

PLUM Mello Act Ordinance hearing

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We generally support the draft ordinance except that there is one significant error that must be fixed.

We have a dangerous enemy in our coastal zone and that is the push for commercialization of housing. The legislative history is that the Mello Act includes protection of all housing so that coastal areas would not have housing replaced by more lucrative commercial uses.

Our neighborhood council has written three CIS's expressing our serious concern about this ordinance allowing and effectively encouraging the replacement of housing structures in commercial zones with mixed use retail and restaurant projects.

There's a significant number of residential structures in commercial zones in the coastal zone – at least 300 properties, with over 2,200 units, almost 1,000 of which are RSO units. So, this is a very important issue.

As you know, one of the top four Citywide housing priorities in the City's pending Housing Element is "Preventing displacement and protecting Angelenos."

Allowing demolition or conversion of residential structures for purposes of mixed-use projects would be in direct conflict with that priority goal, and so the Mello ordinance must be amended to make it clear that this is prohibited.

Allowing and even incentivizing commercialization of residential structures for mixed use projects would, contrary to the City's housing priorities, cause a significant adverse cumulative impact of displacement of existing Angeleno Coastal Zone residents from the Coastal Zone, mainly lower-income residents, minorities, and people of color.

City Planning's desire to allow residential structures to be demolished or converted for purposes of mixed-use projects must be clearly prohibited in the final Mello Act ordinance *in order to prevent increased displacement of what is most often our lower income and most racially and socially diverse residents, who are to be protected under the Coastal Act, the Mello Act and the Settlement Agreement, as well as under the City's Housing Priorities.*

I spoke at the February CPC meeting about all of the abuses going on for all these years with the Mello law, with the result of almost no replacement units approved over the past two decades when dozens of them should have been if the law had

been followed and workarounds and loopholes had been closed. As a result, we lost millions and millions of dollars of affordable housing that the law required to be replaced; and, most devastating, the lower income occupants in those affordable units were displaced. It has been horrible, unbelievable, and shocking. Some have called it an ethnic cleansing. There's some truth to that, and at a minimum it has been structural racism, perhaps a matter to consider for restitution.

I know the Mayor and some Councilmembers love mixed use projects, and we do too! But in the Coastal Zone we cannot allow mixed use projects to replace residential structures.

We recommend that the Mayor and City Council encourage replacement of commercial structures with mixed uses. That would increase housing. Allowing for mixed use to replace residential structures would violate the Mello Act and the City's Settlement Agreement and does not increase housing.

Frankly, the only thing being able to convert residential structures to mixed use projects would do is enrich developers and investors by allowing a more lucrative commercial use to replace a residential structure, and it does nothing to protect existing or increase housing.

Also, there is a proven, ongoing loophole related to this mixed use option where once owners convert their buildings to mixed use, they tend to take over the residential units for other uses, such as offices, storage, retail, etc., and the City does not enforce these violations. This mixed-use provision would exacerbate that problem.

The Settlement Agreement for the lawsuit between the Venice and San Pedro communities and the City from 20 years ago states that all current and future ordinances in the Coastal Zone shall be consistent with the Mello Act and the Settlement Agreement. Allowing residential structures to be replaced with mixed use development is not consistent.

Also, this ordinance must be equally or more protective than the Settlement Agreement and the IAP, and with the mixed-use provision it is actually less protective. Accordingly, the ordinance cannot allow for mixed use.

Commissioner Mack said at the CPC hearing that we need to prioritize people in the planning process. In this case that means prohibiting this ability to replace housing structures with mixed use developments in this Mello Act Coastal Zone ordinance, such a practice would only serve to displace our lower income residents, who we all know are primarily lower income minorities and people of color.

In fact, several CPC Commissioners were concerned about this mixed-use provision but Planning told them the issue can be worked out in the Community Plan process.

That is not correct because this is not an issue of the community's desires re. zoning but rather an issue of preventing housing from becoming non-residential uses, as required by the Mello Act and the Settlement Agreement. The Mello Act applies to residential structures in any type of zone within the Coastal Zone. This is not a zoning issue, this is a legal issue as it would be a violation of the Mello Act state law and the Settlement Agreement. Thus, the issue cannot be fixed or changed by making zoning changes in a community plan update. This practice must be prohibited in this ordinance.

Also, City Planning believes this mixed-use provision supports their objective to increase housing, but I am hard pressed to understand how allowing residential structures to convert to mixed use increases housing. It would not.

The letter submitted to you yesterday by Venskus & Associates and Betsy Butler of the California Women's Law Center clearly explains in detail why this Mixed Use conversion provision is unlawful and must be prohibited in the ordinance.

You've been told by a party to the Mello Settlement Agreement that this mixed use provision violates the Settlement Agreement.

As the City Council Motion for this new ordinance says: "Los Angeles is suffering from a housing crisis. The problem is particularly acute in coastal areas."

The last thing we need to do is incentivize property owners to replace housing structures with commercial uses such as mixed-use restaurant and retail projects, which displaces residents.

Please do not allow the commercialization of our housing by allowing residential structures to be replaced by mixed use projects.

The ordinance must specifically prohibit conversion or demolition of 100% residential structures for non-residential, commercial mixed-use projects.

Please prevent displacement and protect housing for Angelenos in the Coastal Zone by insisting on this correction so the ordinance can move forward cleanly, legally, and with the full support of the community.