



## CITY OF BEVERLY HILLS STAFF REPORT

**Meeting Date:** September 21, 2010

**To:** Honorable Mayor & City Council

**From:** Jonathan Lait, AICP, City Planner  
Peter Noonan, AICP, Associate Planner

**Subject:** DRAFT HOUSING ELEMENT UPDATE – Direction to send to State for review.

**Attachments:**

1. Summary of Draft Housing Element Update
2. State Housing Requirements (RHNA)
3. Proposed Goals and Policies
4. Proposed Housing Programs
5. Complete Draft Housing Element Update (provided as separate attachment)

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### **SUMMARY**

Staff requests direction to send the City's draft Housing Element update to the State's Department of Housing and Community Development (HCD) for review.

The State of California requires jurisdictions to update their Housing Elements every seven years. The State also requires the draft update to be submitted to HCD for review prior to adoption. If the draft update meets all of the State's requirements, HCD will certify the document.

### **DISCUSSION**

A summary of the draft Housing Element is provided as Attachment 1. The full document is provided as Attachment 5. The overarching themes of the 2006-2014 draft Housing Element update are to meet the housing needs of the community, and obtain State certification by encouraging private development of housing. A summary of the State's requirements for certification is provided in Attachment 2.

With the assistance of staff, and Karen Warner, the City's housing consultant, the Planning Commission has crafted a set of proposed goals, policies, provided as Attachment 3, and proposed programs, provided as Attachment 4. These goals and policies, and programs were developed using the General Plan topic committee recommendations, and are intended to address the housing needs of the community and the State's requirements for encouraging housing affordability.

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### State Certification

State certified Housing Elements are presumed by the courts to be legally adequate. Without certification, the City may be vulnerable to court challenge. If the Housing Element is invalidated, the City's authority to issue building permits and discretionary actions could be suspended until the element is brought into compliance. Additionally, with certification the City would be eligible for certain State grant and funding sources. Additional information on State certification is provided in Attachment 2.

### State Requirements for Housing (RHNA)

RHNA, or the Regional Housing Need Assessment, is a process the State goes through every seven years as a means of planning for future housing needs. Through RHNA the State allocates a specific number of housing units to each city and county. Once the RHNA is allocated, each city and county is then required to update their Housing Elements in order to plan for the RHNA housing units that they have been allotted. The current RHNA planning cycle is 2006-2014, and the RHNA housing units Beverly Hills was allotted during the current cycle is 554. Additional information on State requirements and RHNA is provided in Attachment 2.

### Proposed New and Modified City Housing Programs

This section summarizes the major new and modified programs in the draft update. All programs included in this report propose broad policy guidance. Prior to implementing these programs, public input would be sought through public hearings held before the Planning Commission and the City Council. The range of options available for each program will be identified and refined through this public involvement process.

Housing programs proposed for the draft Housing Element update are provided in Attachment 4. As part of the Housing Element update, the City's existing housing programs are reviewed based on the community housing needs and the past success of the programs. New programs are proposed, and existing programs are modified as part of the update process as a means of better addressing the community's needs. Some new and modified programs proposed in the current Housing Element update are:

#### New Housing Programs

**Imp 9.3 Rental Housing Inspections** – City would consider establishing a program to inspect multi-family rental housing on a regular basis. It is anticipated that this program would be self-funded. This may require property owners participating in the program to contribute a small fee per housing unit. Over 75% of the City's rental housing stock was built prior to 1960. A rental housing inspection program would assure that the City's rental housing remains in good repair.

**Imp 10.2 Inclusionary Housing** – City would consider establishing an inclusionary housing program. The inclusionary housing program may require a certain percentage of new housing units to be made affordable – either as for sale or rental units, or a contribution of fees to the City's affordable housing trust fund (which is to be established). Past trends indicate that housing development in the City is robust, however nearly all housing built tends to be high-end. Approximately 23% of residents in Beverly Hills would qualify for affordable housing based on their annual income. An inclusionary housing program would assure that residents in the City would continue to have housing options.

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#### Modified Housing Programs

**Imp 9.5 Condominium Conversions** – City would modify the existing condominium conversion ordinance, which limits the number of existing apartment buildings that can be converted to condominiums annually, to require a certain percentage of units to remain affordable. Modifying this program would have the same effect as the proposed inclusionary housing program on assuring that affordable housing options continue to be available to those City residents who would qualify.

**Imp 12.1 Zoning Text Amendments for Special Needs Housing** – The State requires all cities and counties to update their zoning codes to assure that local requirements do not present obstacles to the establishment of housing for special needs. This program would meet State requirements by modifying the City's zoning code to include a definition for family; list community care facilities of six or fewer occupants as permitted in residential areas; list community care facilities of seven or more occupants, single-room occupancy apartments, transitional housing, supportive housing, and emergency shelters as permitted in the City's existing "congregate care" overlay zone. As allowed by the State, the City would require these uses to obtain a conditional use permit.

**Imp 12.2 Adjust Development Standards** – As a means of encouraging affordable housing options, the City periodically reviews its existing development standards for multi-family buildings and adjusts them as appropriate. In the past, the City has expressed a desire to explore adjustments to development standards to allow a mix of residential, commercial, and office uses on commercial properties, and new multi-family zones. Currently this modified program proposes to explore decreasing the minimum unit size, replacing the existing unit density calculations with a floor area ratio (FAR) calculation, and exploring modifications to the development standards for single multi-family lots, among others. By reviewing the development standards for multi-family housing, the City assures that new multi-family buildings are constructed in a way that preserves the quality of our neighborhoods while also assuring that the City's requirements are not presenting an obstacle to the development of affordable housing options.

#### Affordable Housing Accomplishments to Date

**Housing for Very Low Income Seniors** - The last city project that included affordable housing was the senior affordable housing project on Crescent Drive and Dayton Way (above the Wholefoods Market). This is an assisted living project providing 150 units of affordable housing to very low income seniors.

**\$4 Million for Affordable Housing** - The City has recently approved three specific plans which include funds for affordable housing. When these projects are built, they will contribute more than \$4 million to the City's to-be-established Housing Trust Fund.

**New Multi-Family Projects with Affordable Housing Units** – The City has recently approved two projects that include affordable units, and is currently considering a third.

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**PUBLIC REVIEW**

Public study sessions the Planning Commission held on the draft housing element update are as follows:

**Planning Commission Study Sessions on the draft Housing Element**

April 22	Community Needs Potential Constraints Housing Resources Housing Element Past Performance
May 13	Housing Plan - Goals and Policies
June 24	Housing Plan - Programs
July 8	Housing Plan – Programs
July 22	Housing Plan – Programs Draft Housing Element

The Planning Commission reviewed the full draft Housing Element Update on July 22, 2010 and recommended that the document be sent to the State for review and certification.

**NEXT STEPS**

With direction from City Council, staff will send the draft update to the State Department of Housing and Community Development (HCD) for review. Once HCD has reviewed the document, they will respond with a letter. In this letter HCD will indicate whether the draft update can be certified as proposed, or if revisions are needed.

Once the Planning Commission has reviewed the letter from HCD, considered any recommended revisions, and made their recommendation, the draft element update will return to the City Council for adoption. Staff anticipates that this will occur in the spring of 2011.

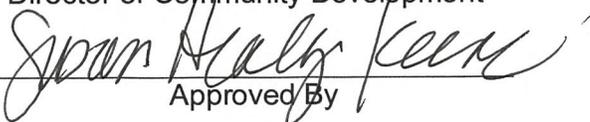
**FISCAL IMPACT**

No significant fiscal or budget related impacts are associated with the recommendation in this report.

**RECOMMENDATION**

Direct staff to send the draft Housing Element to the State Department of Housing and Community Development (HCD) for review and certification.

Susan Healy Keene, AICP  
Director of Community Development

  
Approved By

# ATTACHMENT 1

Draft Housing Element – Goals and Policies  
September 21, 2010

## Summary of Draft Housing Element Update

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The housing goals and policies (Attachment 3), and programs (Attachment 4) in the draft Update (Attachment 5), set forth the City's plans for encouraging the private development of housing that is affordable to those in our community who are in need, such as seniors and those with special needs, single parents, people in the workforce, first-responders, care-givers, and young adults. The draft housing element also plans for the number of affordable housing units required by the State in the RHNA (RHNA is explained in Attachment 2).

### Organization

The Housing Element is organized into the following major sections:

1. **Introduction:** Summary of the purpose and process of the Housing Element update including statutory requirements and a description of data sources and the community outreach process.
2. **Community Profile:** Summary of the community's housing needs, including demographic, housing, and special needs characteristics and trends.
3. **Potential Constraints on Housing Production and Conservation:** Summary of potential market, governmental, and environmental constraints impacting the community's ability to address its housing needs.
4. **Housing Resources:** Summary of land, financial, and organizational resources available to address the community's housing needs.
5. **Review of Housing Element Past Performance:** Evaluation of accomplishments toward meeting the goals and objectives of the prior 2000–2005 Housing Element.
6. **Housing Plan:** Housing strategy to address the community's housing needs, including updated housing goals, policies, and programs. Actions the City will take to meet the requirements set by the State for encouraging more affordable housing are included in this section.

### Proposed Housing Goals and Programs

The complete list of Goals and Policies, and programs proposed in the draft Housing Element update are provided in Attachments 3 and 4 respectively.

### Goals

Four goals are proposed to meet the housing needs of the community:

- **Goal 1 Maintenance and Conservation.** Maintain and enhance the quality and character of existing housing and residential neighborhoods.
- **Goal 2 Housing Supply and Diversity.** Provide a variety of housing types and adequate affordable housing supply to meet the existing and future needs of the community.
- **Goal 3 Fair Housing and Special Need Residents.** Promote equal housing opportunities for all residents; including Beverly Hills' special needs populations, so residents have a choice of appropriate housing.
- **Goal 4 Constraints.** Mitigate potential governmental constraints on the maintenance, improvement and development of housing, while maintaining community character.

Draft Housing Element – Goals and Policies  
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## **Programs**

Four sets of programs are proposed to implement the proposed goals:

- **9.0 Conserve and Improve Existing Housing Stock**
- **10.0 Provide New Housing Opportunities**
- **11.0 Promote Equal Housing Opportunities and Special Needs Housing**
- **12.0 Remove Governmental Constraints**

The sets have been numbered so that the programs numerically follow the programs in the City's amended General Plan. The General Plan includes 8 sets of programs; therefore the housing program sets begin at number 9.

A sample of programs included in the housing element is provided. These programs are the key programs proposed for meeting the State's requirement for planning for affordable housing. Beyond these key Housing Programs, the Housing Element also includes programs to address housing services, and housing needs for special populations, such as seniors and persons with disabilities.

- Imp. 10.1**     **Density Bonus** – Continue to implement the State Density Bonus requirements. Develop a list of potential incentives and waivers in compliance with the State.
- Imp. 10.2**     **Inclusionary Housing** – Explore a requirement for affordable housing units in new multi-family residential projects or contribution of fees in-lieu (to be placed in the housing trust fund – such as was agreed to in the development agreements for 9200 Wilshire, 9876 Wilshire (Hilton), and 9900 Wilshire (Rob-May) specific plans).
- Imp. 10.3**     **Housing Trust Fund** – Establish a housing trust fund to accumulate funds which the City can then use towards the development of affordable housing.
- Imp. 10.4**     **Second Units** – Explore possible adjustments to the City's second unit development standards to allow more opportunity south of Santa Monica Boulevard.
- Imp. 10.5**     **Affordable Housing Brochure and Outreach** – Outreach to affordable housing developers.
- Imp. 10.7**     **Partnerships with Affordable Housing Developers** – Partner with affordable housing developers, potentially using housing trust fund dollars to offset the cost of land and, or construction.
- Imp. 11.2**     **Senior Housing Development** – Review the City's existing incentives for senior housing and adjust as appropriate to assure that the incentives offered are feasible, while maintaining community character.
- Imp. 12.2**     **Adjust Development Standards** – Review the City's existing multi-family development standards and adjust as appropriate to offer affordable housing incentives, while maintaining community character.
- Imp. 12.3**     **Reduced Fees for Affordable Housing** – Explore fee reductions as a means of incentivizing affordable housing.

# ATTACHMENT 2

## State Housing Requirements (RHNA)

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The State requires every city and county to plan for a specific number of new housing units every seven years. This planning includes updating the Housing Element to assure that the City's housing goals and policies, and housing programs adequately address the housing needs of the community, and plan for the number of affordable housing units allotted by the State in the RHNA process.

### **RHNA**

The RHNA (pronounced "rhee-nah"), or Regional Housing Needs Assessment is a State government process that is conducted every seven years. The RHNA allocates a specific number of new housing units to each city and county throughout the State to help meet the State's future housing needs. Once the housing numbers are allocated, each city and county is then required to plan for accommodating the newly allotted RHNA housing units. These new housing units can be for sale units or rental units.

RHNA housing units are divided into four income categories:

- Very Low Income
- Low Income
- Moderate Income
- Above Moderate Income

These housing units can be either for sale or rental housing. Affordability is determined by how much the would-be occupant earns annually. The maximum amount of income a person can earn and qualify for each type of housing is based on the "Area Median Income" or "AMI" for the local county. It is estimated that approximately 23% of the residents of Beverly Hills would qualify for some level of affordable housing.

### **Certification**

The State Department of Housing and Community Development (HCD) reviews and certifies Housing Element updates. With State certification, housing element updates are presumed by the courts to be legally adequate. Without certification, the City may be vulnerable to court-challenge. If the Housing Element update is invalidated, the City's authority to issue building permits and issue discretionary actions could be suspended until the element was brought into compliance. State certification is also a requirement for certain types of State funding for housing and infrastructure.

Also, with State certification, if the number of housing units (affordable and market-rate) constructed in the City does not meet the RHNA numbers by the end of the planning cycle, the City is not obligated to assure that those remaining planned for units are built. The City's current RHNA numbers are then replaced with the RHNA numbers for the next planning cycle.

### **Self-Certification**

Self-certification means that the City assumes the responsibility of assuring that the housing programs in the Housing Element will produce the minimum number of housing units required by the State (meet the City's RHNA Numbers). By self-certifying, if the number of housing units constructed does not meet the RHNA numbers, the remaining units needed to meet RHNA in the planning cycle carry over and are added to the RHNA numbers for the future planning cycle.

**Housing Built in the City during the 1998-2005 Planning Cycle**

The City of Beverly Hills self-certified its Housing Element for the last cycle, and no affordable housing units (moderate-income or below) were approved or built during that planning cycle. Therefore, as a result of self-certifying, the number of housing units that the City was required to plan for in the last planning cycle have carried-over and added to the number of units that the city has been allotted in the current planning cycle.

**BEVERLY HILLS’ 2006-2014 RHNA**

The city’s current RHNA Numbers are provided in the following chart:

**City of Beverly Hills  
RHNA Housing Units for the Current Planning Cycle (2006-2014)**

	Total Units	Number of Units to Plan for Based on Affordability (Area Median Income (AMI) for Los Angeles County)			
		Very Low (50% and below)	Low (51–80%)	Moderate (81–120%)	Above Moderate (Greater than 120%) – e.g. “Market-Rate”
1998-2005 RHNA Numbers	256	35	42	40	139
<i>Units Created (Net)</i>	222	0	0	0	222
<b><i>Carry-Over from last Planning Cycle</i></b>	<b>117</b>	<b>35</b>	<b>42</b>	<b>40</b>	<b>0</b>
New 2006-2014 RHNA Numbers	437	111	71	77	178
<b>Total 2006-2014 RHNA Numbers (carry-over + new)</b>	<b>554</b>	<b>146</b>	<b>113</b>	<b>117</b>	<b>178</b>

In the current planning cycle, the City is required to plan for 554 new housing units. Of this number, 178 units planned for are to be affordable to “above moderate” households (units rented or sold at market-rate). Currently, more than 178 new market-rate housing units have been entitled by the City in this planning cycle and therefore, the requirement to plan for these units has been met. Now the city must plan for the remaining 376 affordably-priced units, which is the total number of “Very Low”, “Low” and “Moderate” housing units in the City’s RHNA.

# ATTACHMENT 3

Draft Housing Element – Goals and Policies  
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## Goals and Policies

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### Goals and Policies

**H1 Maintenance and Conservation.** Maintain and enhance the quality and character of existing housing and residential neighborhoods.

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H 1.1 **Neighborhood Character.** Maintain the character and quality of residential neighborhoods. (Imp. 9.1, 9.2)

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H 1.2 **Healthy and Safe Housing.** Support healthy neighborhoods by addressing public health and safety issues, performing property inspections, and eliminating threats to public health. (Imp. 9.3)

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H 1.3 **Home Repair Assistance.** Provide assistance to low- and moderate-income households to encourage the adequate maintenance and rehabilitation of existing housing, such as through the Handy-worker program. (Imp. 9.4)

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H 1.4 **Historic Preservation.** Promote the preservation of historically and architecturally significant buildings and the quality of historic neighborhoods through land use, design and housing policies.

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H 1.5 **Conservation of Existing Rental Housing.** Regulate the conversion of rental apartments to condominium ownership. (Imp. 9.5)

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H 1.6 **Rent Stabilization.** Continue to provide tenant protections through the City's Rent Stabilization Ordinance. (Imp. 9.6)

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H 1.7 **Preservation of Affordable Housing.** Support preservation of publicly subsidized rental housing to maintain affordability to lower income households. (Imp. 9.7)

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**H2 Housing Supply and Diversity.** Provide a variety of housing types and adequate affordable housing supply to meet the existing and future needs of the community.

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## Goals and Policies

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- H 2.1 **Affordable Housing Incentives.** Offer incentives, including density bonuses, where feasible to offset or reduce the costs of developing affordable housing. Proactively seek out new approaches in the provision of affordable housing. (Imp. 10.1, 11.2, 12.2)
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- H 2.2 **Inclusionary Housing.** Pursue adoption of an inclusionary housing program to integrate affordable units within market rate developments, and increase the availability of affordable housing throughout the community. (Imp. 10.2)
- 
- H 2.3 **Housing Trust Fund.** Create a Housing Trust Fund to financially assist nonprofit and for-profit developers in the creation of affordable housing. (Imp. 10.3)
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- H 2.4 **Second Units.** Promote second units as a means of providing lower cost housing options for seniors, caretakers, and others. (Imp. 10.4)
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- H 2.5 **Adaptive Reuse.** Support innovative strategies for the adaptive reuse of residential and commercial structures to provide for a wide range of housing types. (Imp. 12.2)
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- H 2.6 **Site Information.** Provide information to residential developers regarding sites that may be suitable for new affordable housing development. (Imp. 10.5)
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- H 2.7 **Environmentally Sustainable Housing.** Promote conservation of water and energy, use of sustainable building materials and drought-resistant landscaping to reduce the operating costs and carbon emissions associated with housing. (Imp. 10.6)
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Draft Housing Element – Goals and Policies  
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## Goals and Policies

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H 2.8 **Transit-Oriented Housing.** Promote access, where feasible, from residential neighborhoods and new residential development to existing transit stops and to the anticipated subway stations. (Imp. 12.2)

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H 2.9 **Jobs/ Housing Balance.** Promote programs seeking to provide housing opportunities for people who work in the City as a means of reducing long commutes, easing local traffic, improving air quality and helping to achieve a balanced regional jobs/housing distribution for the western portion of Los Angeles County. (Imp. 10.7)

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H 2.10 **Workforce Housing.** Study and develop programs to increase the amount of rental and ownership housing affordable to the local workforce. (Imp. 10.7, 12.2)

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H 2.11 **Partnerships for Affordable Housing.** Explore opportunities for partnerships with adjacent jurisdictions and other governmental agencies in the provision of housing. Collaborate with non-profit organizations to provide greater access to affordable housing funds. (Imp. 10.7)

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**H3 Fair Housing and Special Needs Residents.** Promote equal housing opportunities for all residents; including Beverly Hills' special needs populations, so residents have a choice of appropriate housing.

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H 3.1 **Fair Housing Practices.** Promote fair housing and non-discrimination in the sale and rental of housing by coordinating with organizations that provide information, counseling and mediation on fair housing laws and landlord-tenant disputes. (Imp. 11.1)

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H 3.2 **Senior Housing.** Support the provision of a variety of housing options for seniors to foster independence and the ability of seniors to remain in the community as they age. (Imp. 11.2)

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**Goals and Policies**

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H 3.3 **Senior Support Services.** Continue to offer housing support services for seniors, including case management and home-share programs. (Imp. 11.2, 11.3)

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H 3.4 **Housing Accessibility.** Address the special housing needs of persons with disabilities through adoption of reasonable accommodation procedures, homeowner's assistance grants, and supportive housing. (Imp 11.4)

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H 3.5 **Homeless Programs.** Continue to provide support to community service organizations that assist the homeless through provision of housing and services. (Imp. 11.5)

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**H4 Constraints.** Mitigate potential governmental constraints on the maintenance, improvement and development of housing, while maintaining community character.

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H 4.1 **Zone for a Variety of Housing Types.** Amend the Zoning Ordinance, as required by State law, to facilitate the provision of a variety of housing types for special needs populations, including persons with disabilities, the homeless, and persons at risk of homelessness. (Imp. 12.1)

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H 4.2 **Adjust Development Standards.** Evaluate and modify development standards as appropriate to better facilitate the provision of affordable housing. (Imp. 12.2)

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H 4.3 **Fee Reduction.** Establish a process to provide fee waivers to facilitate the production of affordable, senior, and workforce housing. (Imp 12.3)

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# ATTACHMENT 4

Draft Housing Element – Housing Programs  
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## Housing Programs

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### 9.0 *Conserve and Improve Existing Housing Stock*

Number	Program Name	Status
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<b>Imp 9.1</b>	<b>Upkeep and maintenance of vacated buildings</b>	Existing
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The City requires the exterior of vacated multi-family structures that will be demolished for redevelopment to be adequately maintained as a condition of tentative map approvals and extensions.

The City's Code Enforcement Office (Community Preservation) maintains a list of all vacant properties in the City, monitors the sites, and works with the property owners to assure that the properties are maintained in an appropriate manner.

Timeline: Ongoing

Funding Source: Department Budget

Responsible City Section: Community Development Department

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<b>Imp 9.2</b>	<b>Property Maintenance</b>	Existing
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The City requires housing to be maintained in an aesthetic, safe and habitable manner consistent with City codes. The program is run as part of the City's comprehensive Code Enforcement program (Community Preservation) and is structured as a reactive, complaint-driven inspection process.

Timeline: On-going

Funding Source: Department Budget

Responsible City Section: Community Development Department

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<b>Imp 9.3</b>	<b>Rental Housing Inspections</b>	New
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As a means of becoming more proactive in ensuring the continued quality of multi-family housing, the City is developing a housing inspection program funded by a per unit assessment to participating properties. The program will include routine inspections of all multi-family properties every four years, with inspections being more frequent for properties found not in compliance. Property owners will be able to pass the cost of the inspections on to tenants, but not the costs of any upgrades and repairs needed for compliance. As a part of developing this program, the City will consider adopting standards for habitability and building safety that are more stringent than State requirements. Standards for aesthetic condition and routine building maintenance will also be considered.

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Number	Program Name	Status
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Timeline: Develop program parameters in 2012, with implementation by 2013

Funding Source: Per unit cost assessed on rental properties

Responsible City Section: Community Development Department

<b>Imp 9.4 Home Repair and Improvement</b>	Existing
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The Handyworker Program provides minor home repair, and improved security and mobility assistance to low income tenants and homeowners in single and multi-family units. The program is administered by Jewish Family Services at no cost to the qualifying low-income owner or tenant. Jewish Family Services provides community outreach, applicant screening, pre-construction site visits, repairs and remodeling, and confirmation that the property meets the City's standards for habitability.

Population Served: Very-Low and Low- income (up to 80% AMI) households

Eligible Repairs: Interior/ Exterior Repairs, Energy Conservation Activities, Security/ Safety Improvements

Managed By: Jewish Family Services

Maximum Award Amount: \$2,000 grant. Award amount may increase up to \$5,000 if additional repairs are required to meet the City's standards for habitability.

Target: Serve 40 low income households per year.

Timeline: On-going

Funding Source: CDBG

Responsible City Section: City Manager's Office

<b>Imp 9.5 Condominium Conversions</b>	Modified
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This program limits loss of rental housing units due to the conversion of existing apartment buildings to condominiums by setting an annual cap and providing protections for tenants.

Currently, apartment buildings proposed for conversion to condominium ownership are subject to the City's condominium conversion regulations (Beverly Hills Municipal Code Sections 10-2-710, 711, and 712). These regulations set forth a series of tenant protections including tenant noticing, relocation provisions, right of first purchase, and extended lease provisions for senior and disabled households. These regulations also set an annual limit on the number of conversions allowed.

The City will evaluate the effectiveness of the existing ordinance, and consider modifying it to require a number of units in any building converted to be set aside as affordable rental or ownership housing. The City will also evaluate the benefit of offering an in-lieu fee option that would go into the

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Number	Program Name	Status
	<p>City's Housing Trust Fund and be used to provide affordable housing elsewhere in the City.</p> <p>Timeline: Evaluate ordinance revisions to address affordability in 2011, and, as appropriate, amend the ordinance in 2012.</p> <p>Funding Source: Departmental Budget</p> <p>Responsible City Section: Community Development Department</p>	

<b>Imp 9.6 Rent Stabilization</b>	Existing
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Continue the City's rent stabilization ordinance to investigate tenant complaints regarding unlawful rent increases, service reductions, evictions and relocations.

The Community Preservation Office administers the rent stabilization program which affects approximately 12,800 apartment units in the City. The ordinance limits annual rent increases to no more than ten percent and provides tenant protections through required noticing of rent increases and evictions. Community Preservation officers respond to approximately 480 inquires from residents annually, with approximately 30 complaints requiring follow-up investigation. Most complaints are resolved within 45 days, with the remainder being referred to "stepped up enforcement action", including but not limited to citations and further legal action.

Timeline: On-going

Funding Source: Departmental Budget

Responsible City Section: Community Preservation

Target: Investigate 30 complaints per year.

<b>Imp 9.7 Monitoring Affordable Housing</b>	Existing
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The City of Beverly Hills currently has one assisted housing project providing 150 units of affordable rental housing to very low income seniors. This project was originally financed under the HUD Section 202 program with project-based Section 8 certificates providing ongoing affordability. Although this project is not currently at risk of being converted to market rate housing, the City will continue to coordinate with the service provider to monitor Section 8 renewals, advise tenants in advance of any potential conversion dates, and provide opportunities to continue affordability covenants.

Number of Units: 150

Number of Affordable Units: 150 (Very Low Income, Senior/ Disabled)

Year Built: 1988

Affordability Covenant: 40 years

Number	Program Name	Status
	Owner/Operator: Menorah Housing Foundation Timeline: On-going Funding Source: Departmental Budget Responsible City Section: Human Services Division, Community Services Department	

10.0 Provide New Housing Opportunities

Number	Program Name	Status
<b>Imp 10.1</b>	<b>Density Bonus</b>	Existing

Beverly Hills updated its residential density bonus ordinance in 2005 consistent with current State requirements as specified under SB 1818. In summary, applicants of residential projects of five or more units may apply for a density bonus and additional incentive(s) if the project provides for one of the following, per State policy:

- 10% of the total units for lower income households; or
- 5% of the total units for very low income households; or
- A senior citizen housing development that limits residency based on age requirements for housing for older persons; or
- 10% of the total dwelling units in a condominium for moderate income households.

The amount of density bonus varies according to the amount by which the percentage of affordable housing units exceeds the established minimum percentage, but generally ranges from 20-35% above the specified General Plan density. In addition to the density bonus, eligible projects may receive 1-3 additional development incentives, depending on the proportion of affordable units and level of income targeting.

The State requires the following incentives to be offered in conjunction with the density bonus:

- A reduction in parcel development standards (coverage, setback, zero lot line and/or reduced parcel sizes)
- Approval of mixed use zoning in conjunction with the housing project
- Other regulatory incentives or concessions proposed by the applicant, or the City that would result in identifiable cost reductions

By the City's ordinance, incentives offered are determined by the Planning Commission during the review process.

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Number	Program Name	Status
	<p>Pursuant to State requirements and at the request of the developer, the City will also permit a reduced parking ratio for density bonus projects. To the extent the density bonus cannot be accommodated due to the City's development standards, the City will waive or modify applicable standards to accommodate the bonus.</p> <p>In order to provide greater certainty in the type of development incentives and concessions that could be requested, the City will modify the current ordinance to include specific lists of options.</p> <p>Timeline: Modify the ordinance and promote the use of density bonus incentives through the City's Affordable Housing Brochure (Imp 10.5) by 2012.</p> <p>Funding Sources: Department Budgets</p> <p>Responsible City Section: City Manager's Office; Community Development Department</p>	

**Imp 10.2 Inclusionary Housing**

New

Beverly Hills will pursue adoption of an inclusionary housing program to require a minimum percent of units in development to be price-restricted as affordable to lower and moderate income households. The Ordinance will require either: (a) provision of affordable housing on-site; (b) provision of affordable units off-site; or (c) payment of an affordable housing in-lieu fee. Current case law (*Palmer/Sixth Street Properties v. City of Los Angeles*) limits the application of inclusionary requirements to: 1) for-sale housing projects, 2) rental projects receiving financial or regulatory assistance from the city subject to a written development agreement.

The City will conduct an inclusionary housing nexus study to document the relationship between residential development and demand for affordable housing, and to determine both the maximum supportable and recommended in-lieu fee amount. Based on the study's findings, the City will develop and adopt an inclusionary housing ordinance structured to offer incentives to help offset the cost of providing affordable units. In-lieu fees generated from the program will be contributed to the City's Housing Trust Fund.

Incentives offered under the Inclusionary Housing program will be linked with incentives offered under the City's Density Bonus program (Imp 10.1a)

Timeline: Conduct Inclusionary Housing Nexus and In-Lieu Fee Study in 2011, and adopt Ordinance by 2012.

Funding Sources: Department Budgets; future Inclusionary Housing In-lieu Fees.

Responsible City Section: City Manager's Office; Community Development Department

Number	Program Name	Status
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<b>Imp 10.3</b>	<b>Housing Trust Fund</b>	Existing
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Because the City does not have a Redevelopment Agency and has limited access to state and federal housing resources, the City faces practical and financial constraints in its ability to facilitate the construction of affordable housing. To create a more viable funding source, the City will establish a Housing Trust Fund that will be used to construct or help leverage construction of affordable housing. Potential Trust Fund resources include development agreements and in-lieu fees from an Inclusionary Housing Program. An Affordable Housing Program will be established to manage the Trust Fund and establish parameters for allocation of funds towards projects. Since January 1, 2006, the City has entered into three development agreements that included over \$4 million in funds allocated for the Housing Trust Fund. To date, none of these projects has submitted for building permits, and therefore, no funds have yet been collected. This program will move forward once a funding source has been identified, and will coincide with the collection of fees.

Timeline: 2012, to coincide with the adoption of an Inclusionary Housing Ordinance

Funding Sources: Inclusionary Housing In-lieu Fees, Development Agreements

Responsible City Section: City Manager's Office

<b>Imp 10.4</b>	<b>Second Units</b>	Existing
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In compliance with AB 1866, Beverly Hills has developed both a ministerial approval process for second units that are less than 650 square feet in size, as well as a discretionary review process for larger second units proposed on properties above Santa Monica Boulevard. The City has received and approved an average of 3 discretionary applications annually since the current ordinance was adopted in 2003. In order to collect information on second units to determine who lives in them, rent ranges, size, and additional steps the City can take to encourage construction of second units, the City conducted a Citywide survey of residential property owners. One of the questions posed in the survey is the amount of rent charged on existing second units (if any), as a means of assessing affordability and contribution towards addressing the community's regional housing needs (RHNA). Of the 40 occupied second units in the survey, 81 percent were provided rent free or for a rental amount affordable to very low income households. The results of the survey indicate that the majority of second units in Beverly Hills are occupied by caregivers or elderly parents of the primary homeowner.

To further encourage the provision of second units, the City will evaluate modifications to its second unit ordinance, including:

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	<ul style="list-style-type: none"> <li>Consider greater flexibility in second unit standards in R-1 zones south of Santa Monica Boulevard</li> <li>Consider allowing larger sized second units, of up to 1,000 square feet by right to reduce processing times, and facilitate the provision of second units with bedrooms (all other review requirements would remain). This may encourage housing options for single parent families and care-givers.</li> <li>For second units built above a garage, consider allowing an increase in the permitted height up to the height of the primary residence.</li> <li>Consider allowing reduced setback requirements where privacy is not compromised</li> </ul>	
<p>The Community Development Department will develop a brochure to provide information on the City's second unit standards, and promote their development.</p>		
<p>Timeline: Conduct Second Unit Survey in 2010. Evaluate revisions to current second unit standards, and publicize in 2011.</p>		
<p>Funding Sources: Department Budgets</p>		
<p>Responsible City Section: Community Development Department</p>		

**Imp 10.5 Affordable Housing Brochure and Outreach**      New

The City will develop a brochure to summarize available incentives offered for the development of affordable housing, including fee waivers, density bonuses and inclusionary housing requirements. The brochure will also summarize development standards for all multi-family residential areas in the City, and will highlight the "efficiency bonus" and "bonus units above garages" provisions in the Zoning Code. A series of web page and downloadable handouts will be made available on the City's website, in the permit center, and in other public information areas. [As an initial step, all materials will be mailed to major for-profit and nonprofit housing and mixed-use developers, and informational materials directing the development community to the webpage will be broadly distributed to increase awareness.]

Timeline: Develop and disseminate outreach materials in 2012.

Funding Sources: Departmental Budget

Responsible City Sections: Community Development Department

**Imp 10.6 Sustainability and Green Building**      New

"Green buildings" are structures that are designed, renovated, re-used or operated in a manner that enhances resource efficiency and sustainability. These structures reduce water consumption, improve energy efficiency, and lessen a building's overall environmental impact. The City of Beverly Hills adopted a local green building program in 2008, establishing

Number	Program Name	Status
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requirements similar to the green building measures under the US Green Building Council's LEED Program (Leadership in Energy & Environmental Design). The program applies to all new multi-family, mixed-use and commercial buildings, and renovations of multi-family, mixed-use and commercial buildings totaling over 50% in cost of the building's valuation. If compliance with the program would frustrate the ability to provide affordable housing in a project, some or all of the program can be waived.

Beverly Hills has also adopted a Sustainable City Plan in conjunction with recent amendments to its General Plan. The overall goal of the Sustainable City Plan is to reduce the City's carbon footprint by providing a model framework for sustainable practices for the environment, the economy and social equity.

Timeline: Ongoing.

Funding Sources: Departmental Budget

Responsible City Sections: Community Development, Public Works Departments

<b>Imp 10.7 Partnerships with Affordable Housing Developers</b>	Existing
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In today's housing market, creative approaches are required to finance and build affordable and special needs housing. Beverly Hills successfully partnered with the non-profit Menorah Housing Foundation to achieve development of 150 units of affordable senior housing, and has contracted with Alternative Living for the Aging for implementation of the senior shared housing program in the past. Both of these organizations own and manage numerous affordable housing developments for seniors in greater Los Angeles and can serve as potential resources for future senior housing in Beverly Hills. Several other local non-profits specialize in affordable workforce and family housing (e.g. - West Hollywood Housing Corporation, Jamboree Housing, and National Community Renaissance).

Providing adequate and affordable housing for senior residents and the local workforce is an important goal for Beverly Hills. In addition to developing and disseminating an affordable housing brochure (refer to Program 10.5), the City will conduct a developer's workshop to provide outreach to affordable housing developers. The purpose of the workshop will be to inform the development community of prospective sites for housing, development incentives, and available financial assistance to support the development of affordable workforce and senior housing.

Timeline: Conduct developer's workshop in 2013.

Funding Source: Departmental Budget

Responsible City Section: City Manager's Office, Community Development Department

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*11.0 Promote Equal Housing Opportunities and Special Needs Housing*

Number	Program Name	Status
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<b>Imp 11.1</b>	<b>Fair Housing Program</b>	Existing
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As a participating jurisdiction in the Los Angeles County CDBG program, fair housing services are coordinated by the County Community Development Commission on behalf of the City. The County currently contracts with the Housing Rights Center (HRC) to serve as the provider of fair housing and tenant-landlord information for its participating jurisdictions, including Beverly Hills. HRC provides fair housing investigation and coordinates referral services to assist individuals who may have been the victims of discrimination. Many of the people who contact HRC have basic questions about landlord and tenant rights and responsibilities; HRC's housing counselors provide clients with comprehensive information to help resolve tenant/landlord issues.

The City will continue to promote fair housing practices, and refer fair housing complaints to Housing Rights Center. As a means of furthering fair housing education and outreach in the local community, the City will advertise the fair housing program through placement of fair housing services brochures at public counters in City Hall and the library, at the Beverly Hills Senior Center, and on the City's website.

Timeline: Initiate advertising in 2011.

Funding Source: CDBG

Responsible City Section: Human Services Division, Community Services Department

<b>Imp 11.2</b>	<b>Senior Housing Development</b>	Existing
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The need for senior housing in the City is significant and growing. Over one-quarter of households in Beverly Hills are headed by a senior citizen. Two-thirds of these households are renters. The City will pursue several avenues to assist in establishing additional housing affordable to modest income seniors, including conducting a developer's workshop to inform the development community of available sites, development incentives, and available financial assistance. The following are among the types of incentives that may be provided:

- Flexible development standards (reduced parking requirements, modified setbacks, etc)
- Density bonuses
- City support in affordable housing funding applications
- Reduction in development fees

Timeline: 2013

Funding Source: Departmental Budget

Responsible City Section: City Manager's Office, Community Development

Number	Program Name	Status
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Department

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<b>Imp 11.3 Senior Case Management Program</b>	Existing
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The City contracts with Jewish Family Services to provide a comprehensive case management program to assist frail elderly residents to remain independent and in their homes.

The following continuum of supportive services are provided to seniors who are frail, economically needy, and/or socially isolated:

- Comprehensive assessment – In-home psycho-social assessment of functional abilities, health status, mental and cognitive abilities, support network, financial health, safety risks, eligibility for government benefits and other programs. The comprehensive assessment includes:
  - Development of an individual care plan – Identifies senior's needs and associated services that will allow continued independence.
  - Service coordination – Coordination with appropriate services, including in-home care-workers, ERS, home delivered meals, assistance to obtain governmental benefits, arranging for other community based services, transportation assistance, and coordination of services with medical providers, family, and social supports.
  - Emergency Response Systems (ERS) – ERS are medical devices placed in a senior's home and connected to a central emergency location.
  - Monitoring/ home visits: Social workers make regularly scheduled home visits to assure quality of services, and that changing needs are met.
- Additional Services: Information, referral and crisis intervention, consultation and advocacy, and assistance to families to further support the senior's independent living.

Approximately 28 Beverly Hills seniors are served annually under the comprehensive case management program. In addition, Jewish Family Services provides broad case management services through the Beverly Hills Senior Center, including information, referral and crisis intervention, serving approximately 200 seniors per year.

Timeline: On-going

Funding Source: CDBG, City of Beverly Hills Community Assistance Fund

Responsible City Section: City Manager's Office

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<b>Imp 11.4</b>	<b>Senior Homesharing Program</b>	Existing
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Alternative Living for the Aging (ALA) provides a free shared housing program which matches older people with others (younger and older) interested in sharing their homes. Housing counselors at ALA interview each potential roommate and obtain references, leaving the decision to the potential roommates whether to make a match. Sharing a home promotes independent living, provides additional income for the provider, an affordable rent for the seeker, and the potential for deeper relationships for both. The average age of community members in Beverly Hills is growing older, and over 750 seniors currently live alone in single-family homes in the City. Shared housing promotes the efficient use of the housing stock, and can help address the housing needs of seniors in our community. The City has provided funds to ALA in the past to help fund their roommate matching service, and anticipates the program will be funded again in future years when there are fewer budget constraints. Beverly Hills residents continue to have access to ALA's home sharing program.

Timeline: Evaluate Community Assistance Funds and determine grant amount annually.

Funding Source: City of Beverly Hills Community Assistance Grant Funds

Responsible City Section: Human Services Division, Community Services Department

<b>Imp 11.5</b>	<b>Accessible Housing</b>	On-going
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Pursuant to Senate Bill 520, jurisdictions are required to analyze constraints to the development, maintenance, and improvement of housing for persons with disabilities, and take measures to remove constraints. As part of this Housing Element, Beverly Hills has conducted a review of zoning, building codes, and permit processing procedures, and while the City has not identified any institutional barriers to the provisions of accessible housing, the City does not have in place specific procedures for requesting reasonable accommodations. As a means of facilitating such requests and removing constraints for persons with disabilities, the City will develop and adopt written procedures for reasonable accommodation requests with respect to zoning laws, permit processing, and building laws. Procedures will specify who may request an accommodation, time frames for decision-making and specific modification provisions.

Timeline: By 2011, develop and adopt specific written procedures for reasonable accommodation requests, and inform and educate the public on the process of requesting an accommodation.

Responsible City Section: Community Development Department

Number	Program Name	Status
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<b>Imp 11.6 Funding for Homeless Services</b>	Existing
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Beverly Hills launched the CLASP (Changing Lives and Sharing Places) Homeless Outreach and Engagement Program in January 2008. The program provides street outreach workers (through Step Up On Second) to assess the needs of homeless individuals in the City, provide case management, and to refer them to the appropriate services and shelter. The CLASP program currently has 46 homeless people in the City on its active case management list. Shelter is offered through People Assisting The Homeless (PATH), funded by the City to provide approximately 1,000 shelter bed nights per year.

Through its Community Assistance Grant Program, the City funds a variety of service organizations that serve the homeless and persons at-risk of homelessness. These organizations/programs include the All Saints Homeless Assistance Program, the Westside Food Bank, the Los Angeles Free Clinic, and the Maple Mental Health Counseling Center.

Service Providers: Step Up on Second; PATH; various other service agencies

Timeline: Annual funding allocations

Funding Source: City of Beverly Hills Community Assistance Grant Funds; Community Development Block Grant

Responsible City Section: Human Services Division, Community Services Department

*12.0 Remove Governmental Constraints*

Number	Program Name	Status
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<b>Imp 12.1 Zoning Text Amendments for Special Needs Housing</b>	Modified
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As part of the governmental constraints analysis for the Housing Element update, the following revisions to Beverly Hills' Zoning Code have been identified as required under State law:

- Add a definition of "family" which is inclusive and non-discriminatory to the Code.
- Add a "Community Care Facility" category and definition to the Code. List community care facilities with six or fewer occupants as permitted in residentially zoned areas. Permit care facilities with 7 or more occupants with a conditional use permit in the multi-family residential R-4 zoning overlay district where congregate housing for

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elderly and disabled persons is allowed.

- Add a Single-Room Occupancy (SRO) definition, use category, and development standards for SRO's to the Code. Permit SRO's with a conditional use permit within the multi-family residential R-4 zoning overlay district where congregate housing for elderly and disabled persons is allowed. Develop standards to regulate SROs.
- Add a definition for Transitional Housing, and Supportive Housing to the Code, and allow as a permitted use in the multi-family residential R-4 zoning overlay district where congregate housing for elderly and disabled persons is allowed subject to the same standards and permitting procedures as other residential uses, and without undue special regulatory requirements.
- Establish an Emergency Shelter definition and use category, and allow as a by-right, permitted use in the multi-family residential R-4 zoning overlay district where congregate housing for elderly and disabled persons is allowed. Shelters will be subject to the same development and management standards as other uses permitted in the specific zone. The City will, however, develop written, objective standards for emergency shelters to regulate the following, as permitted under SB 2:
  - The maximum number of beds/persons permitted to be served nightly;
  - Off-street parking based on demonstrated need, but not to exceed parking requirements for other residential or commercial uses in the same zone;
  - The size/location of exterior and interior onsite waiting and client intake areas;
  - The provision of onsite management;
  - The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
  - The length of stay;
  - Lighting;
  - Security during hours that the emergency shelter is in operation.

Timeline: Amend the zoning code by 2012 to make explicit provisions for a variety of special needs housing.

Funding Source: Departmental Budget

Responsible City Section: Community Development Department

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**Imp 12.2 Adjust Development Standards**

Modified

While the City's development standards are aimed at ensuring the quality of development, certain standards may have the effect of constraining the provision of certain housing types. For example, the City's minimum unit size and parking requirements may serve as a disincentive to the construction of smaller units for the City's workforce. In order to better facilitate a range of

Number	Program Name	Status
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housing types, the City will evaluate the following revisions to its residential development standards:

- Consider decreasing the minimum unit sizes
- Consider replacing the current density calculation for multi-family projects in the zoning code with a maximum floor area ratio
- Consider ways of modifying development standards for single-lot projects
- Allow greater flexibility in the type, and location of multi-family parking
- Consider allowing the same number of units to be rebuilt on properties which have more units than currently would be allowed
- Provide additional incentives for workforce housing over and above those contained in the provisions of the State Density Bonus.

Timeline: Amend the zoning code by 2012.

Funding Source: Departmental Budget

Responsible City Section: Community Development Department

<b>Imp 12.3 Reduced Fees for Affordable Housing</b>	Existing
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Beverly Hills collects various fees from development to cover the costs of processing permits and providing services and facilities. The City will evaluate the economic benefit of providing waivers or reductions of certain fees for developments containing very low, low- and moderate-income housing units, including the Park and Recreation tax and the Dwelling Unit tax.

The California legislature passed AB 641 in 2007 which helps to address the cash flow problems inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to lower income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

Timeline: Conduct fee study in 2012, and adopt modified development fees for affordable housing as appropriate.

Funding Source: Departmental Budget

Responsible City Section: Community Development Department

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