

1 RESOLUTION NO. 2016-R_____

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
4 CULVER CITY, CALIFORNIA, ADOPTING THE
5 AFFORDABLE HOUSING INCENTIVE AREA (AHIA)
6 PROGRAM.

7 WHEREAS, in the City of Culver City, there are approximately 45,340
8 employees and only 16,958 housing units, which indicates the potential need for a
9 significant number of additional housing units in order to satisfy the housing needs of
10 employees working in the City, who may want to live in the City in which they work.
11 Culver City's jobs to housing balance, according to the Housing Element (2013-2021),
12 indicates that the current jobs to housing ratio in Culver City is 2.67. This imbalance
13 exacerbates housing costs which reflect market demand for housing; and

14 WHEREAS, the California Housing and Community Development (HCD)
15 2015 median income limit for a four person household is \$64,800; the maximum
16 income limit for a four person household low income family is \$68,300; and the
17 maximum income limit for a four person moderate income household is \$77,750; and

18 WHEREAS, based on the federal and state standards of 35 percent of
19 household income toward housing cost, the affordable cost to rent a two-bedroom
20 home is \$875 for a low income household and \$1,603 for a moderate income
21 household. Culver City has a vacancy rate of less than two percent for rental properties
22 with the average monthly rental cost of \$2,500 for a two-bedroom apartment. The
23 differential between an affordable rent and current average rent is between \$897-
24 \$1,625, making it impossible for a low or moderate income household to rent at an
25 affordable rate in Culver City; and

26 WHEREAS, the average home price in Culver City is \$950,000 for a two-
27 bedroom, 1,200 square foot home. This average cost is not within the federal and state
28 defined affordability limits, which provide that an affordable purchase price for a low

1 income household is \$129,700 and an affordable purchase price for a moderate income
2 household is \$280,000; and

3 WHEREAS, with the dissolution of the former Culver City Redevelopment
4 Agency (CCRA) on February 1, 2012, the most viable mechanism to finance and
5 support the creation of affordable housing opportunities, the CCRA's Low and Moderate
6 Income Housing Fund (LMIHF), was eliminated; and

7 WHEREAS, based on these current conditions, the City Council and the
8 Culver City Housing Authority Board directed staff to examine new affordable housing
9 programs to replace those previously funded by the former CCRA's LMIHF; and

10 WHEREAS, Housing Division staff identified new programs that may be
11 used independently and jointly to assist in providing new affordable housing units in the
12 City and generate affordable housing funds to establish a Culver City Low and
13 Moderate Income Housing Fund Trust Fund. The programs range from market driven to
14 mandatory and include: 1) Zoning Density Incentives such as Community Benefits
15 requirements under the City's mixed use development standards as set forth in Culver
16 City Municipal Code (CCMC) Section 17.400.065.E.3 (Mixed Use Ordinance); and
17 density bonuses as set forth in California Government Code Section 65915 through
18 65918 and implemented by CCMC Chapter 17.580 (collectively, Density Bonus Law); 2)
19 Other Zoning Incentives; 3) Inclusionary Zoning Requirements; 4) Tax Incentives; and
20 5) Cap and Trade; and

21 WHEREAS, one of the identified programs is the Affordable Housing
22 Incentive Area (AHIA) Program, which would provide a density bonus for affordable
23 housing along many of the City's major commercial corridors where mixed use
24 development is currently permitted. The AHIA Program combines the Community
25 Benefit provisions of the Mixed Use Ordinance with Density Bonus Law; and

1 WHEREAS, the City Council desires to establish and implement the AHIA
2 Program and conduct further study on the remaining affordable housing program
3 options.

4 NOW, THEREFORE, the City Council of the City of Culver City DOES
5 HEREBY RESOLVE, as follows:

6 1. In an effort to effectuate the production of additional affordable
7 housing units, the City Council hereby approves the Affordable Housing Incentive Area
8 Program as set forth in the joint City Council and Housing Authority Board agenda Item
9 report dated March 28, 2016 (identified as File ID 15-707).

10 2. This Resolution shall take effective immediately upon its adoption.

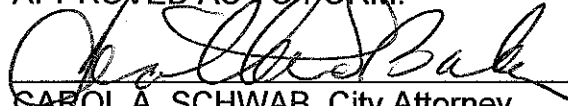
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12 APPROVED and ADOPTED this _____ day of _____ 2016.

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14 _____
15 MICHEÁL O'LEARY, Mayor
City of Culver City, California

16 ATTEST:

17 APPROVED AS TO FORM:

18 _____
19 MARTIN R. COLE, City Clerk

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21 CAROL A. SCHWAB, City Attorney
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