> <li>Discuss magnitude of impact; address whether sites exacerbate or improve segregation.</li> </ul>	Upon completion sites inventory revisions, AFFH sites analysis to be revised, with unit counts, including determination of impact on fair housing conditions (pg.C-99 to C-104)
Local Data and Knowledge	Utilize local data to capture emerging trends.	Add insights from Regional AI (Pg. C-99)
Other Relevant Factors	Discuss historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends and other information that may have impeded housing choices and mobility.	Discuss zoning, housing type/tenure trends, housing cost trends, and transportatio (Pg. C-54 and C-58, C-62 and C-65, C-83 to C-85, C-95 to C-98)
Goals, Actions, Metrics, and Milestones	Revise goals and actions based on complete analysis; add specific metrics and milestones.	AFFH Action table to be reformatted and revised to include geographic targetting, timeline, and metrics Pg. 109 to 113).
<b>2. Residential Sites Inventory</b>		
Realistic Capacity	Some calculations for total capacity appear incorrect based on the stated acreage and minimum density.	Capacity estimates recalculated based on new sites inventory (Pg. 70 to 73, 83 to 84)
Suitability of Nonvacant Sites	<ul style="list-style-type: none"> <li>Analyze market conditions, development trends, and past experience with converting existing uses.</li> <li>Demonstrate existing uses are not an impediment to development on lower income nonvacant sites.</li> </ul>	Add existing use conversion trends from City/similar jurisdictions; added Lot Consolidation and Redevelopment Potential section (Pg. 70 to 86)
Environmental Constraints	Relate environmental conditions to identified sites; describe any other environmental conditions that could impact development on identified sites.	Assess environmental constraints on selected sites; Wiely park - next to an active oil well, phase 1 Assessment will be required (Pg. 70 to 71)
Infrastructure	<ul style="list-style-type: none"> <li>Clarify whether there is sufficient water capacity to accommodate regional housing need; modify programs if necessary.</li> <li>Discuss compliance with priority procedures for affordable units and HE delivery to water and sewer providers.</li> </ul>	Confirm water capacity is sufficient; commit to priority procedures and confirm that HE will be delivered to water and sewer providers; City purchase water from the Metropolitan Water District - Need affordable housing priority (Pg. 87 to 89)
Electronic Site Inventory	Resubmit electronic sites inventory based on changes.	To be updated and resubmitted upon completion of sites inventory revisions.
<b>3. Governmental Constraints</b>		
Land Use Controls	Analyze lot coverages/heights in the MDR zone and multifamily parking requirements as constraints.	Add discussion about lot coverages, heights, and parking requirements; MDR Overlay - over commercial properties - can convert to residential zoning Pg. 41 to 42, 77 to 78)

Processing and Permit Procedures	Specifically list and analyze approval findings for impacts on approval certainty.	Discuss how "proposed development will not adversely affect the orderly and harmonious development of the area" Site Plan Review finding is implemented and whether it is a constraint; Added ministerial level and subdivision and site plan review procedure (Pg. 47, 50 to 51)
Fees and Exaction	Confirm whether or not residential uses require CUP; add or modify programs as appropriate.	Revise CUP discrepancy (narrative vs. table); revise program if CUP is require; remove Mobile home park in R1 requires CUP and Senior Housing needs CUP (Pg. 41 to 43)
Reasonable Accommodation	Reasonable Accommodations should have clear decision-making standards such as whether the request is a fundamental alteration to zoning and land use; include program to establish written procedure.	Establish written procedure for reasonable accommodation; Added discussion about clerical error (reasonable accommodation removed from admin adjustment process) (Pg. 46 to 47)
<b>B. Housing Programs</b>		
<b>1. Availability of Sites</b>		
Sites Analysis	Revise programs based on complete sites analysis.	To be revised upon completion of sites inventory revisions (Pg. 98 to 102)
Lot Consolidation	Commit to establish an incentive package, implement a strategy, and implement alternative actions if the Program is not successful by a date certain early in the planning period; commit to implement earlier.	Establish incentives, strategy, and alternative (Pg. 102 to 103)
<b>2. Remove Constraints</b>		
Constraints Analysis	Revise programs based on complete constraints analysis.	Revised upon completion of constraints analysis revisions; possibly add language related to reasonable accommodation, residential CUP requirements (Pg. 103 to 106)
Municipal Code Amendments	Commit to allowing these group homes of seven or more persons in all residential zones and provide procedures that will promote objectivity and approval certainty (e.g., not a conditional use permit)	Add commitment to amend code to allow group homes of 7+ in residential zones (Pg. 104)
<b>3. Affirmatively Further Fair Housing</b>		
AFFH	Revise programs based on complete AFFH analysis.	AFFH Action table to be reformatted and revised to include geographic targetting, timeline, and metrics (Pg. 109 to 113)
<b>C. Public Participation</b>		
Public Participation	<ul style="list-style-type: none"> <li>Employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households.</li> <li>Describe how comments were considered and incorporated.</li> </ul>	Add program or action committing to additional outreach; describe how comments were considered (Pg. 105 to 106)

## Memorandum

**DATE:** October 12, 2022

**TO:** Paul Samaras, AICP  
Principal Planner  
City of El Segundo

**FROM:** Curtis Zacuto  
EcoTierra Consulting

**RE:** City of El Segundo Housing Element Update—Conformance Memo

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On February 1, 2022, the City adopted a resolution approving a Negative Declaration and the final draft 2021-2029 Housing Element (Environmental Assessment No. EA 1271 and General Plan Amendment No. GPA 19-04). Following adoption of the Negative Declaration and 2021-2029 Housing Element, the City received comments from the California Department of Housing and Community Development (HCD). HCD requested additional information regarding the feasibility of housing development on properties in the City’s Sites Inventory, recent development trends, constraints on housing development, public outreach efforts, actions and programs to promote housing maintenance and development.

In response to HCD’s comments, the City has prepared a revised Housing Element in October 2022 for consideration and action by the City’s Planning Commission. The October 2022 Housing Element incorporates changes to address HCD’s comments, including changes to the number of properties in the Sites Inventory, increases in the permitted densities in the RHNA overlay districts, changes to existing programs, and addition of new actions and programs promoting the maintenance and development of affordable housing.

The City of El Segundo Housing Element Update Initial Study (November 2021) analyzed the impacts of adopting the Housing Element. The Housing Element identifies possible housing sites to address El Segundo’s Regional Housing Needs Allocation (RHNA) as determined by the Southern California Association of Governments (SCAG) for the City for the 2021-2029 planning period.

The 2021-2029 Housing Element Update is a policy document that in and of itself does not propose or authorize any projects or development plan. The Housing Element sets forth the City’s policies and detailed programs for meeting existing and future housing

needs as determined by the RHNA process, for conserving and enhancing affordable housing, providing adequate housing sites, and for increasing affordable housing opportunities for extremely low/very-low, low, moderate, and above moderate-income persons and households.

As stated in the November 2021 Initial Study, the Housing Element Update does not propose or authorize any specific development and would not result in physical alterations or improvements. The Housing Element includes an inventory of sites that are adequate to accommodate the City's assigned share of regional housing need, but it does not propose development projects.

Inasmuch as the Housing Element Update could indirectly result in residential development and improvement, each potential development site would be evaluated at the time of development proposal in accordance with the requirements of CEQA. Therefore, the changes proposed in the revised 2021-2029 Housing Element (October 2022) are in conformance with the analysis prepared in the November 2021 City of El Segundo Housing Element Update Initial Study and no new environmental analysis is required.



## Planning Commission Agenda Statement

Meeting Date: October 27, 2022

Agenda Heading: New Public Hearing (Item H.3)

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### TITLE

Zone Text Amendment Permanently Allowing Home Sharing Through a Home Share Permit Process in the City's Residential Zones, Prohibit Home Sharing, or Allow Home Sharing By-Right with No Regulation. (Environmental Assessment No. EA-1180)

Applicant: City

### RECOMMENDATION

1. Adopt Resolution No. 2927, recommending that the City Council adopt an Ordinance amending Title 4 Chapter 16 (Home Sharing Permit) and Title 15 (Zoning Regulations) of the El Segundo Municipal Code to permanently allow short-term home sharing rentals in the City's Residential zones through a Short-term Home Sharing Permit.

### BACKGROUND

In 2016, City Council was approached by residents with concerns regarding residences being rented informally on a short-term basis (fewer than 30 days). At the direction of City Council, staff, including representatives of Planning, Business License and Revenue, Police, and the City Attorney's Office, developed a process to regulate and manage short-term rentals (STRs). The driving objective in developing the process was to create a balance in monitoring, enforcement, and taxation, with the ease of participation and maintaining a low cost.

Staff actively participated in the South Bay Council of Government's (COG) working group on short-term rental regulations. The COG's work revealed that some cities adopted outright bans, while others adopted regulations, and some tried to distinguish between whole-house rentals and home sharing. In the summer of 2017, staff conducted a survey posted on the City's website to obtain public opinion, attitude, and experiences with STRs. Paper surveys were made available at the City's library, and recreation center. Over 620 responses were obtained. Between 2017 and 2020, Planning Commission and City Council conducted numerous public hearings on the topic, considered various code amendments to allow STRs, prohibit them, or regulate them. The Commission and staff believed that a heavy-handed approach such as a ban may drive the practice underground, ultimately increasing the need for enforcement while precluding the collection of revenue that might fund enforcement efforts.

During the public hearings, it was revealed that several property owners were conducting short-term rentals primarily as home sharing where the property owners lived onsite, while others preferred to rent out their entire house. Throughout the study and discussion, staff provided feedback that locations renting the entire house often resulted in large parties

and gatherings, generating increased demand on Police response and City Attorney resources pursuing legal action. Staff found that home sharing did not have the same impacts, hypothesizing that this was because property owners lived onsite and could monitor activities in the home more closely.

In July 2020, City Council adopted an ordinance amending the El Segundo Municipal Code, establishing regulations for short-term home sharing rentals. The adopted ordinance allowed short-term home sharing in the City's residential zones through a Short-Term Home Sharing Rental (STHSR) Permit Pilot Program. Initiation of the 15-month pilot program was delayed due to LA County Health Department restrictions that prevented home sharing during the COVID pandemic. With the relaxing of rules and new COVID protocols, El Segundo commenced the 15-month pilot program on October 1, 2021.

When City Council considered Home Sharing in 2020, staff indicated that during the pilot period, staff would ascertain whether home sharing rental units may be appropriate over the long-term in residential zones, and that it would monitor the activity and report findings to Planning Commission, along with a recommendation as to how to proceed. With the pilot program expiring on December 31, 2022, staff is reporting back on major findings and results of the pilot program with data collected over the last 12 months. Criteria monitored to report back on is identified in the Administrative Guidelines and include number of permits issued; number of complaints received; types of complaints; parking issues; and, number of nights. Consequently, staff recommends a permanent home sharing program and seeks direction regarding whole-house short-term rentals.

## **DISCUSSION**

The pilot program allowed property owners to obtain a permit (valid until December 31, 2022) to conduct short-term home sharing within their residence. Some key provisions of the pilot program included the following:

- Permits are only issued to the property owner ("Host");
- The property must be the primary residence of the property owner and cannot be done within an accessory dwelling unit (ADU);
- Host must carry liability insurance; and,
- Host must maintain a valid business license and must collect and submit TOT.

The intent of the pilot program was to obtain sufficient information for staff, Planning Commission, and City Council to decide whether to make this a permanent program, make modifications to the program, or allow the program to terminate on December 31, 2022. Criteria monitored during the pilot period includes number of permits issued; number of complaints received; types of complaints; parking issues; number of nights; and revenues from TOT, and permits.

## **Home Share Permitting**

Prospective hosts were required to obtain both a business license and a short-term Home Share Permit, which were applied for together. Since the City Council approved program specifically required that home sharing be conducted only on a property owner's primary residence, Planning staff reviewed the information submitted to ensure the applicant established property ownership and permanent residency. Property ownership typically included a property title report, mortgage statements and property tax bills. Permanent residency was confirmed by federal or state-issued photo identification card, California voter's registration card, valid California vehicle registration certificate, health insurance or vehicle insurance bill issued in the last six months, pay stub issued in the last six months, and original utility bill, all which must have a name and address that match the name and address on the home share application. Other information reviewed included proof of liability insurance covering home sharing (some sites, such as AirBnB provide insurance when hosts use their platform), primary residence affidavit and a completed application.

In total, Planning staff approved 20 Home Share Permits since the start of the pilot program and denied one permit because the property was not the applicant's primary residence. Concurrently, Finance staff issued business licenses for each home share permit and followed up with each applicant for TOT registration.

## **Compliance**

Staff began the pilot program in October 2021, by sending Courtesy Notices to 55 individual owners whose properties were identified as advertising for short term rentals on at least one online platform. In November, Notice of Violations were sent to 38 individual owners whose properties were identified as continuing to advertise for short term rentals. In December, Second/Final Notice of Violation were sent to 22 individual owners whose properties were identified as continuing to advertise for short term rentals.

Staff was also in discussions with AirBnB, who indirectly assisted the City by informing hosts that were using their platform that whole-house short term rentals are not allowed in El Segundo and that home sharing was permissible through a city-issued home share permit. Ultimately, 12 property owners applied for home share permits after having received notice from the City.

This approach saw a steady drop in the number of unregistered rental units listed from 99 units in October 2021, to 22 units in September 2022. It is important to note that the remaining unregistered listings are for whole-house short-term rentals.

During the pilot program, Code Compliance staff did not receive any complaints related to the 20 permitted home shares in El Segundo. Consequently, no citations were issued, and no revocation of any permits was necessary.

Parking and Property Conditions

During the pilot program, staff conducted windshield surveillance of permitted home share properties to observe compliance with permit conditions requiring availability of onsite parking and property maintenance. Staff observed that parking was typically available onsite, in front of garages. In conversations with some hosts, their experience is that guests rarely arrive with personal or rented vehicles, and if the guest arrives with a vehicle then the host ensures the guest parks onsite. Further, as indicated above, staff did not receive any neighbor complaints related to parking associated with the permitted home share properties.

Nightly Stays

Short term rentals are defined as rentals for a period of 30 consecutive calendar days or less. With the assistance of a short-term rental monitoring company, staff found that the average home share booking was for 2.5-nights. The data generated did not include information regarding the place in the week (weekday vs. weekend) the 2.5-night average booking took place.

**Permit Fees and TOT**

During the pilot program, Business License staff worked with applicants to approve a business license once Planning staff approved the home share permit. Since implementation of the program, a total of \$7,546.25 has been collected from permit and licensing fees. Finance staff anticipates that by the end of the pilot program, the city will have received a total amount of \$52,628.23 collected from permit fees, licensing fees and TOT.

Business License	Home Share Permit	TOT Paid	Est. TOT	Total TOT	Total TOT + Permit/License fees
\$3,266.25	\$4,280.00	\$25,081.98	\$20,000.00	\$45,081.98	\$52,628.23

**Unpermitted Listings**

As indicated above, there continues to be several unregistered listings. Staff believes there will always be listings for whole-house short-term rentals and probably listings for unregistered home sharing. Although advertisements of unregistered short-term rentals are not allowed, there are multiple variables that make it easy for hosts to be elusive and avoid being identified by the City. There are many platforms and sites where hosts can advertise; some are large and popular and focus on the short-term industry (such as AirBnB), while others are not (such as Craig's List). Listing a property can occur at any time of day or night, regardless of the City's "business hours." Listings can be illusive because hosts put up a listing for a short duration, then remove the listing within seconds, minutes, hours, or days. Other hosts advertise the property as a rental for greater than 30-days, which is not a short-term rental by definition and thereby avoids detection. Although difficult and time consuming to track, investigate, and monitor websites for unpermitted listings, staff continue to monitor for unpermitted listings and follow up

appropriately with those that can be identified. If any complaints are received from residents regarding short-term rentals (whole-house or home shares), staff also investigate and follow up, as necessary.

### **Administrative Guidelines**

To assist with implementing the Home Share Permit Pilot Program, Administrative Guidelines were prepared, providing instructions for putting the ordinance into practice. Staff identified non-substantive updates to the Guidelines, which includes general clean up to reference the Community Development Department name and removing references to the 15-month pilot program.

### **Permit Conditions and Regulations**

Home Share Permits are approved with standard conditions intended to minimize impacts of the operation upon the immediate neighborhood in which they operate. A few of the conditions include prohibiting listing to advertise for parties or events; prohibiting advertisement and signage onsite; provide parking onsite; and include a city-issued permit number on listings. Staff has not identified a need to do so since there have been no complaints to warrant additional standard conditions and regulations. Notwithstanding, staff can add conditions upon issuance of a permit if deemed necessary to address potential impacts that may arise in the future.

### **Conclusion**

The pilot program has shown that home sharing does not result in significant negative impacts to the neighborhoods in which they are located. No complaints were received regarding home share permits, likely due to the activity only being permitted where the property owner is onsite and is their primary residence. Home sharing minimizes the possibility that such a property will be used for loud and unruly gatherings by guests, and it allows the host (i.e., property owner) to meet the guest(s) at check-in and gives the host an opportunity to cancel the reservation if they feel the host may be problematic. Therefore, staff recommends the Planning Commission recommend to City Council that they amend the El Segundo Municipal Code to permanently allow short-term home sharing rentals in the City's Residential zones through a Short-term Home Sharing Permit.

**PREPARED BY:** Eduardo Schonborn, AICP, Planning Manager <sup>EAS</sup>

**REVIEWED BY:** Michael Allen, AICP, Community Development Director <sup>MA</sup>

**APPROVED BY:** Michael Allen, AICP, Community Development Director <sup>MA</sup>

### **ATTACHED SUPPORTING DOCUMENTS:**

1. Draft Resolution No. 2927
2. ESMC Chapter 4-16 (Home Share Permit Pilot Program)
3. Short-Term Home Sharing Permit Administrative Guidelines

**P.C. RESOLUTION NO. 2927**

**A RESOLUTION OF THE EL SEGUNDO PLANNING COMMISSION RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING TITLE 4 CHAPTER 16 (HOME SHARING PERMIT) AND TITLE 15 (ZONING REGULATIONS) OF THE EL SEGUNDO MUNICIPAL CODE TO PERMANENTLY ALLOW SHORT-TERM HOME SHARING RENTALS IN THE CITY'S RESIDENTIAL ZONES THROUGH A SHORT-TERM HOME SHARING PERMIT.**

**(EA NO. 1180 and ZTA NO. 22-01)**

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

- A. The rental of private homes by owners for temporary occupancy has been identified as a community concern, due to the potential for increased traffic, noise, and density in residential neighborhoods if these uses are not properly regulated;
- B. The City has a compelling interest in protecting the public health, safety, and welfare of its citizens, residents, visitors and businesses, and in preserving the peace and quiet of the neighborhoods with the City by regulating short-term rentals in the City;
- C. The City reviewed the project's environmental impacts under the California Environmental Quality Act (California Public Resources Code §§ 21000, *et seq.*, "CEQA") and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, *et seq.*, the "CEQA Guidelines");
- D. On July 21, 2020, the City Council adopted Ordinance No. 1614, approving a 15-month Short-Term Home Sharing Permit Pilot Program;
- E. After the Los Angeles County Health Officer's order of June 12, 2020 that prohibited short-term rentals in occupied units was amended to once again permit short-term rentals in occupied units, the 15-month pilot program started on October 1, 2021, and will end on December 31, 2022;
- F. On October 13, 2022, a notice was published in the El Segundo Herald pursuant to the provision of the El Segundo Municipal Code;
- G. On October 27, 2022, the Planning Commission conducted a public hearing, at which time all interested parties were given an opportunity to be heard and present evidence regarding said amendments as set forth in the Planning Commission Staff Report of that date and to receive public

testimony and other evidence regarding the proposed amendments, including, without limitation, information provided to the Planning Commission by City staff and public testimony;

- H. On October 27, 2022, the Planning Commission adopted PC Resolution No. 2927 recommending that the City Council approve proposed amendments to permanently allow short-term rentals in the form of home sharing only, as a permitted use through issuance of a Home Share Permit in the City's Residential Zoning Districts (R1, R2 and R3); and,
- I. This Resolution and its findings are made based upon the evidence presented to the Commission at its October 27, 2022 hearing including, without limitation, the staff report submitted by the Community Development Department.

SECTION 2: Factual Findings and Conclusions. The Planning Commission finds that the proposed ordinance amending ESMC Titles 4 and 15 to allow short-term home sharing of dwelling units through a short-term rental unit permit process in the City's Residential zones would result in the following:

- A. The proposed amendment to the ESMC modifies the permitted uses sections in ESMC Chapters 15-4A (Single-Family Residential), 15-4B (Two-Family Residential), and 15-4C (Multi-Family Residential) by deleting reference to the 15-month pilot program, thereby permanently allowing home sharing when conducted in accordance with the issuance of a valid Short-term Home Sharing Rental Permit.
- B. The General Plan Land Use designation for the affected properties is Residential.
- C. Title 4 of the El Segundo Municipal Code (ESMC) is amended to add thereto a new Chapter 15 "Short-Term Rental Permits".

SECTION 3: General Plan Findings. Considering all of its aspects, the ESMC amendments proposed by the Ordinance will further the goals, objectives and policies of the General Plan and not obstruct their attainment. More specifically:

- A. The amendment conforms to the Land Use Element Goals, Objectives and Policies. Specifically, the amendment is consistent with Goal LU1, Objective LU1-1, Goal LU3, in that the amendment ensures the preservation, protection and extension of existing residential uses; and promotes the health, safety, and wellbeing of the people of El Segundo by adopting standards for the proper balance, relationship, and distribution of the residential land uses at all times in accordance with applicable law.
- B. The proposed text amendment to the Permitted Uses section in each of the City's Residential Zones conforms to the General Plan. The proposed changes do not modify or increase the maximum density of dwelling units per acre currently

allowed in the Residential Land Use designation. As a result, the proposed Zone Text Amendment conforms to the Land Use Element of the General Plan.

- C. The text amendment complies with Objective LU 1-5.6 in that the changes to the existing language will permanently allow short-term rentals through a short-term rental unit permit requirement.
- D. The text amendment is consistent with the Residential Land Use designation in that the proposed changes do not modify or increase the maximum density of dwelling units per acre currently allowed by the Residential zoning designations.

SECTION 4: Zone Text Amendment Findings. In accordance with ESMC § 15-26-4 the City Council finds as follows:

- A. The proposed project is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources. The amendment permanently allows home sharing when conducted in accordance with a valid Short-term Home Sharing Rental Permit that contains appropriate operational regulations, restrictions and conditions that minimize problems associated with short-term units.
- C. The proposed project is necessary to minimize the likelihood that this activity goes underground, at which point the city would not have an account of the number of short-term rentals, their locations, or a funding mechanism to offset any increase in demand for City services resulting from the short-term rental unit.

SECTION 5: Environmental Assessment. Pursuant to the provisions of the California Environmental Quality Act, Public Resources Code Sections 21000 *et. seq.* ("CEQA"), the State's CEQA Guidelines, California Code of Regulation, Title 14, Section 15000 *et. seq.*, the Planning Commission finds that the proposed Zone Text Amendment is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15306 (Class 6) since the amendment involves permanently creating a regulatory process for a use in the Residential zoning districts. Further, the action will help reduce the impact of short term rentals in the City's Residential zones. Consequently, no further environmental review is required.

SECTION 6: Recommendation. The Planning Commission recommends that the City Council adopt an Ordinance approving proposed amendments to ESMC Titles 4 and 15 to permanently allow short-term rentals in the form of home sharing only, as a permitted use subject to the issuance of a Short-Term Home Sharing permit, as set forth in the attached Exhibit "A" (Draft Ordinance) and incorporated into this resolution by reference.

SECTION 7: Reliance On Record. Each and every one of the findings and determination in this Resolution are based on the competent and substantial evidence, both oral and

written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 8: *Limitations.* The Planning Commission’s analysis and evaluation of the project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of the project is the Planning Commission’s lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the city’s ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 9: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 10: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.

SECTION 11: This Resolution may be appealed within ten (10) calendar days after its adoption. All appeals must be in writing and filed with the City Clerk within this time period. Failure to file a timely written appeal will constitute a waiver of any right of appeal.

PASSED, APPROVED AND ADOPTED this 27<sup>th</sup> day of October, 2022.

\_\_\_\_\_  
Ryan Baldino, Chairperson  
City of El Segundo Planning Commission

ATTEST:

\_\_\_\_\_  
Michael Allen, AICP,  
Community Development Director  
and Secretary to the Planning Commission

Baldino -  
Newman -  
Hoeschler -  
Keldorf -  
Maggay -

APPROVED AS TO FORM:  
Mark D. Hensley, City Attorney

By: \_\_\_\_\_  
Joaquin Vazquez, Deputy City Attorney

**DRAFT ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE OF THE CITY OF EL SEGUNDO AMENDING TITLE 4 CHAPTER 16 (HOME SHARING PERMIT) AND TITLE 15 (ZONING REGULATIONS) OF THE EL SEGUNDO MUNICIPAL CODE TO PERMANENTLY ALLOW SHORT-TERM HOME SHARING RENTALS IN THE CITY'S RESIDENTIAL ZONES THROUGH A SHORT-TERM HOME SHARING PERMIT.**

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and declares as follows:

- A. Due to close proximity of El Segundo to Los Angeles International airport, beaches and Southern California tourist destinations, and being home to a significant number of Fortune 500 companies, the City of El Segundo is a popular location for alternative short-term lodging;
- B. The renting of rooms in private homes on a short-term basis to visitors provides a community benefit by expanding the number and type of lodging facilities available and assists owners of homes by providing revenue which may be used for maintenance and upgrades to these units;
- C. The renting of rooms in private homes by owners for temporary occupancy is also a community concern due to the potential for increased traffic, and noise in residential neighborhoods if these uses are not properly regulated;
- D. Problems with short-term lodgings are particularly acute in the residential zones where the peace, safety and general welfare of the long-term residents are potentially threatened;
- E. An effective way to minimize the problems associated with short-term rental units is to allow short-term home sharing through a permit process with restrictions and operational regulations;
- F. On October 27, 2022, the El Segundo Planning Commission held a noticed public hearing to receive public testimony and other evidence regarding the proposed ordinance, including information provided by city staff; and, adopted Resolution No. 2927 recommending that the City Council approve proposed amendments to permanently allow short-term rentals in the form of home sharing only, as a permitted use through issuance of a Home Share Permit;
- G. On November 15, 2022, the El Segundo City Council held a public hearing and considered the information provided by staff and public testimony regarding the ordinance recommended by the Planning Commission; and,
- H. This ordinance and its findings are made based upon the entire administrative record including testimony and evidence presented to City Council at its November 19, 2019, February 4, February 18, March 3 and June 16, 2020, and November

15, 2022 public hearings and the staff reports submitted by the Community Development Department.

SECTION 2: Environmental Assessment. Pursuant to the provisions of the California Environmental Quality Act, Public Resources Code Sections 21000 *et. seq.* ("CEQA"), the State's CEQA Guidelines, California Code of Regulation, Title 14, Section 15000 *et. seq.*, Staff found no evidence that EA-1180 and ZTA 22-01 would have a significant effect on the environment and, therefore, the proposed Zone Text Amendment has been found to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15306 (Class 6) since the amendment involves permanently creating a regulatory process for a use in the Residential zoning districts. Further, the action will help reduce the impact of short term rentals in the City's Residential zones. Consequently, no further environmental review is required.

SECTION 3: General Plan Findings. Considering all of its aspects, the El Segundo Municipal Code (ESMC) amendments proposed by this ordinance will further the goals, objectives and policies of the General Plan and not obstruct their attainment. More specifically:

- A. This amendment conforms to the Land Use Element Goals, Objectives and Policies. Specifically, the amendment is consistent with Goal LU1, Objective LU1-1, Goal LU3, in that the amendment ensures the preservation, protection and extension of existing residential uses; and promotes the health, safety, and wellbeing of the people of El Segundo by adopting standards for the proper balance, relationship, and distribution of the residential land uses at all times in accordance with applicable law.
- B. This text amendment of the Permitted Uses section in each of the City's residential zones conforms to the General Plan. The changes do not modify or increase the maximum density of dwelling units per acre currently allowed in the Residential Land Use designation. As a result, the Zone Text Amendment conforms to the Land Use Element of the General Plan.
- C. The text amendment complies with Objective LU 1-5.6 in that the changes to the existing language will permanently allow short-term home sharing rentals for property owners through a home sharing permit requirement provided it is the property owner's primary residence.
- D. The text amendment is consistent with the Residential Land Use designation in that the changes do not modify or increase the maximum density of dwelling units per acre currently allowed by the Residential zoning designations.

SECTION 4: Zone Text Amendment Findings. In accordance with ESMC Section 15-26-4 the City Council finds as follows:

- A. This ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources. The

proposed Ordinance allows home sharing as a permitted use provided that a Home Share Permit is approved, which contains operational regulations, permit conditions and restrictions that minimize impacts in residential neighborhoods.

- B. This ordinance is necessary to minimize the likelihood that this activity goes underground, at which point the City would not have an account of the number of short-term rentals, their locations, or a funding mechanism to offset any increase in demand for City services resulting from the short-term rental units.

SECTION 5: Section 4-16-4 (Application for Permit; Fee) of the ESMC is amended to read as follows:

**“4-16-4: APPLICATION FOR PERMIT; FEE**

An application for a Short-term Home Sharing Rental Permit must be made on a form approved by the Director and must contain the following information:

- A. The name, address and telephone number of the owner of the unit for which the permit is to be issued.
- B. Evidence that a City business license has been applied for or obtained for operating a short-term home sharing business.
- C. Evidence that a valid Transient Occupancy Registration Certificate has been issued by the City for the home sharing unit.
- D. Proof of general liability insurance in the amount of \$1,000,000 combined single limit and an executed agreement to indemnify, defend, and hold the City harmless from any and all claims and liabilities of any kind whatsoever resulting from or arising out of the short-term home sharing rental activity.
- ~~E. An acknowledgment that the use of the property for home sharing is subject to a sunset provision, and that the owner will acquire no vested right to the continued use of any portion of the dwelling unit for short-term home sharing rental after the sunset period expires.~~
- F. An affidavit signed by the property owner attesting that the property to be used for short-term home sharing rental is the owner’s primary residence as defined in Section 4-16-2.
- G. Such other information as required by the Administrative Guidelines or as the Director deems reasonably necessary to administer this Chapter.
- H. The Short-term Home Sharing Permit Application must be signed by the property owner and notarized.
- I. An application for a Short-term Home Sharing Rental Permit must be accompanied by a fee established by resolution of the City Council.”

SECTION 6: Section 4-16-5 (Permit Expiration) of the ESMC is amended to read as follows:

**~~“4-16-5: PERMIT EXPIRATION~~**

~~A. Applications for Short-term Home Sharing Rental Permits will be accepted for a pilot period commencing within 30 to 60 days after the Los Angeles County Health Officer’s order of June 12, 2020, or any subsequent order, which prohibits short term rentals in occupied units, is rescinded or amended to once again permit short term rentals in occupied units, and ending 15 months after the program begins.~~

~~B.——Upon a change of property ownership, the Short-term Home Sharing Rental Permit will automatically expire. For purposes of this Chapter, a change of ownership has the definition set forth in Revenue and Taxation Code section 60 et seq.”~~

SECTION 7: Section 4-16-13 of the El Segundo Municipal Code is deleted:

**~~4-16-13: SUNSET PROVISION~~**

~~This Chapter shall remain in effect until the earlier of this ordinance being rescinded, or 15 months after it starts. The sunset or repeal of any provision of this Chapter does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before effective date of the sunset or repeal of the Chapter. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of the repeal.~~

SECTION 8: Subsection (J) of Section 15-4A-2 of the El Segundo Municipal Code is amended as follows:

~~“J. On compliant parcels only, home sharing of a permitted single-family dwelling unit, or portion thereof, when conducted in accordance with a valid Short-term Home Sharing Rental Permit issued pursuant to Title 4, Chapter 16 of this Code. This subsection will automatically sunset 15 months after the pilot program established by Chapter 4-16 commences.~~

- ~~1. For purposes of this subsection, a compliant parcel is one that provides off-street parking on the parcel at a ratio of not less than one parking space per guest bedroom in the residence on the parcel. Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least 9 feet by 20 feet and does not extend into public right-of-way.~~
- ~~2. Home sharing is not a permitted use in the absence of a valid Short-term Home Sharing Rental Permit.~~

3. An accessory dwelling unit may not be used for home sharing or as a short-term rental.”

SECTION 9: Subsection (D) of Section 15-4B-2 of the El Segundo Municipal Code is amended as follows:

“D. On compliant parcels only, home sharing of a permitted single-family dwelling unit, two-family dwelling or duplex, or portion thereof, when conducted in accordance with a valid Short-term Home Sharing Rental Permit issued pursuant to Title 4, Chapter 16 of this Code. ~~This subsection will automatically sunset 15 months after the pilot program established by Chapter 4-16 commences.~~

1. For purposes of this subsection, a compliant parcel is one that provides off-street parking on the parcel at a ratio of not less than one parking space per guest bedroom in the residence on the parcel. Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least 9 feet by 20 feet and does not extend into public right-of-way.
2. Home sharing is not a permitted use in the absence of a valid Short-term Home Sharing Rental Permit.
3. An accessory dwelling unit may not be used for home sharing or as a short-term rental.”

SECTION 10: Subsection (H) of Section 15-4C-2 of the El Segundo Municipal Code is amended as follows:

“H. On compliant parcels only, home sharing of a permitted single-family dwelling unit, two-family dwelling duplex, multi-family or portion thereof, when conducted in accordance with a valid Short-term Home Sharing Rental Permit issued pursuant to Title 4, Chapter 16 of this Code. ~~This subsection will automatically sunset 15 months after the pilot program established by Chapter 4-16 commences.~~

1. For purposes of this subsection, a compliant parcel is one that provides off-street parking on the parcel at a ratio of not less than one parking space per guest bedroom in the residence on the parcel. Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least 9 feet by 20 feet and does not extend into public right-of-way.
2. Home sharing is not a permitted use in the absence of a valid Short-term Home Sharing Rental Permit.
3. An accessory dwelling unit may not be used for home sharing or as a short-term rental.”

SECTION 11: CONSTRUCTION. This ordinance must be broadly construed in order to achieve the purposes stated in this ordinance. It is the City Council's intent that the provisions of this ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this ordinance.

SECTION 12: ENFORCEABILITY. Repeal of any provision of the ESMC does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this ordinance.

SECTION 13: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 14: SEVERABILITY. If any part of this ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this ordinance are severable.

SECTION 15: The City Clerk is directed to certify the passage and adoption of this ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this ordinance, cause it to be published or posted in accordance with California law.

SECTION 16: This ordinance will take effect 30 days after its passage and adoption.

PASSED AND ADOPTED this \_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Drew Boyles, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark D. Hensley, City Attorney

ATTEST:

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )     SS  
CITY OF EL SEGUNDO            )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. \_\_\_\_\_ was duly introduced by said City Council at a regular meeting held on the \_\_\_ day of \_\_\_\_\_ 2022, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the \_\_\_ day of \_\_\_\_\_, 2022, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Tracy Weaver, City Clerk

## CHAPTER 16

# HOME SHARING PERMIT PILOT PROGRAM

### SECTION:

#### 4-16-1: Purpose

#### 4-16-2: Definitions

#### 4-16-3: Permit Required

#### 4-16-4: Application For Permit; Fee

#### 4-16-5: Permit Expiration

#### 4-16-6: Review Of Permit Application

#### 4-16-7: Conditions Of Permit Issuance And Operational Conditions

#### 4-16-8: Registry

#### 4-16-9: Hosting Platform Responsibilities

#### 4-16-10: Prohibitions

#### 4-16-11: Enforcement; Penalties

#### 4-16-12: Remedies Not Exclusive

#### 4-16-13: Sunset Provision

#### 4-16-1: PURPOSE:

The purpose of this Chapter is to require the owner of a residential dwelling unit that is used for home sharing to apply for and secure a permit authorizing such use in the manner provided for in this Chapter. (Ord. 1614, 7-21-2020)

#### 4-16-2: DEFINITIONS:

For the purpose of this Chapter, the following definitions apply:

**ADMINISTRATIVE GUIDELINES:** Regulations promulgated by the Director and approved by the City Council that may include, but are not limited to, application requirements, interpretations, conditions, reporting requirements, hosting platform safe harbor

requirements, enforcement procedures, and disclosure requirements to implement the provisions of this Chapter.

**BOOKING:** A reservation for home sharing.

**BOOKING TRANSACTION:** Any reservation or payment service provided by a person who facilitates a transaction for home sharing, between a prospective transient user and a host.

**CHILD or CHILDREN:** A person or persons under the age of 13.

**DWELLING UNIT:** Any building or portion thereof that is used as a complete, independent living facility for one or more persons containing permanent provisions for living, sleeping, eating, cooking, and sanitation, as required by the California Building Code.

**HOME SHARING:** Renting, for a period of 30 consecutive days or less, of one or more bedrooms in a dwelling unit that is the primary residence of the host, while the host lives on site, in the dwelling unit, throughout the transient user's stay. Home sharing is also considered to be a short-term rental.

**HOME SHARING UNIT:** A dwelling unit that is made available for home sharing. A home sharing unit has historically been, and continues to be, included in the definition of "hotel" for purposes of Title 3, Chapter 4 of this Code.

**HOST:** Any person who is an owner of a residential dwelling unit offered for use as home sharing.

**HOSTING PLATFORM:** A person or entity that participates in the short-term rental business by providing booking services through which an operator may offer a short-term rental unit. Hosting platforms usually, though not necessarily, provide booking services through an online platform that allows an operator to advertise the short-term rental unit through a website provided by the hosting platform and the hosting platform conducts a transaction by which potential renters arrange use and payment, whether the renter pays rent directly to the operator or to the hosting platform.

**LIVES ON-SITE:** Maintains a physical presence in the dwelling unit including, without limitation, all of the following: the storing of one's clothes and other personal effects, sleeping overnight, preparing and eating meals, and engaging in other activities of the type typically engaged in by a person residing in a dwelling unit.

**OWNER:** The person, persons, or a trustee of a family trust, which holds legal or equitable title to a property used for home sharing.

**PERSON:** A natural person.

**PRIMARY RESIDENCE:** The residential unit where an owner resides for at least 183 nights per year. A host can only have one primary residence.

**SHORT-TERM RENTAL:** The rental of any portion of any structure for occupancy, dwelling, lodging or sleeping purposes for a period of 30 consecutive calendar days or less. (Ord. 1614, 7-21-2020)

**4-16-3: PERMIT REQUIRED:**

A. No person may rent, offer to rent, or advertise short-term home sharing rental of a dwelling unit to another person without a valid Short-term Home Sharing Rental Permit approved and issued in the manner provided for in this Chapter.

B. Any type of short-term rental within the city that does not constitute home sharing as defined by Section 4-16-2 is not eligible for a permit under this program. (Ord. 1614, 7-21-2020)

**4-16-4: APPLICATION FOR PERMIT; FEE:**

An application for a Short-term Home Sharing Rental Permit must be made on a form approved by the Director and must contain the following information:

A. The name, address and telephone number of the owner of the unit for which the permit is to be issued.

B. Evidence that a City business license has been applied for or obtained for operating a short-term home sharing business.

C. Evidence that a valid Transient Occupancy Registration Certificate has been issued by the City for the home sharing unit.

D. Proof of general liability insurance in the amount of \$1,000,000 combined single limit and an executed agreement to indemnify, defend, and hold the City harmless from any and all claims and liabilities of any kind whatsoever resulting from or arising out of the short-term home sharing rental activity.

E. An acknowledgment that the use of the property for home sharing is subject to a sunset provision, and that the owner will acquire no vested right to the continued use of any portion of the dwelling unit for short-term home sharing rental after the sunset period expires.

F. An affidavit signed by the property owner attesting that the property to be used for short-term home sharing rental is the owner's primary residence as defined in Section 4-16-2.

G. Such other information as required by the Administrative Guidelines or as the Director deems reasonably necessary to administer this Chapter.

H. The Short-term Home Sharing Permit Application must be signed by the property owner and notarized.

I. An application for a Short-term Home Sharing Rental Permit must be accompanied by a fee established by resolution of the City Council. (Ord. 1614, 7-21-2020)

**4-16-5: PERMIT EXPIRATION:**

A. Applications for Short-term Home Sharing Rental Permits will be accepted for a pilot period commencing within 30 to 60 days after the Los Angeles County Health Officer's order of June 12, 2020, or any subsequent order, which prohibits short-term rentals in occupied units, is rescinded or amended to once again permit short-term rentals in occupied units, and ending 15 months after the program begins.

B. Upon a change of property ownership, the Short-term Home Sharing Rental Permit will automatically expire. For purposes of this Chapter, a change of ownership has the definition set forth in Revenue and Taxation Code section 60 et seq. (Ord. 1614, 7-21-2020)

**4-16-6: REVIEW OF PERMIT APPLICATION:**

An application for a Short-term Home Sharing Rental Permit that meets the conditions of permit issuance described in Section 4-16-7 must be approved. An application for a Short-term Home Sharing Rental Permit must be denied if any information submitted by the applicant in connection with the application is materially false. Further, a permit may not be issued for any dwelling that is delinquent in the payment for its associated water service. (Ord. 1614, 7-21-2020)

**4-16-7: CONDITIONS OF PERMIT ISSUANCE AND OPERATIONAL CONDITIONS:**

A. All Short-term Home Sharing Rental Permits are subject to the following standard conditions:

1. No Short-term Home Sharing Rental Permit may be issued for a dwelling unit that does not serve as the property owner's primary residence. A host can only have one primary residence.
2. Parking must be provided on-site at a ratio of not less than one parking space per bedroom in the main residence/unit on the parcel and must be available for use by the short term rental guest(s). Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least 9 feet by 20 feet and does not extend into any sidewalk or other public right-of-way. If any of the required parking is provided in a garage, each garage space must be kept clear of debris and able to accommodate a vehicle at all times.
3. The home sharing unit must at all times provide operable basic health and safety features, including fire extinguishers, smoke detectors, and carbon monoxide detectors.
4. The property of the home sharing unit shall be maintained in a clean and sanitary condition. Trash and refuse shall not be left outdoors and shall not be left stored within public view, except in proper containers for the purpose of collection by the trash collectors.
5. No signs or displays advertising a home sharing unit are allowed on the subject property.
6. The owner must maintain a transient occupancy registration certificate and must ensure the timely remittance of all transient occupancy taxes due in accordance with Title 3, Chapter 4 of this Code.

7. A home sharing unit is for overnight lodging accommodations only and may not be used for, or advertised for use for weddings, parties, bachelor or bachelorette parties, conferences, or similar events. The owner is responsible for the content of all advertising with respect to the home sharing unit. At no time during a home sharing stay may the total number of rental guests and invitees of such guests on the subject parcel exceed 6, excluding children.

8. The total occupancy of each home sharing unit may not exceed two adult guests for each bedroom available for home sharing. The applicable maximum occupancy must be included in every advertisement, posting, and listing for a home sharing unit.

9. The Short-term Home Sharing Rental Permit number must be included in every advertisement, posting, and listing for a home sharing unit.

10. An accessory dwelling unit may not be used for short-term rental.

11. The short-term rental of space within any dwelling unit or garage for the purpose of storing personal property for compensation is prohibited in all residential zones.

B. Home sharing in the R-2 Zone: Home sharing is permitted in the residential unit that is the primary residence of the property owner.

C. Home sharing in the R-3 Zone: Home sharing is permitted in the residential unit that is the primary residence of the property owner.

D. A Short-term Home Sharing Rental Permit may not be issued if a Short-term Home Sharing Rental Permit for the unit was previously revoked pursuant to section 4-16-11(C) or (D) within the previous 12 months.

E. The City Manager and the Director have the authority to impose additional standard conditions, applicable to all home sharing units, as necessary to achieve the objectives of this Chapter.

F. The City Manager and the Director have the authority to impose additional conditions on any permit in the event of any violation of the conditions of the permit or the provisions of this Chapter.

G. The Director may direct a hosting platform to remove a listing for any unpermitted home sharing or short-term rental unit or for any home share unit that had its permit revoked or suspended pursuant to this chapter. (Ord. 1614, 7-21-2020)

#### **4-16-8: REGISTRY:**

All owners and their respective property permitted for home sharing pursuant to this Chapter will be listed on a registry created by the City and updated periodically. The City shall make a copy of the registry available electronically to any person upon request. (Ord. 1614, 7-21-2020)

#### **4-16-9: HOSTING PLATFORM RESPONSIBILITIES:**

A. Unless an alternative arrangement is authorized by the Administrative Guidelines, a hosting platform shall be responsible for collecting all transient occupancy taxes applicable to bookings completed through the hosting platform and for remitting the same to the City. The hosting platform shall be considered an agent of the owner for purposes of such transient occupancy tax collections and remittance responsibilities as set forth in Title 3, Chapter 4 of this Code.

B. The hosting platform shall require the host to input the home share unit's corresponding Short-term Home Sharing Rental Permit number, consistent with the City's alphanumeric format, before the listing can be displayed. Any short-term rental unit listing that predates this ordinance and that does not have a corresponding Short-term Home Sharing Rental Permit number shall be removed by the hosting platform consistent with this Section.

C. A hosting platform shall not complete any booking transaction for any residential property or unit unless it is listed on the City's registry created under Section 4-16-8 at the time the hosting platform receives a fee for booking the transaction. Upon request from the Director made in a manner specified

in the Administrative Guidelines, the hosting platform must remove a home share or short-term rental listing or take other action consistent with the Administrative Guidelines.

D. On a quarterly basis, the hosting platform shall provide the City with a report detailing the total number of nights all home sharing units were rented through the platform during the applicable reporting period.

E. A hosting platform shall not collect or receive a fee or other financial benefit, directly or indirectly through an agent or intermediary, for facilitating or providing services ancillary to an unregistered home sharing unit, including, but not limited to, insurance, concierge services, catering, restaurant bookings, tours, guide services, entertainment, cleaning, property management, or maintenance of the residential property or unit.

F. Safe Harbor. A hosting platform shall be presumed to be in compliance with this Chapter if it does either of the following:

1. Operates in compliance with subsections (A), (B), (C), (D), and (E) above, or

2. Complies with the Administrative Guidelines issued by the Director and approved by the City Council that describe how the hosting platform must satisfy the hosting platform responsibilities in this Chapter.

G. The provisions of this Section shall be interpreted in accordance with otherwise applicable State and Federal laws and will not apply if determined by the City to be in violation of, or preempted by, any such laws. (Ord. 1614, 7-21-2020)

#### **4-16-10: PROHIBITIONS:**

A. It is unlawful to offer, operate, maintain, authorize, aid, facilitate or advertise the home sharing of any portion of any residential dwelling unit in the city without a valid Short-term Home Sharing Rental Permit.

B. It is unlawful to offer, operate, maintain, authorize, aid, facilitate or advertise the short-term rental of any portion of any residential dwelling unit in the city, other than for home sharing.

C. It is unlawful to operate or maintain a home sharing unit in violation of Section 4-16-7.

D. Only a qualifying residential dwelling unit or portion thereof may be made available for home sharing subject to this Chapter and Title 15.

E. It is unlawful to offer, operate, maintain, authorize, aid, facilitate or advertise the short-term rental of any place or vehicle, other than a permitted home sharing unit, for purposes of overnight lodging (for example, a tree house, recreational vehicle, tent, etc.) (Ord. 1614, 7-21-2020)

#### **4-16-11: ENFORCEMENT; PENALTIES:**

A. Any person who violates any provision of this Chapter, or any hosting platform that fails to meet its obligations under Section 4-16-9, is guilty of either (i) an infraction which shall be punishable by a fine not exceeding \$2,500 for the first violation and \$5,000 for each additional violation within a twelve-month period, or (ii) a misdemeanor which shall be punishable by a fine not exceeding \$1,000 or by imprisonment in the county jail for not more than six months, or by both.

B. Any person who violates any provision of this Chapter, or hosting platform that violates its obligations under Section 4-16-9, shall be subject to administrative citations and penalties pursuant to Title 1, Chapter 2A of this Code.

C. If the property upon which a short-term home sharing rental unit is located is the subject or the site of two violations of any of the provisions of this Chapter, or of Chapters 1, 2, or 13 of Title 7, or any combination thereof, the Short-term Home Sharing Rental Permit for the unit shall be automatically revoked. In such a case, no new Short-term Home Sharing Rental Permit may be issued for the subject dwelling unit for the remaining period of the pilot program. For purposes of this section,

the automatic revocation shall become effective as of the date the second citation becomes final (i.e., the time for administrative and/or judicial review has passed or final judgment of a court has been entered upholding the citation).

D. In addition to the penalties set forth herein, if the short-term home sharing rental property is the site of a loud or unruly gathering in violation of Section 7-12-3 that results in the issuance of an administrative citation or criminal charge, the Short-term Home Sharing Rental Permit shall be automatically revoked if and when the administrative citation becomes final (i.e., the time for administrative or judicial review has passed or final judgment of a court has been entered upholding the citation) or a criminal conviction is obtained.

E. The remedies provided in this Section are not exclusive, and nothing in this Section shall preclude the City's use or application of any other remedies, penalties or procedures established by law. (Ord. 1614, 7-21-2020)

**4-16-12: REMEDIES NOT EXCLUSIVE:**

The remedies listed in this Chapter are not exclusive of any other remedies available to the City under any applicable federal, state or local law and it is within the discretion of the city to seek cumulative remedies. (Ord. 1614, 7-21-2020)

**4-16-13: SUNSET PROVISION:**

This Chapter shall remain in effect until the earlier of this ordinance being rescinded, or 15 months after it starts. The sunset or repeal of any provision of this Chapter does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before effective date of the sunset or repeal of the Chapter. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of the repeal. (Ord. 1614, 7-21-2020)

# CITY OF EL SEGUNDO



## SHORT-TERM HOME SHARING RENTAL PERMIT PILOT PROGRAM

## ADMINISTRATIVE GUIDELINES

July 21, 2020

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## PART 1—PURPOSE

These Administrative Guidelines are for the purpose of implementing El Segundo's Short-Term Home Sharing Rental (STHSR) Permit Pilot Program, as established by Ordinance No. 1614. These Guidelines reflect the City's application of the Ordinance and provide detail on how property owners, hosts and hosting platforms can comply with the requirements of the Ordinance during the term of the pilot program.

These guidelines apply to the 15-month pilot program which will begin at a date to be named within 60 days from the lifting of Los Angeles County Health Officer's order issued on June 12, 2020, that prohibits home sharing.

# PART 2—REGISTRATION AND PERMITS

## ELIGIBILITY REQUIREMENTS

Single family homes that are owner occupied and are the primary residence of the owner are eligible for home sharing. Additionally, residential units that are the primary residence of the property owner on two-family and multi-family properties are also eligible locations for short-term home sharing in El Segundo.

The Director of Planning, Building and Safety has discretion to allow structures that are not attached to a single family residential structure and contain no kitchen facilities, but have building permits and comply with the Building Code for being a habitable bedroom, to be eligible for STHSR permits. The person renting such a structure must allow the renter access to all common areas in the home, including a bathroom and the kitchen.

## PERMITTING PROCESS

A prospective host must obtain from the City both a business license and a STHSR permit, which are applied for together. Applications will be received at any time after the program implementation date, but all permits will expire at the end of the pilot program regardless of when the application is made.

To apply for a STHSR permit, an applicant can find all the necessary forms online at [elsegundo.org](http://elsegundo.org), or at City Hall. Application for a STHSR permit and the supporting documents (including the required business license) must be submitted to the Business License Division via email at [taxinquiries@elsegundo.org](mailto:taxinquiries@elsegundo.org). Additional documents to establish proof of ownership and residency are required and explained in this document.

## ESTABLISHING OWNERSHIP AND PRIMARY RESIDENCY

Two important initial steps in the application process are establishing property ownership and permanent residency. The STHSR Permit Pilot Program Ordinance requires that home sharing be conducted only on a property owner's primary residence. Renters are not eligible for this program.

If the property ownership is held in a family trust, then at least one of the trustees must reside at the property as their principal residence and be the applicant to be eligible. Any property held by a Partnership, LLC, or other entity may be eligible if one of the owners or members resides at the property as their primary residence.

STHSR Permits are not transferrable to new owners nor to other properties. In the event of a sale, or if the property ceases to be the primary residence, the permit becomes void.

As part of the application process, a prospective host must provide a copy of at least one document that identifies the full name or names of the applicant as owner and the address or tax assessor identification number of the property. Below are examples of documents that are acceptable proof of property ownership:

- Recent property tax bill
- Recent mortgage statement
- Title report

To establish primary residency an applicant must associate their property as the place which is the base of their personal life activities. This is accomplished by providing two of the following documents when submitting the application:

- Valid federal or state-issued photo identification card with name and address that match name and address on application
- Passport or Alien Registration Card with name and address that match name and address on application
- Valid California voter's registration card or a voter registration status document showing name and home address (may be obtained online at [voterstatus.sos.ca.gov](http://voterstatus.sos.ca.gov))
- Valid California vehicle registration certificate showing name and home address
- Health insurance or vehicle insurance bill issued in the last six months showing name and home address
- Pay stub issued in the last six months showing name and home address

- Original utility bill issued from City of El Segundo Water Division, Southern California Gas, or Southern California Edison. Cable, cell phone, or internet provider bills do not qualify.
- Copy of a current property tax bill indicating homeowner's exemption

## OTHER INFORMATION GATHERED

After establishing property ownership and primary residency, the application process focuses on ensuring that applicants are aware of the responsibilities of hosts in the program and what activities are not allowed.

The first of these is an affidavit sheet, an example of which can be found in the appendix right after the STHSR Permit. On the Sheet the applicant is asked to sign an affidavit stating the following:

The applicant is the owner of the property and will reside in the unit to be used for Home-Sharing for at least 183 nights per calendar year

## INSURANCE REQUIREMENT

Hosts must also include proof of liability insurance to cover home-sharing with minimum limits of not less than \$1,000,000. This requirement may be satisfied if the Host lists only on Hosting Platforms that provide the Host with this level of insurance. In such a case, the Host must provide the City with a copy of the agreement between the Host and the Hosting Platform that evidences the requisite insurance coverage.

## BUSINESS LICENSE

In addition to the STHSR permit application and affidavits mentioned above, as well as the various supporting documents to establish property ownership, primary residency, and insurance coverage, a business tax registration application (business license) is required. Application for the business tax registration must also be submitted when applying for a STHSR permit. It's important to note that the business license is only valid during a given calendar year, and expires on December 31<sup>st</sup> of the year in which the business license is issued. The applicant is responsible for renewing a business license for the following year.

## TRANSIENT OCCUPANCY TAX (TOT) REGISTRATION

Unless the applicant has the hosting platform they use collect and remit all TOT on their behalf, the applicant must be registered to pay TOT with the City's Business License Division. Regardless of whether a host utilizes a hosting platform that offers to collect and remit TOT on their behalf, the host is ultimately responsible for the, collection and monthly remittance of TOT to the City.

## PART 3—HOST RESPONSIBILITIES

The host is personally responsible for complying with the rules and requirements contained in these guidelines.

### ADVERTISEMENTS

All listings and advertisements must clearly list the City-issued registration number and include the maximum occupancy of the home share unit, which will be shown on the permit. In the event a host's permit is revoked, the host must remove all listings within 24 hours.

### RESPONSIBLE FOR VIOLATIONS

A host is responsible for preventing violations of the Home Share Ordinance, or of Chapters 1, 2, 12, or 13 of Title 7 of the ESMC, arising at the host's residence during home sharing activities.

### PRESERVE RECORDS

The Host shall keep and preserve, for a minimum period of three years, all records regarding each Home-Sharing stay, including the length of stay for each booking and the corresponding rate charged.

### TRANSIENT OCCUPANCY TAX

The host shall maintain a valid transient occupancy registration and must ensure the timely remittance of all transient occupancy taxes due in accordance with ESMC Title 3, Chapter 4.

## PART 4—OPERATIONS

As part of the application process, all applicants must acknowledge these operational guidelines. Once permitted, it is the responsibility of the host to ensure these measures are taken or are maintained in order to remain in good standing with the program.

- Only habitable space designated for sleeping may be used for home sharing.
- A home sharing unit is for overnight lodging accommodations only and may not be used for, or advertised for use for weddings, parties, bachelor or bachelorette parties, conferences, or similar events.
- An accessory dwelling unit may not be used for short-term rental.
- The home sharing unit must at all times provide operable basic health and safety features, including fire extinguishers, smoke detectors, and carbon monoxide detectors.
- The property of the home sharing unit shall be maintained in a clean and sanitary condition. Trash and refuse shall not be left outdoors and shall not be left stored within public view, except in proper containers for the purpose of collection by the trash collectors.
- At no time during a home sharing stay may the total number of rental guests and invitees of such guests on the subject parcel exceed six, excluding children.
- The total occupancy of each home sharing unit may not exceed two adult guests for each bedroom available for home sharing. The applicable maximum occupancy must be included in every advertisement, posting, and listing for a home sharing unit.
- The home sharing permit number must be included in every listing for a home sharing unit.

- Parking must be provided at a ratio of not less than one space per bedroom in the residence and must be available for use by the rental guest. Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each space measures at least 9 by 20 feet and does not extend into the sidewalk or alley.
- No signs or displays advertising a home sharing unit are allowed on the property.
- The owner must maintain a transient occupancy registration certificate and must ensure the timely remittance of all transient occupancy taxes due in accordance with Title 3, Chapter 4 of the ESMC.
- The short-term rental of any space for the purpose of storing personal property for compensation is prohibited in all residential zones.

## PART 5—PILOT PROGRAM TERMINATION

All STHSR permits issued during the pilot period will be valid for the duration of the pilot period, provided the permit is not revoked. The pilot program will run for a period of 15 months unless terminated early by the City Council. All permits expire on the day the pilot program ends, regardless of when a permit is issued. STHSR permits issued during the pilot period do not automatically renew.

It is important to note that the associated business license is only valid during a given calendar year, and expires on December 31<sup>st</sup> of the year in which the business license is issued. The applicant is responsible for renewing a business license for the following year.

If a host no longer resides in the residence used for home sharing or is no longer the property owner, the host must inform the City's Licensing Division at [taxinquiries@elsegundo.org](mailto:taxinquiries@elsegundo.org) within 15 days from the date when the unit was sold or no longer the owner's Primary Residence, and must remove all listings.

## PART 6—PROHIBITIONS

The following activities are prohibited and considered violations that may result in citation or revocation of the permit.

- Making materially false statements or omissions on the STHSR permit application or in connection with any enforcement action by the city relating to home sharing
- Advertising without registration number and maximum occupancy
- Operating a home share without a valid home-sharing permit and business license
- Exceeding occupancy limits
- Hosting more than one home sharing unit
- Renting a home share without living on-site during the rental period
- Renting a unit that is not your primary residence
- Renting an accessory dwelling unit (ADU)
- Offering home share in areas outside the residence
- Failing to ensure that basic health and safety features are provided
- Failing to actively prevent nuisances
- Failing to maintain adequate liability insurance
- Using the permit for uses other than for overnight lodging
- Failing to collect and remit TOT

## PART 7—CITATIONS AND PERMIT REVOCATION

Any host violating any provision of the STHSR Permit Ordinance, or a hosting platform that violates its obligations stated in the STHSR Permit Ordinance, shall be subject to administrative citations and penalties pursuant to ESMC Sections 1-2A and 4-15-11.

### GENERAL REVOCATION

Violating any of the provisions of ESMC Chapter 4-15, or of Chapters 1, 2, or 13 of Title 7, or any combination thereof, shall be cause for citation of up to \$2,500 for first offence and \$5,000 for second offence. If the property upon which a Short-Term home sharing rental unit is located has been the subject of two citations that have become final during the term of the host's home-sharing permit or business license, the home-sharing permit shall be automatically revoked. In such a case, no new STHSR permit may be issued for the subject dwelling unit for the remaining period of the pilot program. The revocation shall become effective as of the date the second citation becomes final (*i.e.*, the time for administrative or judicial review has passed or final judgment of a court has been entered upholding the citation).

### LOUD OR UNRULY GATHERINGS

If the STHSR property is the site of one loud or unruly gathering in violation of ESMC Section 7-12-3 that results in the issuance of an administrative citation or criminal charge, the STHSR permit shall be automatically revoked if and when the administrative citation becomes final (*i.e.*, the time for administrative or judicial review has passed or final judgment of a court has been entered upholding the citation) or a criminal conviction is obtained.

# PART 8—HOSTING PLATFORM RESPONSIBILITY

## TRANSIENT OCCUPANCY TAXES

A hosting platform shall collect all transient occupancy taxes (TOT) applicable to bookings completed through the hosting platform unless the City and the owner enter into an agreement whereby the owner fulfills the requirements of Title 3, Chapter 4 of the El Segundo Municipal Code. Absent such agreement, the hosting platform shall be considered an agent of the owner for the purposes of TOT collections and remittance responsibilities set forth in Title 3, Chapter 4 of the El Segundo Municipal Code.

A hosting platform shall report aggregate information on the tax return form prescribed by the City, including an aggregate of gross receipts, exemptions and adjustments, and taxable receipts of all TOT collected and remitted to the City by the hosting platform. The City may audit a hosting platform on an anonymized transaction basis, but the hosting platform shall not be required to produce any personally identifiable information relating to any owner or guest or relating to any booking transaction without binding legal process served only after the City has made reasonable attempts to complete an audit of the hosting platform with respect to such users.

## MANDATORY STHSR REGISTRATION FIELD INPUT BEFORE PUBLISHING

Beginning no later than 60 days after applications for STHSR Permits are available as set forth in Section 4-15-5, a hosting platform shall include a designated field in its listing flow that requires a host to input their Short-Term rental permit number for their listing on the hosting platform.

Beginning no later than 45 days after the implementation of the hosting platform’s mandatory field, a hosting platform shall take down, on a one-time

basis, any Short-Term rental listing that does not have a STHSR Permit number as required by these Guidelines.

The Mandatory Field will be formatted in alignment with the format of the City issued STHSR permit.

## ROLLING NOTICE AND TAKEDOWNS

City-issued notice and hosting platform's takedowns of unregistered Short-Term rental listings.

Beginning no later than 45 days after effective hosting platform's takedown of Short-Term rental listings as set forth in this Part, upon written notification and documentation from the City that a Short-Term rental listing does not have a valid STHSR permit number, a hosting platform shall deactivate the Short-Term rental listing from its website within seven business days.

The City's written notification and documentation to the hosting platform to initiate the hosting platform's takedown of unregistered listings shall consist of an Excel or CSV document that provides the unlicensed Short-Term rental listing ID.

Upon written notification from the City that a deactivated Short-Term term rental unit is in compliance, the hosting platform may reactivate the Short-Term rental listing.

## DATA SHARING

The hosting platform shall provide the City a report of the total number of nights all Short-Term rental units were rented through the hosting platform each quarter. The first reporting period will begin no later than 60 days after applications are available as set forth in Section 4-15-5 of the Ordinance.

Each report shall be delivered to the Finance Department by close of business on the last day of the month of the applicable reporting quarter.

## PART 9—DATA AND PERFORMANCE METRICS

The STHSR Permit Pilot Program will create the following data for analysis.

### QUANTITATIVE DATA:

- Number of permits issued
- Total Number of nights booked
- Revenue generated by program
  - STHSR permit fees collected
  - Business Tax Collected from program
  - TOT collected from program
  - Citations, fines, and other penalties collected or pending
- Cost to administer the pilot program
  - Staff costs, by category (administrative, enforcement, etc.)
  - Consultant cost
  - Legal costs (if any)
- Number of complaints received, by type
  - Percent of complaints attributable to units with permit
- Number of permits revoked
- Number of short-term rental properties discovered without permits
  - Number which are whole house rentals
  - Number which, after receiving notice, applied for STHSR permit
  - Number which, after receiving notice, repeated violation
  - Number which, after repeat citations are being prosecuted

### SPATIAL DATA, (presented as heat maps):

- Distribution of permits
- Distribution of nights booked
- Distribution of unpermitted short-term rentals
- Distribution of citations

## PERFORMANCE METRICS

To measure the success of the pilot program and its usefulness as a precedent for a permanent future program, four metrics should be derived from the data and analyzed.

### 1: PARTICIPATION IN THE PROGRAM IS HIGH

The number of STHSR permits issued should be three times greater than the number of short-term rental operators discovered without a permit during the pilot program.

### 2: WARNING LETTERS RESULT IN NEW APPLICATIONS OR STOPPING ILLEGAL RENTAL ACTIVITY

The number of applications that result from a warning letter should be greater than the number of repeat offenders.

### 3: IMPACTS ARE FAIRLY DISTRIBUTED

Both STHSR permits and short-term rental citations should show a similar distribution within the city, and no neighborhood should suffer a disproportionate burden of enforcement issues compared to other neighborhoods.

### 4: COSTS ROUGHLY EQUAL REVENUE

The total cost to operate the program, excluding prosecutions, should be no more than, nor no less than, 20% of revenue the program generates.

The information revealed from these metrics will indicate if there are structural problems in the pilot program. Analysis of the other available data should help to find likely causes of the problems.

At the six month status report, additional goals and measurements may become apparent and can be added to the final report.

## PART 10—DEFINITIONS

**ACCESSORY DWELLING UNIT (ADU):** A dwelling unit as defined by State Law in Government Code Section 65582.2, or as may be defined in Section 15-1-6 of the ESMC, as amended from time to time.

**ADMINISTRATIVE GUIDELINES:** Regulations promulgated by the Director and approved by the City Council that may include, but are not limited to, application requirements, interpretations, conditions, reporting requirements, hosting platform safe harbor requirements, enforcement procedures, and disclosure requirements to implement the provisions of the Home Sharing Permit Pilot Program.

**BOOKING:** A reservation for home sharing.

**BOOKING TRANSACTION:** Any reservation or payment service provided by a person who facilitates a transaction for home sharing between a prospective transient user and a host.

**CHILD or CHILDREN:** A person or persons under the age of 13.

**DWELLING UNIT:** Any building or portion thereof that is used as a complete, independent living facility for one or more persons containing permanent provisions for living, sleeping, eating, cooking, and sanitation, as required by the California Building Code.

**HOME SHARING:** Renting, for a period of 30 consecutive days or less, of one or more bedrooms in a dwelling unit that is the primary residence of the host, while the host lives on site, in the dwelling unit, throughout the transient user's stay. Home sharing is also considered to be a Short-Term rental.

**HOME SHARING UNIT:** A dwelling unit that is made available for home sharing.

**HOST:** Any person who is an owner of a property containing the residential dwelling unit offered for use as home sharing.

**HOSTING PLATFORM:** A person or entity that participates in the transient rental business by providing booking services through which an operator may offer a transient rental unit. Hosting platforms usually, though not

necessarily, provide booking services through an online platform that allows an operator to advertise the transient rental unit through a website provided by the hosting platform and the hosting platform conducts a transaction by which potential renters arrange use and payment, whether the renter pays rent directly to the operator or to the hosting platform.

**LISTING:** A webpage or advertisement (online or otherwise) for a home-share or other overnight rented stays (including stays located at Hotels) located on a Hosting Platform or other online platform(s), including the web URL, metadata and other attributes.

**LIVES ON-SITE:** Maintains a physical presence in the dwelling unit including, without limitation, all of the following: the storing of one's clothes and other personal effects, sleeping overnight, preparing and eating meals, and engaging in other activities of the type typically engaged in by a person residing in a dwelling unit.

**OWNER:** The person, persons, or a trustee of a family trust, which holds legal or equitable title to a property used for home sharing.

**PERSON:** A natural person.

**PRIMARY RESIDENCE:** The residential unit where an owner resides for at least 183 nights per year. A host or owner can only have one primary residence.

**REGISTRATION NUMBER:** A unique identification number provided by the City through issuance of a Short-Term Home Sharing Rental Permit that is associated with a completed and approved Short-Term Home Sharing Rental Permit application. The number may be used only by the authorized Host for the valid registered unit.

**SHORT-TERM RENTAL:** The rental of any portion of a dwelling unit for occupancy, dwelling, lodging or sleeping purposes for a period of 30 consecutive calendar days or less.

**SHORT-TERM RENTAL UNIT:** A portion of a dwelling unit that is made available for home sharing or Short-Term rental. A Short-Term rental unit has historically been, and continues to be, included in the definition of "hotel" for purposes of Title 3, Chapter 4 of the ESMC.

## PART 11—HOME-SHARING RESOURCES

Short-Term Home Sharing Rental Permit Pilot Program Ordinance

<http://www.elsegundo.org/government/departments/short-term-home-sharing-rental-permit-pilot-program>

Transient occupancy tax information

[elsegundo.org/government/departments/finance/business-services/transient-occupancy-tax-tot](http://elsegundo.org/government/departments/finance/business-services/transient-occupancy-tax-tot)

Water billing information

[elsegundo.org/government/departments/finance/business-services/water-billing](http://elsegundo.org/government/departments/finance/business-services/water-billing)

El Segundo Municipal Code

[https://codelibrary.amlegal.com/codes/elsegundoca/latest/elsegundo\\_ca/0-0-0-1](https://codelibrary.amlegal.com/codes/elsegundoca/latest/elsegundo_ca/0-0-0-1)

# APPENDIX A

## FORMS

The following forms and handouts are needed by a prospective host to apply for a STHSR permit during the pilot program. These forms are available online and can be filled out prior to printing and being brought to City Hall to start the application process.

- Short-Term Rental Home Sharing Permit Application
- STHSR Affidavit
- Business Tax Registration Application
- Transient Occupancy Tax Information Handout
- STHSR Permit Summary of Fees



# City of El Segundo

## Application for Short-Term Home Sharing Rental Permit

PROPERTY OWNER INFORMATION		
Owner's Name:		
Owner's Address:		
Phone No.:	24-Hour Emergency Phone No.:	
PROPERTY INFORMATION		
Total Bedrooms in the House:	No. of Bedrooms to be used for Home Sharing:	
No. of Garage Parking Spaces:	No. of Driveway Parking Spaces:	Total Parking Spaces On Site:
Description of Home Sharing Accommodations:		
Websites and Name of Platforms where Home Sharing will be listed:		
<p>In connection with my request for a Short-Term Home Sharing Rental Permit at the above address, I hereby agree to the following conditions:</p> <ol style="list-style-type: none"> <li>1. This Short-term Home Sharing Rental Permit is valid during the pilot period established by Ordinance No. 1614, which will expire on _____, unless terminated by the city prior to that date.</li> <li>2. No Short-term Home Sharing Rental Permit may be issued for a dwelling unit that does not serve as the property owner's primary residence. A host can only have one primary residence, and must reside on-site of the home share unit.</li> <li>3. Parking must be provided on-site at a ratio of not less than one parking space per bedroom in the main residence/unit on the parcel and must be available for use by the short term rental guest(s). Parking spaces may include garage or driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least 9 feet by 20 feet and does not extend into any sidewalk or other public right-of-way. If any of the required parking is provided in a garage, each garage space must be kept clear of debris and able to accommodate a vehicle at all times.</li> <li>4. The home sharing unit must at all times provide operable basic health and safety features, including fire extinguishers, smoke detectors, and carbon monoxide detectors.</li> <li>5. The property of the home sharing unit shall be maintained in a clean and sanitary condition. Trash and refuse shall not be left outdoors and shall not be left stored within public view, except in proper containers for the purpose of collection by the trash collectors.</li> <li>6. No signs or displays advertising a home sharing unit are allowed on the subject property.</li> <li>7. The owner must maintain a transient occupancy registration certificate and must ensure the timely remittance of all transient occupancy taxes due in accordance with Title 3, Chapter 4 of this Code.</li> <li>8. A home sharing unit is for overnight lodging accommodations only and may not be used for, or advertised for use for weddings, parties, bachelor or bachelorette parties, conferences, or similar events. The owner is responsible for the content of all advertising with respect to the home sharing unit. At no time during a home sharing stay may the total number of rental guests and invitees of such guests on the subject parcel exceed 6, excluding children.</li> </ol>		
Continued on reverse		

9. The total occupancy of each home sharing unit may not exceed two adult guests for each bedroom available for home sharing. The applicable maximum occupancy must be included in every advertisement, posting, and listing for a home sharing unit.
10. The Short-term Home Sharing Rental Permit number must be included in every advertisement, posting, and listing for a home sharing unit.
11. An accessory dwelling unit may not be used for short-term rental.
12. The short-term rental of space within any dwelling unit or garage for the purpose of storing personal property for compensation is prohibited in all residential zones.

I hereby agree that the permit to conduct the short-term home share unit at the above address is granted subject to these conditions; that I will operate the short-term home share rental unit in accordance with Municipal Code Chapter 4-15; and, that this permit may be revoked for failure to observe any of these conditions or provisions as outlined in Municipal Code Chapter 4-15. I declare under penalty of perjury that all information provided on this application is true and correct, that the property is obeying all Federal, State and Local laws, and that I am the owner of the property where the short-term home share unit is located.

I agree to indemnify and hold harmless the City of El Segundo, its officials, officers, employees and agents, from any and all claims, injuries, damages, losses or suits, including reasonable attorney fees, arising out of or in connection with the short-term rental of any portion of my property. This indemnification/hold harmless obligation will survive the expiration or termination of this Permit and the expiration or termination of the City's short-term home sharing rental permit pilot program.

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Owner's Signature

Printed Name

Date

# AFFIDAVIT

I, \_\_\_\_\_, declare and state as follows:

The dwelling unit at \_\_\_\_\_, in El Segundo, California, is my primary residence, meaning that I reside at said property at least 183 nights per year. I agree to live on site at the dwelling unit throughout the stay of any transient user that is renting any portion of the dwelling unit.

I understand, acknowledge, and agree that the Short-Term Home Sharing Rental Permit pilot program is temporary in nature and that I will not acquire, or claim, any vested right to the continued use of any portion of the dwelling unit for short-term home sharing after the pilot program ends.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_



# City of El Segundo

Finance Department  
 350 Main Street, El Segundo, CA 90245  
 (310) 524-2317

TaxInquiries@elsegundo.org  
**BUSINESS TAX REGISTRATION APPLICATION**

Please review the instructions on the reverse.

**NOTE:** The issuance of a business tax certificate reflects that the business tax has been paid. It is not a certification that the use listed on the application is allowed at the address recorded on business tax certificate. Please verify with the Planning/Building & Safety Department that the proposed use is allowed on the property.

PLEASE TYPE OR PRINT CLEARLY

ACCOUNT NUMBER

**Application Type** New Application  Business Name/Address Change  Ownership Change  Application Update   
**Business Type** Corporation  Partnership  Sole Proprietor  LLC  LP  Other(Specify):

Business Name		Telephone	FAX
Business Address <small>(cannot be PO Box or Postal Mail Box per California B&amp;P Code Section 17538.5)</small>			
Number & Street		Suite/Apt #	City Zip
Mailing Address			
Name		Telephone	E-mail
Business License Contact			
Start Date in El Segundo		Website	
NAIC	Number of Employees	Business Square Footage	
FEIN or SSN	SEIN	Sales Tax (Seller's Permit)	
Full Description of Business Activity in El Segundo			

**List Corporate Officer, Owner or Partner Information**

Officer, Owner or Partner Name	Title	Home Address/ City/ State/ Zip Code	Home Telephone
1.			
2.			
3.			

**Emergency Contact Information** (Police and Fire Department Emergency Use)

Local Contact	Full Local Address	Home Telephone
1.		

**Additional Information**

Landlord Name	Contact Person
Landlord Address	Landlord Telephone
Does your Business Plan to install/operate an Alarm System? Yes <input type="checkbox"/> No <input type="checkbox"/> (Please contact the Police Department for permit requirements) Tobacco Sales? Yes <input type="checkbox"/> No <input type="checkbox"/> BOE license # _____ Alcohol Served? Yes <input type="checkbox"/> No <input type="checkbox"/> ABC License # _____ Will there be Entertainment or Dancing? Yes <input type="checkbox"/> No <input type="checkbox"/> (both require an entertainment permit application, contact the Planning Department)	

I hereby certify, under penalty of perjury, that I am authorized to complete this form and the above information is true and correct. I have consulted the Planning Department and verified the business activity stated on this application complies with City regulations.

Applicant's Signature	Title	Date	Print Applicant's Name
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Received/Notes:	Building/Planning Review
	Business Tax (3301) \$ _____
	Penalties/Interest (3306) \$ _____
	State Mandated AB1379 fee* \$ <b>4.00</b>
	Total Due \$ _____

# Transient Occupancy Tax (TOT)

El Segundo has contracted with The HdL Companies to provide business-friendly assistance with filing and paying Transient Occupancy Taxes. The HdL Support Center can assist you with any aspect of transient occupancy tax, including return filing, payment, compliance and general support for your tax filing needs. Call toll free for TOT Support: 310-341-2571.

Please note:

- Any person who occupies or is entitled to occupancy for 30 days or less is defined as a transient
- If your property is located within the City of El Segundo and is rented to transient occupants for 30 calendar days or less, you must register, collect and remit the TOT to the City of El Segundo
- Our TOT, applicable to all properties rented to transients, is currently 12 percent.

Transient occupancy tax returns may be submitted online or by U.S. mail.

To file online, go the [elsegundo.hdlgov.com/](https://elsegundo.hdlgov.com/) and follow the steps below:

- Select Start Now to begin.
- Select Renew to file your return.
- Attach a copy of your completed TOT return and exemption form.

Payments can also be made by electronic check. There are no additional fees for electronic check (e-Check) payments.

To file by mail, down the form at [elsegundo.hdlgov.com/](https://elsegundo.hdlgov.com/) mail to:

City of El Segundo  
TOT Processing Center  
8839 N Cedar Ave. #212  
Fresno, CA 93720

Please make checks payable to the City of El Segundo.

# SUMMARY OF FEES

STHSR Permit Application Fee	\$214.00
Business Tax Registration Application Fee	<u>\$109.50</u>
TOTAL	\$323.50

## APPENDIX B

### APPLICATION CHECKLIST

- STHSR Permit Application Form
- Proof of property ownership (at least one of following)
  - Recent property tax bill
  - Recent mortgage statement
  - Title report
- Proof of primary residency (at least two of following)
  - A valid federal or state-issued photo ID
  - Passport or Alien Registration Card
  - Valid California voter's registration card
  - Valid California vehicle registration certificate
  - Health insurance or vehicle insurance bill
  - Pay stub issued in the last six months
  - Current property tax bill with homeowner's exemption
  - Original bill from El Segundo Water, Gas Company, or SCE
- Proof of insurance
- Affidavit page
- Business Tax Registration Application
- Check or credit card for fees



## Planning Commission Agenda Statement

Meeting Date: October 27, 2022

Agenda Heading: New Business (Item I.4)

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### TITLE

R-3 Redevelopment Potential, Update and Discussion Item.

Applicant: City

### BACKGROUND AND DISCUSSION

As the Planning Commission may know, El Segundo received a Local Early Action Planning (LEAP) grant that provides one-time funding to accelerate housing production. With this grant, Staff retained Economic & Planning Systems, Inc. (EPS) to analyze the potential to rezone multifamily properties in the R-3 Zone to study how to facilitate and promote their redevelopment and production of new housing in the city, including affordable units. Staff tasked EPS to test the financial feasibility of redeveloping R-3 properties and estimate under what rezoning conditions a redevelopment project is likely to be financially feasible, including the ratio of replacement units to market-rate units.

EPS has prepared the attached draft memo that includes their findings under various redevelopment scenarios. In summary, EPS has made three key preliminary findings:

1. To feasibly acquire and redevelop a typical existing R-3 property, the land would need to be “up-zoned” to allow a density of at least 68 units per acre;
2. The more units that need to be replaced, the higher the overall project density needs to be to ensure the developer can acquire the land and feasibly construct the new housing units; and,
3. To achieve higher densities, development standards must be relaxed, such as increasing the current height limit, increasing lot coverage, reduce setback and parking requirements, and other development regulations.

The intent of this item is to review the draft memo, the various scenarios and the key findings, and discuss how this can formulate how to proceed with increasing density in the R-3 Zone.

**PREPARED BY:** Eduardo Schonborn, AICP, Planning Manager *EAS*  
**REVIEWED BY:** Michael Allen, AICP, Community Development Director *MA*  
**APPROVED BY:** Michael Allen, AICP, Community Development Director *MA*

### ATTACHED SUPPORTING DOCUMENTS:

1. Draft Memorandum from Darin Smith and Roderick Hall (at EPS), dated September 29, 2022

## **DRAFT MEMORANDUM**

To: Michael Allen, City of El Segundo  
From: Darin Smith and Roderick Hall  
Subject: El Segundo R-3 Redevelopment Potential; EPS #224032  
Date: September 29, 2022

*The Economics of Land Use*



With funding from the 2019-20 Budget Act, the California Department of Housing and Community Development established the Local Early Action Planning (LEAP) Grant Program to provide one-time funding for local jurisdictions to accelerate housing production as part of their preparation for the 6<sup>th</sup> cycle Regional Housing Needs Allocation (RHNA). As a recipient of the LEAP Grant Program, the City of El Segundo retained Economic & Planning Systems, Inc. (EPS) to analyze the potential to rezone multifamily properties (R-3 zoning category) in the City of El Segundo to promote their redevelopment and production of new housing in the city, including affordable units.

More specifically, EPS has been hired to:

1. Provide economic analysis of the value of existing R-3 properties based on current rents as compared to the value of the underlying land if developed at various densities and with various affordability standards,
2. Work with City staff to incorporate into the memo a discussion of the proportion of existing units that would need to be replaced under SB 330, and incorporate those replacement requirements into the economic analysis, and
3. Collaborate with staff to identify development regulations that apply to the R-3 properties today that may need to be amended to enhance the feasibility of their redevelopment (parking ratios, setbacks, height limits, etc.).

For context, in 2019, the State of California passed SB 330, the "Housing Crisis Act of 2019," which limits the demolition of lower-cost and rent-stabilized apartments by requiring their one-for-one replacement as well as providing displaced tenants monetary assistance for relocation and the right to return to the replacement units.

*Economic & Planning Systems, Inc.  
One Kaiser Plaza, Suite 1410  
Oakland, CA 94612-3604  
510.841.9190 tel  
510.740.2080 fax*

*Oakland  
Sacramento  
Denver  
Los Angeles*

[www.epsys.com](http://www.epsys.com)

To test the financial feasibility of the replacement requirements, EPS, with guidance from the City, set up five replacement scenarios, distinguished by share of replacement requirements and type of affordability restriction. The analysis estimates under what rezoning conditions a project subject to the SB 330 replacement requirements is likely to be financially feasible, including the ratio of replacement units to market-rate units.

For this analysis EPS builds on our own previous work assessing the viability of an inclusionary housing program in El Segundo. EPS' understanding of the real estate market conditions in El Segundo and the City's potential inclusionary housing requirements informed the programmatic assumptions for the scenarios tested.

## Summary and Key Findings

This analysis has led to the following conclusions:

- 1) **Even without SB 330 replacement requirements, rezoning would still need to occur to spur redevelopment.** According to our analysis, in order for a developer to feasibly acquire and redevelop a typical existing R-3 property, the land would need to be upzoned from 27 units per acre (the current maximum under R-3 zoning) to at least 68 units per acre.
- 2) **For a given property, the applicable SB 330 replacement requirements determine the minimum standard.** SB 330 requires that existing units that are or have been occupied by lower-income households must be replaced and offered at below market rate rents in any redeveloped apartment property. The share of replacement requirements for a given new project ultimately depends on how many such units need to be replaced, which may range from zero to 100 percent. The higher the share of existing units that need to be replaced, the higher the overall project density required to ensure the developer can acquire the land and feasibly construct the new housing units. EPS estimates that the required densities for feasibility will range from 68 with no existing units needing replacement to 117 units per acre if all existing units need to be replaced.
- 3) **Increased density allowances would need to be accompanied by other zoning changes to ensure practicability.** To achieve the higher densities required to incentivize redevelopment of existing R-3 properties, El Segundo will need to allow higher building heights (currently limited to 32 feet), and may also need to change lot coverage limits, setback requirements, required parking ratios, and other development regulations.

## Background

In 2021 El Segundo completed an update of its Housing Element with the objective of better achieving the City's various housing goals. As part of these goals, there is interest to analyze the potential to rezone multifamily properties, specifically R-3 zoned properties in the city to promote redevelopment and the production of new housing in the city, particularly affordable units. However, SB 330, the "Housing Crisis Act of 2019," aims in part to discourage the demolition and redevelopment of existing lower-income rental housing units by requiring their one-for-one replacement as well as providing displaced tenants monetary assistance for relocation and the right to return to the replacement units. These additional requirements affect the feasibility of redeveloping existing housing for newer units at higher values, thus impacting the effectiveness of zoning and code requirements for residential parcels.

If the City, the proposing developer, the existing property owner, or a tenants organization have reliable data indicating the specific mix of incomes among current or recent tenants, SB 330 requires this information to dictate the replacement requirements for redeveloping the property. In the case of vacant units or any unit where the income of the last occupant is not known, the law establishes a “rebuttable presumption” that a given property’s units were occupied by lower income household in the same proportion of lower income renter households to all rental households in the City. In El Segundo, data from the City’s most recently adopted Housing Element indicates this rebuttable presumption would mean that roughly 13 percent of existing units are presumed to be occupied by “very low income” households earning below 50 percent of Area Median Income (AMI) and 12 percent of existing units are presumed to be occupied by “low income” households earning between 50 and 80 percent of AMI. The remaining units are presumed to be occupied by households earning greater than 80 percent of AMI, and thus would not require replacement under SB 330.

## **Residential Rezoning Feasibility Analysis**

### **Value of Existing Rental Housing**

When determining the feasibility of a development project on a parcel that already has an existing use on it (as would be the case for virtually all current R-3 properties in El Segundo), an initial question is always “is the value of the existing use greater than the parcel’s value as land for redevelopment?” Simply stated, a property owner has the option to either maintain an existing use that generates cash flow, invest additional dollars into the property in hopes of increasing its market value and corresponding cash flow, or demolish the existing use and develop something of higher value from the ground up. The financially prudent property owner will choose whichever option yields the greatest revenues relative to the risks involved. For this reason, it is important to understand the value of the existing housing being considered for demolition, subject to the State’s new replacement requirement.

Utilizing documents shared by city staff, EPS’s own knowledge, and data obtained from CBRE and CoStar, EPS developed a generic set of building characteristics (e.g., size, density, and rent) reflecting the average size and character of projects within the study area. There are 577 residential units in the area, which equates to an overall density of 32 units per acre. Additionally, we have estimated the value of the existing units in the R-3 area using CoStar rent data that indicates the average unit size for a one-bedroom (1 BR) unit is 694 sq. ft and the average rent for 1 BRs within the study area is \$2,200. It is important to note that while these current rents are considered below-market-rate rents (market rate rent is around \$2,925 for a similar unit), that does not infer that units are deed-restricted or rent-stabilized.

From the gross rent collected, estimated operating expenses and vacancies are deducted to calculate the Net Operating Income (NOI). The NOI is then divided by a “capitalization rate” that results in an amount that an investor would be willing to pay today for the rights to collect the NOI from a project for the foreseeable future. In this analysis, EPS assumes that an investor would apply a capitalization rate of 4.25 percent, meaning that the total unit value is roughly 23 times its annual NOI. The capitalization rate is based on current market standards and the relatively low market risk of lower-cost housing (essentially always in demand in and around El Segundo). As shown on **Table 1** below, if someone were to purchase those existing units based on their current cash flow, EPS estimates they would be worth about \$403K on average. At an average existing density of 32 units per acre (which exceeds the actual R-3 zone density max), we estimate those existing apartments equate to about \$12.9M of existing value per acre.

**Table 1 Value of Rental Housing Before Redevelopment**

Item	Amount
<b>Value of Existing Units</b>	
Rent/Unit/Month	\$2,200
Rent/Unit/Year	\$26,400
<u>- Operating Expenses and Vacancy Losses at 35%</u>	<u>-\$9,240</u>
= Net Operating Income	\$17,160
<u>/ Capitalization Rate</u>	<u>4.25%</u>
= Market Value/Unit	\$403,765
x Units/Acre (as built)	32
<u>= Total Value/Acre</u>	<u>\$12,920,471</u>

Sources: City of El Segundo; CoStar; CBRE; EPS

The owners of those properties would need to be paid at least that much to sell those buildings for development, so a future developer would need to expect their new project to yield at least that much in “residual land value,” meaning the difference between what the project is worth once built and what it costs to build it (excluding land costs).

**New Development Feasibility and Residual Land Values**

As noted above, the existing apartment buildings in the R-3 zone average 32 units per acre, despite the fact that current R-3 zoning regulations limit density to 27 units per acre. If the City were to consider increasing the allowable density in the R-3 zone, EPS explicitly assumes here that future development regulations would limit building heights to no greater than seven (7) stories. At this height, buildings could be constructed with wood frame housing over one or two levels of structured and/or underground parking, even at densities exceeding 100 units per acre. This building prototype has proven feasible in high value urban areas throughout California over the past decade, whereas taller buildings requiring concrete and steel framing have been feasible in only the highest value locations.

CoStar data for the R-3 area in El Segundo suggests that the average unit size is a one-bedroom (1 BR) unit of between 600 and 700 square feet of rentable space. Based on construction cost data from Marshall & Swift which then were vetted with locally active developers, EPS estimates that a 1 BR unit of this size in El Segundo would cost about \$266,000 to build, excluding land acquisition costs, as shown on **Table 2**.

**Table 2 New Development Cost Estimates**

Description	Factor	Unit	Amount
<b>ASSUMPTIONS</b>			
Unit Type		Bedroom	1
Unit Square feet		sq. ft./unit	650
Common Area		% of unit	15%
Gross Square Feet Per Unit		sq. ft.	748
Parking Ratio		space/unit	1
<b>COST ESTIMATE</b>			
<b>Direct</b>			
Vertical	\$190	/gross building area	\$142,025
Parking Type			Structured
Parking Cost Per Space			\$33,000
Contractor Contingency	5%	of other direct costs	\$8,751
<b>Subtotal</b>			<b>\$183,776</b>
<b>Indirect</b>	45%	direct costs	<b>\$82,699</b>
<b>Total (Per Unit)</b>			<b>\$266,476</b>
<b>Total (Per Sq. Ft.)</b>			<b>\$356</b>

Sources: CoStar; Marshall & Swift; El Segundo area developers; EPS

As stated above, market-rate rents for recently constructed 1 BR units have been roughly \$2,925 per month, according to CoStar. Assuming the new units on the R-3 properties could achieve these market rents, and then deducting the operating expenses and vacancies and factoring in return-on-investment criteria typical of new construction, EPS estimates that newly constructed market-rate units would be worth roughly \$456,000 (see **Table 4** for details). Subtracting the \$266,476 estimated development cost from this estimated unit value yields a “residual land value” of \$189,825 per market-rate unit, reflecting the maximum amount that a developer could potentially pay for the land on a per-developable-unit basis. Because this figure of residual land value per developable unit (\$189,825) is less than half the market value of the existing units (\$403,765), a developer would have to be allowed to build more than twice as many market-rate units as currently exist in order to pay the current property owner more than the existing buildings are worth. Details on specific scenarios follow.

### Redevelopment Scenarios including SB 330 Requirements

EPS has identified five illustrative replacement scenarios that reflect the feasibility of redeveloping the property as well as the impact of SB 330. In order to preserve affordability for tenants occupying units that are demolished for replacement, the SB 330 legislation outlines rent restrictions for the replacement units. The restrictions vary depending on the type of affordability the original property offered, by three primary types: (1) income-restricted affordable units, (2) rent-stabilized units, or (3) vacant units. EPS understands that there are currently no income-restricted affordable units or rent-stabilized units located within the study area, thus all scenarios are modeled under the requirements set forth by SB 330 for vacant units. Those requirements

state that a property with unoccupied units would be replaced with new units that mirror the demographics of the overall city rental inventory, including the overall proportion of low- and very-low-income renters. The scenarios are outlined in **Table 3**.

**Table 3 Redevelopment and Replacement Scenarios**

Scenario	Pre-Demolition Assumption	SB 330 Replacement Requirement Assumptions
Scenario 1	Existing buildings average 32 units/acre and an average unit size of 1 BR. 1 BR unit was occupied by household paying \$2,200 per month (\$26,400 annually) in rent. The unit rent is below current market-rates for new construction; however, it is not deed-restricted or rent stabilized.	-0% of existing units were occupied by lower-income households, so no existing units must be replaced with other income-restricted units.  -All newly built units are rented at market rates
Scenario 2 (Rebuttable presumption)		-25% of existing units were occupied by lower-income households and thus must be replaced, mirroring the demographics of the overall city inventory. 13% of units with rents at 50% AMI, 12% of units with rents at 80% AMI.  -All new units other than replacement units are rented at market rates
Scenario 3		-50% of existing units were occupied by lower-income households and thus must be replaced; 25% of units with rents at 50% AMI, 25% of units with rents at 80% AMI.  - All new units other than replacement units are rented at market rates.
Scenario 4		-75% of existing units were occupied by lower-income households and thus must be replaced; 37.5% of units with rents at 50% AMI, 37.5% of units with rents at 80% AMI.  - All new units other than replacement units are rented at market rates
Scenario 5		-100% of existing units were occupied by lower-income households and thus must be replaced; 50% of units with rents at 50% AMI, 50% of units with rents at 80% AMI.  - All new units other than replacement units are rented at market rates

**Determining Potential Rezoning Standards**

In each redevelopment and replacement scenario, the total existing value per acre remains the same at \$12.9 million. However, the residual land value for each scenario is determined by the number of market-rate units to be included and the number of affordable units to be replaced under SB 330 if the property were redeveloped. Thus, the amount of density required to achieve and exceed the \$12.9 million per acre threshold varies depending on the SB 330 replacement requirements scenario (i.e., 25% of existing units, 50% of existing units, etc.) and the number of market-rate units developed (i.e., 70 market-rate units, 77 market-rate units, etc.).

**Table Table 4** below summarizes the parameters of the replacement scenarios and required density for rezoning based on the total units required to achieve development feasibility. Under Scenario 1 with no replacement requirements, EPS estimates that rezoning to around 68 units per acre might be sufficient for some properties to be redeveloped, but as replacement requirements increase, that required density goes up quickly to 78, 93, 108, and 123 units/acre with Scenarios 2, 3, 4, and 5, respectively. Thus, we estimate that for these R-3 properties to turn over for redevelopment under SB 330 replacement requirements, El Segundo would have to at least triple the existing density.

- **No Replacement Requirement (Scenario 1):** Under SB 330, a property with no existing units currently or recently occupied by lower-income households would not be required to replace any units. Thus, any redevelopment that occurred on a property would be 100 percent market-rate units. The NOI from such market-rate units could support a residual land value of roughly \$189,000 per unit, and the new project would need to be built with densities at or exceeding 68 units per acre to be financially feasible.
- **25% Replacement Requirement (Scenario 2):** Under SB 330, a hypothetical one-acre, 32-unit property with 25 percent of its units leased to lower income households would be required to provide eight replacement units at affordable rent levels within the newly developed building. Four of the replacement units should offer rents affordable to households earning 50 percent of AMI, another four replacement units should offer rents affordable to households earning 80 percent of AMI, and the remaining replacement units can be set to market rate rents. For the purposes of this analysis, EPS assumes that existing affordable units were priced at rents affordable to “low-income” or “very low-income” households, or households earning roughly 80 or 50 percent of AMI for Los Angeles County, respectively. Assumed rent is based on the California Tax Credit Allocation Committee’s 2022 income limits for a two-person household, less utility costs, and sums to \$1,930 and \$1,126 per month, respectively. The weighted average of these rent levels is \$33,389 per year, while the net operating income is \$21,703 (annual weight rent average less operating expenses and vacancy losses). The weighted average residual land value per unit is diminished relative to Scenario 1 because eight units are offered at less than market rate rents, so the number of units required to achieve the \$12.9 million per-acre value threshold increases to 77.
- **50% Replacement Requirement (Scenario 3):** In this scenario, half of the existing 32 units are assumed to require replacement and affordable rents, so the average residual land value decreases further, and the new project would require a density of roughly 91 units per acre.
- **75% Replacement Requirement (Scenario 4):** If three-quarters of the existing 32 units required replacement at below market-rate rents, EPS estimates that the required density for feasibility would be 104 units per acre.
- **100% Replacement Requirement (Scenario 5):** If all 32 units within the existing property must be replaced at affordable rent levels, the new project may require densities of roughly 117 units per acre.

**Table 4 Replacement Development Cost Assumptions**

Item	SB 330 Replacement Scenario				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
	0% of Existing Units	25% of Existing Units (Rebuttable Presumption)	50% of Existing Units	75% of Existing Units	100% of Existing Units
<b>Value of Existing Units</b>					
Rent/Unit/Month	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Rent/Unit/Year	\$26,400	\$26,400	\$26,400	\$26,400	\$26,400
<u>- Operating Expenses and Vacancy Losses at 35%</u>	<u>-\$9,240</u>	<u>-\$9,240</u>	<u>-\$9,240</u>	<u>-\$9,240</u>	<u>-\$9,240</u>
= Net Operating Income	\$17,160	\$17,160	\$17,160	\$17,160	\$17,160
<u>/ Capitalization Rate</u>	<u>4.25%</u>	<u>4.25%</u>	<u>4.25%</u>	<u>4.25%</u>	<u>4.25%</u>
= Market Value/Unit	\$403,765	\$403,765	\$403,765	\$403,765	\$403,765
<u>x Units/Acre (as built)</u>	<u>32</u>	<u>32</u>	<u>32</u>	<u>32</u>	<u>32</u>
= Total Value/Acre	\$12,920,471	\$12,920,471	\$12,920,471	\$12,920,471	\$12,920,471
<b>Proceeds from New Units</b>					
Market Rate Rent/Unit/Month	\$2,925	\$2,925	\$2,925	\$2,925	\$2,925
<i>x % Market-Rate</i>	68.1	69.3	74.6	79.9	85.1
Low Income Rent/Unit/Month	\$1,930	\$1,930	\$1,930	\$1,930	\$1,930
<i>x % Low Income</i>	0.0%	4	8	12	16
Very Low Income Rent/Unit/Month	\$1,126	\$1,126	\$1,126	\$1,126	\$1,126
<i>x Very Low Income</i>	0.0%	4	8	12	16
Weighted Avg. Rent/Unit/Year	\$35,100	\$33,365	\$32,139	\$31,228	\$30,519
<u>- Operating Expenses and Vacancy Losses</u>	<u>-\$12,285</u>	<u>-\$11,678</u>	<u>-\$11,678</u>	<u>-\$11,678</u>	<u>-\$11,678</u>
= Net Operating Income	\$22,815	\$21,687	\$20,462	\$19,550	\$18,841
<u>/ Return on Cost Requirement</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>
= Market Value/Unit	\$456,300	\$433,746	\$409,234	\$390,998	\$376,822
<u>- Development Costs/Unit (excl. Land)</u>	<u>\$266,475</u>	<u>\$266,475</u>	<u>\$266,475</u>	<u>\$266,475</u>	<u>\$266,475</u>
= Residual Land Value/New Unit	\$189,825	\$167,271	\$142,759	\$124,523	\$110,347
<u>x Total New Units</u>	<u>68.1</u>	<u>77.3</u>	<u>90.6</u>	<u>103.9</u>	<u>117.1</u>
= Total Residual Land Value	\$12,920,471	\$12,930,017	\$12,933,973	\$12,937,930	\$12,921,690
<b>Density Increase Required</b>					
Total New Units Required for Feasibility	<b>68</b>	<b>77</b>	<b>91</b>	<b>104</b>	<b>117</b>
/ Existing Density as Built	32	32	32	32	32
= Proportionate Density Increase vs. Existing	213%	242%	283%	325%	366%
/ Current R-3 Maximum Density	27	27	27	27	27
= Proportionate Density Increase vs. Current R-3 Max	252%	286%	336%	385%	434%

Sources: City of El Segundo; CoStar; CBRE; EPS

Note that none of this analysis addresses other challenges associated with redeveloping existing housing. Those challenges include finding a willing seller, assembling enough properties for an efficient building, and paying tenant relocation costs, plus of course facing political headwinds to displace existing residents. Those factors are difficult to account for in a pro forma, and probably mean EPS's results above reflect the lower end of the zoning capacity the City would need to enable on R-3 properties under each replacement scenario.

## Relocation Costs

SB 330 requires tenant relocation assistance if any existing units are occupied when the site redevelopment entitlement and construction commences, and the amount required to be paid by the developer depends upon how many households being relocated and the rents they must pay in the units to which they are relocated. For a period of 3.5 years or 42 months, the developer is required to pay the difference between the rent previously paid in the existing units and the rent charged by the owners of the unit to which the displaced renters are relocated. For example, in the “rebuttable presumption” scenario (Scenario 2) if an existing household was currently paying \$2,200 per month in rent and is moved to a newer market-rate unit charging \$2,900 per month, then a developer would need to pay \$700 (the difference) for 42 months for a total of \$29,400 in relocation costs per household as shown in **Table 5**. However, the rezoning potential EPS showcases for each replacement scenario are not inclusive of relocation costs. The added costs are hundreds of thousands of additional costs for a project, which would mean that still more additional density may be required to ensure feasibility for a development.

**Table 5 Relocation Assistance Cost Illustrations**

Item	Scenario 2	Scenario 3	Scenario 4	Scenario 5
	25% Replacement	50% Replacement	75% Replacement	100% Replacement
Original Rent (per month)	\$2,200	\$2,200	\$2,200	\$2,200
New Rent <sup>2</sup>	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,900
Difference	\$700	\$700	\$700	\$700
Months	42	42	42	42
Relocation Assistance per Household	\$29,400	\$29,400	\$29,400	\$29,400
Households	8	16	24	32
<b>Total Relocation Assistance Payment</b>	<b>\$235,200</b>	<b>\$470,400</b>	<b>\$705,600</b>	<b>\$940,800</b>

[1] Based on the average one-bedroom rent paid by tenants in the market.

Sources: CoStar; EPS

## Development Regulations Modifications

While parcels of land may be zoned for the same use, they are not always the same size or shape. Under current residential development This means that there is a potential for additional density depending upon other requirements such as height restrictions, setbacks, and parking ratios to name a few. The modification of development regulations will vary from scenario to scenario as different densities will require different materials to be used and different requirements as it relates to the location of parking. See **Table 6** for a more detailed description of key development regulations that the City may need to modify to ensure development feasibility.

**Table 6 Multifamily (R-3) Zoning Development Regulations**

Development Regulation	Current R-3 Standard	Potential Change Required
Lot Area	A minimum of seven thousand (7,000) square feet.	City may consider increasing minimum lot size for projects being developed at higher density, so that buildings will be efficiently and attractively configured. For example, a 0.5-acre (21,780 square foot) site may achieve these goals. Increased minimum lot sizes may require property assembly, which may slow or discourage redevelopment.
Height	The height of all buildings or structures with a pitched roof shall not exceed thirty two feet (32') and two (2) stories. Buildings or structures with a flat roof must not exceed twenty six feet (26') and two (2) stories.	Building heights may need to allow up to seven (7) total stories or roughly eighty five feet (85') to achieve required densities for redevelopment feasibility.
Building Area (≤ 15,000 sq. ft.)	One unit for every one thousand six hundred thirteen (1,613) square feet of lot area is allowed. A fraction of a lot greater than one thousand seventy five (1,075) square feet will allow an additional unit.	Depending on SB 330 replacement requirements for a given building, maximum densities may need to increase to roughly 120 units per acre.
Building Area (>15,000 sq. ft.)	One (1) unit for every two thousand four hundred twenty (2,420) square feet of lot area is allowed. A fraction of a lot greater than one thousand six hundred thirteen (1,613) square feet will allow an additional unit.	Depending on SB 330 replacement requirements for a given building, maximum densities may need to increase to roughly 120 units per acre.
Minimum/Maximum Unit Sizes	No current requirement in code.	City could set minimum or maximum unit sizes to address interests in or concerns about micro-units, family-friendly units, etc. Details would depend on policy goals.
Lot Coverage	All buildings, including detached accessory buildings, shall not cover more than fifty three percent (53%) of the area of the lot.	Higher density buildings may require lot coverage of up to eighty five (85%) to achieve efficient building and structured parking layouts.
Parking	2 spaces per unit, plus 1 visitor space for every 3 units	Lower parking ratios such as 1 space per bedroom help to keep construction costs down and are increasingly accepted by the market. Alternatively or in addition, developers could be allowed to build fewer parking spaces if they provide Transportation Demand Management services and approaches like transit passes for tenants, bikeshare/rideshare services, unbundled parking pricing, etc.

Source: City of El Segundo; EPS

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