

# Attachment 2

June 27, 2013 Planning Commission  
Staff Report



**City of Beverly Hills**

Planning Division

455 N. Rexford Drive Beverly Hills, CA 90210  
TEL. (310) 485-1141 FAX. (310) 858-5966

## Planning Commission Report

**Meeting Date:** June 27, 2013

**Subject:** Draft 2014-2021 Housing Element

**Recommendation:** Consider a recommendation that the City Council direct staff to submit the Draft 2014-2021 Housing Element to the State for review

---

### REPORT SUMMARY

The City is required to periodically update its Housing Element. As part of that process, the City is required to send the draft document to the State Department of Housing and Community Development (HCD) for review. At this time, staff requests that the Planning Commission review the draft 2014-2021 Housing Element and make a recommendation that City Council send the draft document to HCD.

The Housing Element establishes goals, policies, and programs to achieve an adequate supply of safe, affordable housing for all members of the community, and is part of the City's General Plan. This report summarizes the content of the Draft 2014-2021 Housing Element and Appendices.

### BACKGROUND

The Housing Element is one of the State-required elements in the City's General Plan and it must be updated periodically. The City's currently adopted Housing Element is for the period 2008-2014 and was adopted by the City Council in 2012. The new update period for Beverly Hills is eight years (2014 – 2021). The City qualified for this longer, eight year planning cycle (previous cycles were five years) because the City's prior Housing Element was certified by the State, and the City has since adopted special needs housing and reasonable accommodation ordinances consistent with State law.

In the Housing Element, the City is required to provide a sites and zoning analysis to accommodate a minimum number of affordable and market rate housing units during the 2014-2021 planning cycle. The State also requires the City to review past housing trends, assess the housing needs of the community, identify constraints to providing affordable and market rate housing, and establish policies and programs to address these constraints and produce housing. A major emphasis of the Housing Element update is to assure that the City adequately plans for future housing needs in the community. The number of housing units for which the City needs to plan is determined by the State, and allocated by the Southern California Association of Governments (SCAG) through the Regional Housing Needs Assessment (RHNA) Allocation Plan.

New to this planning cycle, the State Department of Housing and Community Development has a streamlined update review process. This process is useful for local governments that do not have significant changes in local conditions and circumstances since the adoption of their existing element,

#### Attachment(s):

1. Draft 2014-2021 Housing Element
2. Draft 2014-2021 Housing Element Appendices

#### Report Author and Contact Information:

Timothea Tway  
Assistant Planner  
(310) 285-1122  
Ttway@beverlyhills.org

and find that the information in the existing housing element is still current. In the streamlined process, the City is able to resubmit edited sections of the existing housing element with changes presented in strike-out and underline formatting. For this housing element update not all sections are being revised, and the streamlined review process will allow the City to complete the Housing Element update more quickly and at a lower cost. Sections of the attached Housing Element update are labeled as edited or new for ease of review.

## **DISCUSSION**

The purpose of the Housing Element is to achieve an adequate supply of safe, affordable housing for all community members at all income levels, including community members with special needs. The draft element is presented in two documents, in order to increase readability and make it more consistent with other elements in the General Plan. The first document (Draft 2014-2021 Housing Element, Attachment 1) would be inserted into the General Plan, replacing the existing housing element. The Housing Element includes the introduction, housing plan (including the housing goals, policies and programs), housing needs summary, sites inventory and RHNA summary. The second document (Draft 2014-2021 Housing Element Appendices, Attachment 2) includes background information on the Beverly Hills Housing Element. This document would be adopted by reference and maintained separate from the General Plan. The contents of these appendices are outlined in detail below.

### Draft Housing Element

#### *Community Profile and Housing Needs*

The community's housing needs are estimated from 2010 census data and other State data sources. Overall, the population in the City remained relatively stable over the past decade, with a population of 34,109 residents in 2010. Other trends include:

- Approximately 3,941 Beverly Hills households (28% of all households) earn Low incomes (<80% of area median income [AMI]<sup>1</sup>);
- The 2010 Census estimates that 1,518 households (11% of all households) earn Extremely Low incomes (<30% AMI);
- Approximately one-third of the City's workforce (13,000 workers) are in generally lower paying hospitality, restaurant, retail and service-related industries;
- Approximately 4,360 Beverly Hills households (30% of all households) are Senior households<sup>2</sup>; and,
- Ten-percent (3,259 individuals) of the City's population has some type of physical or mental disability.

---

<sup>1</sup> The government classifies household income into groups based on the County adjusted median income (AMI), adjusted for household size. The 2013 Los Angeles County income limits for a two person household are: Extremely Low - \$20,500; Very Low - \$34,200; Low - \$54,650; Moderate - \$62,200; and Above Moderate - >\$62,200. More information on AMI can be found on page A-12 of Appendix B.

<sup>2</sup> A Senior Household is defined as a household headed by a person aged 65 years and older.

Additionally, 56% of residents are estimated to rent rather than own their home and approximately 63% of the housing in Beverly Hills is multi-family housing. More information on the demographic and housing trends of the City and the identified housing needs can be found in Appendix A.

#### *Housing Plan*

The City's Housing Plan outlines the goals, policies and programs to address the community's housing needs. The 2014-2021 Housing Element has not substantially changed from the 2008-2014 Housing Element; however, program timelines have been revised to meet the new planning cycle (2014-2021) and several programs have been updated to reflect actions that the City accomplished since the adoption of the last Housing Element. New housing programs and changes to existing housing programs include:

- Program 9.4 "Historic Preservation Program" was added to addresses Historic Preservation as a tool for the preservation of older housing stock, and establishes a goal of evaluating and adopting preservation incentives to promote the preservation of historic sites and structures.
- Program 10.5 "Affordable Housing Production Brochure and Outreach" was accomplished, and the program was removed;
- Program 11.5 "Housing Opportunities for Persons with Disabilities" was changed to reflect the adoption of the Reasonable Accommodation ordinance (12-O-2634) in 2012. The program now sets a timeline for the implementation of an outreach program to publicize information on resources for housing and services and the pursuit of funds for future housing projects;
- Program 12.1 "Zoning Text Amendments for Special Needs Housing" was accomplished with the adoption of the Special Needs Housing ordinance in 2012 (12-O-2633) and this program was removed; and,
- Program 12.3 "Monitor the Development Review Process" has been modified to reflect recent actions taken to streamline the permit process and reflect the current effort to update the zoning code.

Numeric objectives for housing production, housing rehabilitation, and housing preservation are also defined in the housing element, based on programs and on past development trends.

#### *Sites Inventory and Regional Housing Needs Assessment Summary*

The sites inventory identifies vacant or underutilized multi-family sites that are appropriate for housing development (See pg. 498 of the attached draft Housing Element). The sites inventory has been updated based on development that took place since the last Housing Element. The inventory also includes housing projects that are entitled but not yet built, and second units<sup>3</sup> that are expected to be built in the next housing cycle. The sites inventory indicates that there are adequate sites to accommodate the City's RHNA (3 units), shown in the following table. The RHNA is considered the City's

---

<sup>3</sup> A second unit is defined as a residential dwelling that provides complete independent living facilities including a sleeping area, a bathroom, and a stove and refrigerator located on the same lot as an existing single-family home. More information on second units is outlined on pg. 482 of the attached Draft Housing Element document.

fair share contribution to the regional housing need. The full sites inventory is provided in Appendix B (Potential Constraints on Housing Production and Conservation).

Regional Housing Needs Assessment 2014-2021, Beverly Hills			
Income Level	Percent of AMI*	Units	Percent
Extremely Low**	0-30%	0	0%
Very Low	31-50%	1	33%
Low	51-80%	1	33%
Moderate	81-120%	1	33%
Above Moderate	120%+	0	0%
<b>Total</b>		<b>3</b>	<b>100%</b>

Source: <http://SCAG.ca.gov.gov/Housing/rhna.htm>

\* AMI – Area Median Income.

\*\* An estimated half of the City's very low income housing needs (0 units) are for extremely low income households.

## Appendices

### *Community Profile (Appendix A)*

Appendix A contains the full community profile that was compiled and analyzed to identify the housing needs of the community. This appendix was rewritten to reflect the most recent demographic and housing data available. A summary of key points from the community profile is described above in the "Community Profile and Housing Needs" section of this report.

### *Potential Constraints on Housing Production and Conservation (Appendix B)*

The potential constraints appendix provides a summary of potential market, governmental, and environmental constraints that could reduce the market's ability to provide adequate housing to meet the community's needs. The appendix includes information on construction and land costs, land use and zoning standards, and environmental and infrastructure limitations associated with housing production. The potential constraints appendix has been edited to reflect changes in City policies and programs since the adoption of the last Housing Element including:

- Establishment of reasonable accommodation procedures for disabled persons;
- Establishment of the special needs housing overlay zone;
- Creation of the historic preservation program; and,
- Establishment of an updated fee schedule.

### *Housing Resources (Appendix C)*

The Housing Resources (Appendix C) section provides an analysis of land, financial, and organizational resources available to the City and to housing developers. This section has been rewritten to reflect current resources available.

#### *Review of Past Accomplishments (Appendix D)*

This appendix has been rewritten to list the City's accomplishments in achieving the goals and policies of the prior Housing Element (2008-2014), which include:

- Establishment of reasonable accommodation procedures for disabled persons with the adoption of ordinance 12-O-2634;
- Adoption of a zoning text amendment for special needs housing to make explicit provisions for a variety of special needs housing with the adoption of ordinance 12-O2633;
- Hosting housing forum with non-profit and affordable housing developers in the region; and,
- Continuation of programs maintaining and enhancing the quality of housing and neighborhoods including the Handyworker Home Repair and Improvement program and the property maintenance program.

#### *Public Participation (Appendix E)*

Contents of this appendix are discussed in the public notice section of this report.

#### **GENERAL PLAN CONSISTENCY**

The Housing Element is consistent with the goals, policies, and programs in the City's General Plan. General Plan Policy LU 3.2 "Fair Share of Regional Housing Needs" states that the City should meet State requirements to accommodate the City's fair share of regional housing needs, and Policy LU 16.10 "Affordable Housing" calls for the support of the development of affordable housing as required by state law. General Plan Program 1.2 "General Plan Amendments" states that the City will periodically revise the Housing Element and other elements in the general plan as required by State statute. General Plan Program 5.1 "Housing" calls for the adoption of programs that promote the preservation, conservation and improvement of housing in the community, and for the support of the development of housing for all economic segments, the support of special needs households, the removal of constraints to housing production and the support of equal housing opportunities for all residents. In addition, the State requires the Housing Element be updated periodically. This update is consistent with State requirements.

#### **PUBLIC NOTICE**

A notice of public hearing was published on June 20, 2013, in the *Beverly Hills Weekly* and June 21, 2013 in the *Beverly Hills Courier*. Public participation in the Housing Element process is important and the City encourages and solicits the participation of its residents and other local agencies in the process of identifying housing and community development needs, and prioritizing expenditure of City funds. Appendix E summarizes the community outreach conducted thus far for the Housing Element Update. Outreach has included a City sponsored forum held in February 2013 that brought together representatives from approximately 15 non-profit housing builders and agencies to discuss the City's housing needs, opportunities for development, and current and future housing policies. The City also conducted a "Housing Survey" to gather input from community members on housing conditions and needs. The survey was provided online at the City's website, and placed in the library and community center. Results of the survey are presented in Appendix E.

**NEXT STEPS**

The Housing Element will be brought to the City Council for direction to submit the document to the State for review once the Planning Commission has considered the Draft Element and made its recommendation.

Report Reviewed By:

  
\_\_\_\_\_  
Jonathan Lait  
City Planner