

Attachment 3

Draft 2014-2021 Housing Element

For August 6, 2013 City Council Meeting

HOUSING

Adopted on XX
Certified by the State on XX

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NEW

Role and Purpose of Housing Element

The purpose of the Housing Element is to achieve an adequate supply of safe, affordable housing for all community members regardless of income, including community members with special needs. Housing element law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt zoning and regulatory mechanisms that provide opportunities for, and do not unduly constrain, housing production. Housing element statutes also require the State Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law and report their findings back to the local government.

A key aspect of a community's housing element is the identification of adequately zoned sites and the establishment of local housing programs to meet the jurisdiction's "fair share" of future housing needs for all income groups. The Southern California Association of Governments (SCAG) is responsible for developing and assigning these regional needs to southern California jurisdictions. Pursuant to the Regional Housing Needs Assessment (RHNA) planning period, the Beverly Hills Housing Element is an eight-year plan extending from 2014-2021. This Housing Element is an update to, and replaces the City's 2008-2014 Housing Element adopted in November 2011.

Beverly Hills' 2014-2021 Housing Element identifies strategies and programs for:

- 1) Housing Maintenance and Conservation
- 2) Housing Supply and Diversity
- 3) Fair Housing and special Needs Residents
- 4) Removing Governmental Constraints

The Housing Element is consistent with the policies and programs set forth in other elements of the City's General Plan. Since the adoption of the previous Housing Element, there have not been any significant General Plan Amendments in other Elements of the General Plan. The City will ensure that future updates of other General Plan elements include review and, if necessary, modification in order to maintain consistency among the various elements in the General Plan.

NEW

Community Profile and Housing Needs Summary

The Community Profile (provided in Appendix A) provides an in-depth analysis of population growth and trends, household characteristics, special needs populations, and housing stock characteristics in the City of Beverly Hills. The community profile is based on the 2010 Census along with other data sources. This analysis provides insight into the age, race and ethnicity, employment status, household size, and income of members of the community, and can help identify the community's housing needs. These housing needs inform the programs included in the Housing Plan. Key demographic trends and housing needs are summarized in this section.

Federal and state data reveals several key facts about the demographic profile, household profile and special needs, and housing stock characteristics in Beverly Hills, including:

- **Approximately 28-percent of Beverly Hills households earn Low incomes (<80% AMI - area median income), 11-percent earn Extremely Low incomes (<30% AMI).**

Further, seventy percent of Beverly Hills' extremely low income households are renters, a group considered at risk of losing their housing.

- **Approximately one-third of the City's workforce is in lower paying occupations.**

This is contributing to 95-percent of persons employed in the City commuting in from outside the City limits. Market rents in Beverly Hills are well beyond the level of affordability for very low, low, and even most moderate income households. Examples of occupations priced out of the local housing market include preschool teachers, licensed nurses, administrative assistants, and retail sales managers.

- **Senior citizens comprise 30-percent of Beverly Hills' households.**

42-percent of the City's seniors live alone, 37-percent are renters, and 31-percent of seniors have a disability. Seniors also comprise 40-percent of the Extremely Low Income Households in the City. Seniors face housing needs related to housing maintenance, accessibility and cost. Many elderly are on limited, fixed incomes and are particularly vulnerable to rent increases and other changes in living expenses.

- **Ten-percent of the City's population has some type of physical or mental disability.**

The living arrangements for persons with disabilities depends on the severity of the condition, and ranges from independent living to specialized care environments (group housing).

- **Approximately 63-percent of the City's housing stock is multi-family housing.**

The majority of multi-family housing is in larger complexes with five or more units. A slight majority of the City's households are renters (56% renters vs. 44% owners), fairly close to the 62-percent of renters County-wide.

- **More than 60-percent of Beverly Hills' housing is more than 50 years old.**

While high property values have contributed to ongoing upkeep and renovation of the housing stock, there is a sizable senior population who may face difficulties maintaining their homes as they age. Both code enforcement and housing rehabilitation programs continue to be important.

- **Housing overpayment among lower income households is high.**

Three-quarters of both lower income owners and renters are spending greater than 30-percent of their incomes towards housing. The community's special needs populations – seniors, persons with disabilities, and female-headed households with children – are particularly vulnerable to losing their housing due to an inability to pay.

- **The population in Beverly Hills is relatively stable, with a 1% increase from 2000 to 2010.**

The City's population remains relatively white (79% in 2010); although a large percentage of residents are foreign born.

- **The number of young adults living in the City is decreasing**

While the population has remained stable, Beverly Hills has seen a marked decrease in its young adult (25-44 years) population over the past two decades, and a corresponding increase in its population of middle adults (45-64 years). These trends reflect both the aging-in-place of young adults, and the limited number of new young adults moving into the Beverly Hills community due in part to high housing costs.

- **Seniors (age 65+) represent a significant segment of the City's population.**

19-percent of the City's residents are seniors. This is nearly double that of the 11-percent of seniors County-wide. With the aging of the baby boomer population, the number of senior citizens is projected to increase dramatically over the next decade.

- **38 percent of residents are foreign born.**

Approximately 5,600 residents report speaking English less than very well. Language barriers may prevent these residents from accessing information, services, and housing in the community.

- **Beverly Hills is characterized by a lower percentage of family households than the County.**

In Beverly Hills, 57-percent of households are family households, compared to 68-percent in the County. The City has a much higher incidence of single-person households than the County (36% vs 24%). Accordingly, the average household size in Beverly Hills (2.29 persons) is well below that of the County (2.98 persons). These household characteristics are in large part a reflection of the high incidence of senior citizens in the community.

Beverly Hills implements numerous programs to address the community's housing needs, as presented in the Housing Plan chapter of the Housing Element. For information on past programs and accomplishments, please see "Evaluation of Accomplishments" (Appendix D). For a discussion on various resources available to address these housing needs, please see "Housing Resources" (Appendix C).

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NEW **Introduction**

The Housing Element is organized into the following sections:

Community Profile and Housing Needs Summary: Summarizes the community's existing and projected housing needs from the Community Profile (more detailed information is provided in Appendix A).

Introduction: Summarizes the organization of the Element, public participation in the process, and sources of data utilized.

Housing Plan: Presents Beverly Hills' 2014-2021 housing strategy to address the community's housing needs and includes housing goals, policies, and programs.

Sites Inventory and RHNA Summary: Presents available residential sites to address Beverly Hills' regional housing needs.

Detailed background information for the Beverly Hills Housing Element is provided in a series of Appendices, including:

A. Community Profile: Analysis of housing needs in Beverly Hills, including population demographics, residents with special needs, housing characteristics, and current rent and ownership trends.

B. Potential Constraints on Housing Production and Conservation: Review of potential market, governmental, and environmental constraints which may impact the community's ability to meet housing needs.

C. Housing Resources: Analysis of land, financial, and organizational resources available to address housing needs.

D. Review of Past Accomplishments: Evaluation of accomplishments in achieving the goals and policies of the prior Housing Element (2008-2014).

E. Public Participation: Materials and information related to community outreach conducted for the Housing Element Update.

Public Outreach and Participation

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 expenditures of City funds.

Public outreach for the Housing Element update was initiated in February 2013 with a City sponsored forum for affordable housing builders and providers. Approximately 15 representatives of local

non-profit housing builders and agencies attended the forum where City staff shared information on City resources and incentives for senior/disabled/affordable housing. Participants were encouraged to offer advice and comments on future housing programs in the City. Information was provided regarding the Housing Element update, density bonus program, senior and congregate housing incentives, entitled affordable housing projects, and services provided for the homeless in Beverly Hills. Staff also disseminated a survey to solicit specific written input from participants as to what programs/incentives could be of greatest benefit for the production of affordable housing in the City. A summary of the Housing Forum is included in the Appendix E "Public Participation" to the Element.

The City solicited public input on the Housing Element update through a survey that was available in the early stages and throughout the development of the update. Paper copies of the survey were available in the public library and community center, and an online version was available through the City's website. The survey was available to the public for approximately 3 months prior to the completion of the draft element, and at that time a total of 21 individuals had taken the survey.

Several survey respondents commented on a need for more affordable housing in the community. Respondents also indicated a desire to see more apartments, condominiums, single family homes and senior housing in the City. Many programs in the Housing Element address the needs of the community as identified through the survey. Program 9.6 "Rent Stabilization" continues the City's existing rent stabilization program that affects approximately 12,800 apartments. Programs 10.1 "Density Bonus", 10.2 "Inclusionary Housing", 10.3 "Housing Trust Fund", and 10.6 "Partnerships with Affordable Housing Developers" address the need for more affordable units and projects. Program 11.2 "Senior Housing Development" specifically addresses the need for affordable senior housing units in the City. A copy of the survey and survey results are provided in Appendix E of the Housing Element.

Upon completion of the draft Housing Element, the City will circulate a Notice of Availability to a variety of interested organizations, including individuals and groups who have participated in the element update process. The Notice will define a 60-day review and comment period, and will identify locations for review of the draft document, including the local libraries, the Senior Center, City Hall, and the Community Development Department. In addition, the draft Housing Element will be available on the city's website at www.beverlyhills.org. With direction from the City Council, the draft will also be sent to the State Department of Housing and Community Development (HCD) for review and comment.

Public hearings will be held on the Housing Element before both the Planning Commission and City Council. Notification will be published in the local newspapers in advance of each hearing, and direct notices will be mailed to interested groups and individuals. Public hearings before the City Council and Planning Commission are televised, and both City Council and Planning Commission hearings are video recorded and made available on the City's website, allowing greater access to individuals unable to attend in person.

Data Sources and Methods

In preparing the Housing Element, and the Community Profile in particular, data was compiled from a variety of sources. The following identifies the primary sources of information utilized in the City's 2014-2021 Element, with the specific source referenced beneath each data table in the document.

- Demographic and housing data was derived from the 2010 Census, 2006-2010 American Community Survey, and the Southern California Association of Governments' (SCAG) Existing Housing Needs Statement;
- SCAG's 2008-2035 Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast was used to estimate population, housing, and employment projections;
- Household income data by type of household was derived from the Comprehensive Housing Affordability Strategy (CHAS) prepared by HUD;
- 2012 housing market information was obtained through newspaper and internet rent surveys, and DataQuick sales transactions;
- Employment data by industry type and commuting patterns was estimated through the Census 2012, OnTheMap Application;
- SCAG's 2013-2021 Regional Housing Needs Assessment (RHNA) was used to estimate projected housing needs; and,
- Lending patterns for home purchase and home improvement loans were based on the Home Mortgage Disclosure Act (HMDA) database.

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EDITED **Housing Plan**

The Housing Plan ~~is~~ includes the City's goals ~~and~~ policies, ~~and~~ programs and quantified objectives for meeting ~~to meet~~ the community's housing needs.

2014-2021 Goals and Policies

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

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

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. 9.32)

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. 9.43)

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. (Imp. 9.4)

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

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)

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.

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)

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)

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)

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)

2014 - 2021 Housing Element Goals and Policies

H 2.6 **Site Information.** Provide information to residential developers regarding sites that may be suitable for new affordable housing development. (Imp. 10.56)

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)

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)

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. 10.76)

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)

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)

2014 - 2021 Housing Element Goals and Policies

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.

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)

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)

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)

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

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~~6~~)

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

**2014 - 2021 Housing Element
Goals and Policies**

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)

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

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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