

## **We Can Do Better: SMCLC's Proposals for a Downtown Plan and Critique of the DCP**

**Santa Monica is already so built out, an enormous tourist center, a huge regional office hub, with significant multi-family housing, home to a 30,000-student college, two major, growing hospitals, with our streets and sidewalks overtaxed, and more.**

Yet, the DCP never adequately answers “**why**” so much more rapid development—over 3 million sq. ft., an excessive amount—much of it luxury hotels and very expensive rentals, and more office space, is good for residents or the City. We are not a big city and our downtown is relatively small. **Wouldn't more moderate growth be better?**

The on-going pace of development and worsening traffic gridlock is alarming to most residents and others who work in and love Santa Monica. We all hear fellow residents say that they don't go Downtown much, missing out on its excitement, though it's their Downtown after all.

Many feel that the City doesn't have a realistic handle on how to moderate what, taken together, is runaway unsustainable, environmentally questionable development, or how to solve the City's congestion problems. Millions of square feet are currently in the development pipeline, headed for fast-track approval. The City's Mobility Plan is not getting the job done despite praise from City Hall. Big Blue Bus ridership, a key mobility cog, is sharply down, starting before Expo arrived, and it's not improving. Top City officials keep their personal reserved parking spaces at City Hall, while exhorting the rest of us not to drive Downtown. The Mobility Plan doesn't work for them either.

The City says we need this additional housing under the DCP so that our children and the growing number of office workers can live in Santa Monica, but that ignores the indisputable fact that the clear majority of the housing proposed is not affordable housing, but market-rate housing.

**We need the political will to better confront these issues and stand up to well-funded development interests.**

### **Summary of What Needs to Be Done on the Plan**

- **The DCP needs to employ a stepped approach for the approval process for Downtown development projects of different sizes and impacts.** The DCP should require at least 5 councilmembers, after substantive review and community input, to vote in support of projects 5 stories and higher, and voter approval for projects 6 stories and higher

(including floor-area-ratio and sq. ft. markers) and projects on public land, with common sense exemptions.

This proposal takes into account the lessons from Measure LV, where 45% of voters were so frustrated with the City's development policies like those in the DCP that they supported requiring almost every project over 2 stories to go to the voters. It is widely believed that an initiative that would have required fewer and somewhat larger projects to be voted on, and that made explicit some common-sense exemptions, would likely have passed. The DCP cannot ignore this reality.

- **To better implement development policy, the DCP should require a yearly cumulative review of all upcoming projects** for that year over 4 stories or 50,000 sq.ft., so that the aggregate impacts can be better understood and only the best chosen (for the DCP and contiguous Gateway areas together).
- **The DCP should reduce its over 3,000,000 sq. ft. net new development "cap" which is excessive and require that any attempt to exceed the set cap require a public vote.** Right now, under the DCP any "cap" can be exceeded by a simple vote of the Council. Under the 1984-2004 General Plan, the City exceeded its development predictions in 5 years ... and just kept on building, resulting in a lot of our current problems. That can't happen again unless voters approve.
- **The DCP needs a Mobility Plan that is actually working** to mitigate a meaningful amount of the significant increased traffic and congestion that will follow from the DCP as so far ours has not worked to make traffic noticeably better. We understand it is a process, but it has not begun to make real progress in **6 years**. The City needs to invest in a better plan and lead by personal example.

Individual car ownership will decline over time in the face of Uber/Lyft and shared and self-driving cars in an amount and time not yet fully understood. This should be warmly welcomed. But this doesn't relieve the City of doing its part in making our City work by reducing all kinds of traffic and congestion, including having an effective public transit system. And not negating many of the benefits of the new technology by more and more development and tourist-centric planning.

- **The DCP must develop key underlying demographic information about the Downtown.** The DCP doesn't have a handle on who lives there, where they work or the turnover rate.

### **Summary of Critique of DCP**

- **Under the DCP Santa Monica would see intense, fast-tracked development that would result in increased gridlock and congestion. Easily accessible, public open and park**

space would lose out to luxury hotels and expensive apartments, in a downtown geared to tourists and built largely for a relatively short-term resident base. We hear from the City and developers that we need so much housing so fast to house our children and workers—but what is proposed is largely too expensive to do that.

- **The negative environmental impacts will be significant. With droughts becoming *dire*** over the 20-year life of the DCP, under the weak, developer-friendly proposed “water neutrality” plan, the amount of development in the DCP will exacerbate the crisis. The DCP needs to require developers to get much closer to true “water neutrality.”
- In the name of providing certainty, developers are the big winners under the DCP. **The Planning Commission and Council would lose most of their discretion to reject or alter bad projects under the fast-track, check-the-box DCP approval system.** The public would be the biggest losers, without meaningful input followed by an overdeveloped downtown.
- **Projects up to 60,000 sq. ft.** would be covered by this new system where developers need only check off a pre-set list of requirements and pay some fees to have their projects greenlighted. These up to 60,000-sq. ft. buildings, one after the other represent almost all development presently in the pipeline and would significantly redefine our Downtown. Even larger projects could be built with a 4-3 Council approval.
- **The result could be numerous charmless, poorly conceived projects that lack a sense of place, and which could be built anywhere, blotting Santa Monica for generations to come.** There is **no** mechanism with any teeth in it to prevent shoddy architecture. The proposed DCP is largely a lost opportunity to make our City better.
- The DCP still promotes development of **super-opportunity sites which are centered on tall, out-of-scale, luxury hotels**, even though they have been widely opposed by residents. **They can tower up to 130 feet.** This includes building a tall luxury hotel and yet more office space on **City-owned land at 4<sup>th</sup> and Arizona**, instead of using public space for a public need, like a park. Opportunity sites should be eliminated from the DCP.
- **“Public Open Space”** as used in the DCP is a misnomer, identifying space not easily accessible to the public on private property, including sidewalks, rooftops, balconies and other spaces more akin to private tenant improvements. This is not what people mean when they talk about wanting more public open space Downtown.
- In the face of the DCP’s aggressive growth for the Downtown, **the Plan glaringly lacks a true large, contiguous, central public space, easily accessible at ground level.** It ignores the outpouring of public support for a central park on available public land at 4<sup>th</sup> and Arizona.

## **Details of SMCLC's Proposals for Downtown Plan**

### **Stepped Approach to Downtown Development Project Approval\*:**

We outline below an approach to project approval that would work to bring Santa Monica closer together, result in meaningful community, Planning Commission and Council input on specific projects and lead to only the best projects going forward.

In November, almost 20,000 residents, 45% of Santa Monica voters, were so bothered by the state of development in Santa Monica that they supported requiring almost all projects over 2 stories to be submitted to voters for approval.

It is widely believed that a somewhat less restrictive initiative than LV, requiring voter approval for fewer and larger projects, which made explicit some common-sense exceptions, would likely have passed. If most voters would have supported a proposal like the one set out below, it's a fundamental mistake to adopt a DCP that ignores this reality.

**The stepped approach SMCLC supports** for new development includes a suggestion from Councilmember Himmelrich to adopt 5 votes in favor of certain projects (ending development by 4-3 votes):

- **Projects within zoning up to and including 4 stories or 50,000 sq. ft.** (or a comparable FAR) would be subject to a development review process with the Planning Commission's substantive review and approval required. (Exception for administrative review at certain lower levels.)
- **Projects 5 stories or over or 50,000 sq. ft. or over** (or a comparable FAR) would require approval, based on a substantive review, by at least 5 Councilmembers.
- **Projects 6 stories or over or 60,000 sq. ft. or over** (or a comparable FAR) would also require voter approval.
- **Projects on public land** would require voter approval.

\*Appropriate, **common-sense exceptions**, such as for police, fire, re-model and earthquake, and an exclusion of non-material matters should apply. Projects on public land needing voter approval also might exclude those largely used for park space and the like. Substantive review to full extent not prohibited by state law.

### **Yearly Cumulative Approval Process\*:**

All development projects, over a certain base, coming up for approval over a 12-month period in the Downtown and adjacent Gateway districts should be considered together at the same time, once a year, emergencies exempted. This allows for review of the cumulative impacts and how the proposed projects would work together. Only the best projects can then be approved. It rationalizes the process and avoids piecemeal review. We suggest as the base to be included in this yearly consideration projects over 4 stories or over 50,000 sq. ft. (or with a comparable FAR).

### **The Downtown Development Cap Should Be Significantly Reduced; Any Attempt to Exceed it Should Require a Public Vote:**

The total cap on new development over the life of the DCP is excessive. Whatever number it is set at, should only be exceeded if residents vote to approve. We agree that a cap is essential. But 3.22 million square feet of new development in the boundaries of our Downtown, which is only 6 by 8 blocks, is way out of line. We need a more reasonable and moderate number. Moreover, the cap should be able to be exceeded only by a vote of the people. Without this, development pressures can easily lead to growth that greatly outstrips assumptions as happened with the 1984 General Plan.

\*Appropriate exceptions, such as for police, fire, re-model and earthquake, and an exclusion for non-material matters should apply.

### **A Working, Proven Mobility Plan Is Missing and Must be Developed and Funded:**

The DCP looks to its “Mobility Plan” to save us from even more traffic that will be the inevitable result of the intensified new development under the DCP. We strongly agree on its importance to reduce our existing traffic congestion and to help mitigate some of the increase. But it is a *working multi-modular* Mobility Plan that is required. **Yet, the City’s mobility efforts, however well intentioned, haven’t noticeably lessened even existing traffic.** They’re not working.

The DCP contains no analysis as to why that is or concrete steps (not abstract ones) to fix identified shortcomings. For example, the Plan states: “Congestion Reduction: Achieve a 65% non-SOV [single occupancy vehicle] mode share among employees, and target a 50% mode share for visitors.” (p.135) This is an aggressive goal without specific requirements to achieve it except as to parking pricing (p.120). As written, the Mobility Plan regurgitates general targets and aspirational goals from the current one.

A central pillar of the plan for getting around our City without driving is an efficient, interconnected, fast bus system. Yet bus ridership *dropped 12%* last year. This is part of a 6-year decline which the City had said would be reversed. It hasn’t been. As an

acknowledgement that the Mobility Plan is not working, City employees, all of whom continue to be able to park for free, mostly ride solo and park in the downtown area.

Similarly, to the left of City Hall we can see the prime parking spots exclusively reserved for top City officials, including those telling residents and businesses not to drive and making it more painful and expensive for the rest of us to park. They are busy people—but so are residents and Downtown workers who live, work, shop, and raise families with multiple responsibilities.

The Mobility Plan needs to better consider the fact that we need to make multiple stops and carry things from place to place in our daily lives. While the new “scramble” crosswalks, bike-share and better signage are good, they are far from enough. Uber/Lyft help and are useful, but are thought to take away from mass transit and create traffic too.

### **Basic Demographic Data Needed as a Part of a Plan is Lacking and Must be Gathered:**

The DCP lacks basic data such as who lives downtown, what is the turnover, how much is rent, how many of those who live downtown work there and how many commute elsewhere. It also lacks analysis of if and how these will change if the proposed DCP is fully implemented.

### **Details of SMCLC’s Analysis and Critique of DCP**

**The proposed DCP has significant shortcomings that will lead to fast-track overdevelopment, increased gridlock, a Downtown short on easily accessible, ground level, truly public open and park space and with a marked loss of community. It will result in a Downtown with a look and feel that could be anywhere.**

Why has a DCP been proposed that is a blueprint for a significantly more congested downtown, without a central park space, choking already overcrowded streets? Expect high-rise luxury hotels, expensive housing and an increasingly tourist-driven area. Lincoln Blvd. to the 10 Fwy will be heavily developed, challenging movement along this main corridor even more—for buses, emergency vehicles and cars alike. Canyons with up to 7-story buildings will replace 2-3 story ones. Review of most new projects will be sharply limited, with results largely pre-ordained. Developers will be encouraged to assemble lots to build bigger projects.

**1. The DCP sets out procedures to sharply expedite large development projects (up to 60,000 sq. ft.), hastening them through the system with approval all but assured, shortchanging community input and all but eliminating City Council consideration.**

This procedure ignores the fact that the problem with the process has been poorly conceived projects, not the time taken for community input or proper review. **In our experience, meaningful community input and multi-level reviews have resulted in superior projects and rightfully altered them to fit Santa Monica.** Fast-track development replaces this with a process intended to provide predictability for developers.

**The DCP would take away almost all the discretion of the Planning Commission and Council to reject or significantly alter proposed 60,000 sq. ft. projects if developers have met a pre-approved checklist.** Like the recent high rent project that had only 8% affordable housing. Or a row of 60,000 sq. ft. projects one after the other proposed for Lincoln Boulevard.

The 60,000-sq. ft. threshold was designed to include virtually all of the projects that are currently in the development pipeline (excepting the so-called “opportunity sites”).

To have an adequate understanding of how large 60,000 sq. ft. is, this building at 2730 Wilshire Boulevard is below the 60,000-sq. ft. threshold. Under the proposed DCP projects of the same sq. ft., could be fast-tracked through, with little Planning Commission discretion and without being reviewed by the Council. Unless the project itself violated LUCE standards, or the “checklist” wasn’t followed, the Planning Commission’s “discretion” is limited to approval.



Six-story, under 60,000 sq. ft. Santa Monica building at 2730 Wilshire.

**2. The DCP enshrines spot-zoning. It carves out three super-sites, each of which have been assembled from several individual sites, with the new rules allowing each to be developed for yet more hotels as massive projects well above zoning.** These “exceptions” swallow even the already flawed rules. **Two are on Ocean Avenue which is otherwise the lowest heights in the DCP and one is in the heart of central downtown, negatively redefining it by its 130- foot height and mass.**

**One of the most troublesome of these opportunity sites is at 4<sup>th</sup> and Arizona on City-owned land.** Instead of proposing that our land be used for the public benefit, such as the widely-supported and needed park, the DCP allows it to be developed as a developer would on its own privately-owned land. A tall luxury hotel and yet more office space has been proposed by the

City. This brings into question the City's handling of its fiduciary responsibility to be a steward of this public land, which the City assembled and bought for \$100,000,000 on our behalf.

In the City's own scientific downtown survey, residents by more than 2-1 firmly rejected this. Yet these "opportunity" sites remain central to the DCP. In fact, the DCP specifically states that as time goes on even **more** such zoning-busting mega sites are possible with a simple amendment to the DCP. After all, if the City allows 3, what's the argument against a 4<sup>th</sup> ... or 5<sup>th</sup>? Instead of preferring outsized heights for certain projects like these, the Plan should require them to be at the same heights and densities as their neighbors. All opportunity sites should be eliminated from the Plan.

**3. Fundamental to the DCP is a premise, proven to be false, that a list of "community benefits" will offset the burdens of overdevelopment and bad projects.** This has been rejected by residents time and again, including in the City's Downtown survey. These "benefits" are essentially the payment of *fees* that developers view as a cost of doing business or a smidgen of affordable housing, sometimes also paid as fees, used to justify large, high-rent buildings.

**Want a bad project? Pay a fee.**

**Residents are then stuck with bad planning and out-of-scale projects forever,** with lasting negative environmental impacts.

**Affordable housing is very important** and a vital obligation of the City, but the City should stop kidding itself--with all the development it's approving, very little is housing that's affordable. Rather, the City is overwhelmingly approving luxury or very expensive apartments, which will accelerate under the DCP. With all its talk about building affordable housing, this year less than 12% are slated to be affordable, while Santa Monica law requires 30%. (*"City Failed to Build Enough Affordable Housing for Third Year in a Row,"* Cagle, SM Daily Press 2/9/17.) With a billion dollar bi-annual City budget and the new tax to support affordable housing, there are new streams of money to build affordable housing without settling for overdevelopment, which ultimately results in very few affordable units.

**4. The DCP's Impacts on Our Environment, Water Usage and City Resources Will Be Negative.**

The DCP is an unsustainable plan. The amount of new buildings and the significantly increased tourism central to it, will require existing and augmented **City resources directed to the Downtown**, including more staff, police and firefighters. This is already occurring. **The negative environmental impacts of increased congestion, traffic and noise are well documented.**

**Water usage** is extremely important as we enter a long-term period of global warming. Given this, **the City's so-called "water neutrality plan" for new buildings** (over the building they are replacing) **is surprisingly generous to developers.** It looks back over a 5-year average, starting from the filing of the first permit application, to set a base of water usage, while it's only over



the last year or two that we have all been required to cut back usage 20%. The 5-year average, tied to an early starting point, thus gives developers a favorable base.

If developers can't meet even this relaxed base water standard, they can simply buy their way out of it, **by paying a one-time fee, not reducing or significantly altering their project to reduce their own project's usage.** This is not a robust advancement of the City's goal of achieving "water self-sufficiency" in the face of predicted upcoming severe drought years. **We should require something closer to real net-neutrality as part of the DCP and not let developers buy their way out of it.**

**5. Finally, the Downtown Plan and the Gateway Plan border each other and should be a single plan. Considering them separately masks the true extent of development Downtown, and the cumulative impacts.**

For good planning and transparency about the extent of development, these two downtown areas need to be considered together.

### **Conclusion**

Over the multiple years of the revision of this Plan our community has shown a high interest in the rate and intensity of Downtown development and rising concern over the increasing inaccessibility of the Downtown due to traffic congestion. This Plan radically changes the land-use approval process in favor of a process that gives developers predictability while short-changing the public process. We believe the proposals we've suggested will result in a better DCP with greater community support.

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