Attachment 5:

City Council Staff Reports dated April 11, 2013, July 24, 2012, and June 19, 2012 (without attachments)

CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: April 11, 2013

To: Honorable Mayor & City Council

From: Jonathan Lait, AICP, Assistant Director of Community Development

Subject: Request by Mayor Mirisch for a Briefing of the Proposed Gateway Project and Site Visit to Gateway Properties (9900 Santa Monica Boulevard, 9848 Wilshire Boulevard and 9817 Wilshire Boulevard), and to the Kenquest Building (499 North Canon Drive) at 4:30 p.m.

Attachments:
1. Proposed G-PD-C Overlay Zone Objectives
2. Updated Gateway Project Traffic Study

INTRODUCTION

The City Council will conduct a site visit to the subject properties as scheduled on the April 11th study session agenda. It is anticipated that City Councilmembers will identify additional information needed to facilitate an upcoming hearing for the project, and direct questions to staff that will be addressed at the future public hearing. At this time, no public hearing date has been set.

This report provides background information related to the proposed Gateway Project.

BACKGROUND

The Planning Commission completed its review of the subject Gateway Project and forwarded recommendations to the City Council on May 24, 2012.[1] The City Council conducted public hearings on June 19, 2013 and July 24, 2013.[2] While there was

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[1] Planning Commission Staff Reports. November 20, 2008 – May 24, 2012:
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Planning Commission Resolutions. May 24, 2012:
http://beverlyhills.granicus.com/MetaViewer.php?view_id=2&clip_id=2745&meta_id=150523

[2] City Council Agenda Report, dated June 19, 2013:
http://beverlyhills.granicus.com/MetaViewer.php?view_id=2&clip_id=2745&meta_id=150519
City Council Agenda Report, dated July 24, 2013:
http://beverlyhills.granicus.com/MetaViewer.php?view_id=2&clip_id=2805&meta_id=154232

support for redevelopment of the subject T1 zoned parcels, a majority of the City Council also expressed concerns regarding the project, including a need to:

- Explore opportunities that reduce project-related traffic into residential neighborhoods
- Conduct addition traffic analysis on Charleville and Gregory Way
- Include a new objective related to view impacts from sensitive land uses
- Clearly define 'iconic' architecture and specific details on additional 'public benefit'
- Consider additional development standards, including setback, modulation and landscaping requirements
- Reduce (from 60 feet) building height on Parcels 1 and 2.

The City Council / Planning Commission liaisons (Vice Mayor Bosse and Councilmember Brien) met on August 16, 2012 and December 7, 2012. The liaisons directed the preparation of an updated traffic study (Attachment 2) based on revised ingress/egress points for the Gateway Project, including new access from North Santa Monica Boulevard on Parcels 1 and 2. The updated study concludes:

- No new traffic impacts if project additional driveways are located at North Santa Monica Boulevard
- Elimination of one traffic impact at S. Santa Monica Boulevard and Moreno Drive
- At peak hours, the project would yield an additional vehicle every 2-3 minutes on Charleville and one additional vehicle every 6-7 minutes on Gregory Way
- A reduction of 30-40% project traffic on Charleville and Gregory due to the North Santa Monica Boulevard driveways.

The liaison committee also concluded that view studies, while necessary for any future development, were not required for the subject legislative requests. This, in part, is because there is no specific project to review and, the anticipated addition of a new overlay zone objective that would address view impacts from sensitive land uses.

Also, height above 45 feet for any of the parcels was not supported.

DISCUSSION

The proposed Gateway Project is located at the western portion of the City. Applications were filed several years ago; however, conceptually this project has been discussed formally or informally for over a decade.

The project began with a request to consider a development project on a transportation railroad right-of-way parcel, identified as Parcel 2 on the following page. That application is currently on hold and not being reviewed at this time.

Current Project Description

The proposed project is a legislative request for the following:

1. Amend the General Plan to establish a Gateway Commercial/Mixed Use/Transportation Land Use designation for Parcels 1, 2, and 3 depicted below, and the immediately adjacent C3 zoned properties to the south.

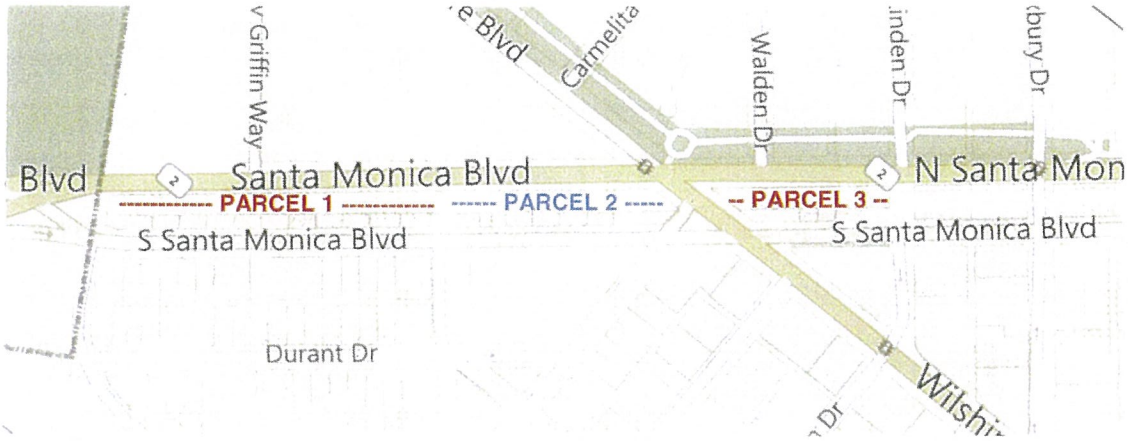
2. Amend the Zoning Code to establish a Commercial Planned Development Gateway Overlay Zone (C-PD-G).

If these legislative requests are approved, then the owners of Parcels 1, 2, and 3, could submit one or more applications to apply the C-PD-G overlay to their property.[3]

If filed, such requests would include both legislative (amending the code to extend the overlay zone to certain properties) and quasi-judicial components (review of a discretionary Planned Development permit). This process provides the City Council broad discretion and final approval authority of any proposed project on the subject T1 zoned properties.

Further, it is anticipated that any future development would also include a development agreement or similar legal instrument that would memorialize the code-required public benefits to the community.

Any future project will also be subject to additional environmental review as discussed later in this report.



C-PD-G Overlay Zone Objectives

The Planning Commission in its review of the legislative requests favored articulating zone objectives to describe desired development in this area and focused less on specific development standards that may constrain a creative design solution on these long, narrow properties.

Attachment 1 to this report includes the 14 objectives recommended by the Planning Commission. Based on City Council discussion on July 24, 2012, Objective 12, which allowed heights up to 60 feet for Parcels 1 and 2, will be deleted. Also, the objective addressing view impacts from sensitive land uses has not been included at this time.

Other objectives seek to achieve the following:

- Promote the garden quality of the City
- Improve pedestrian, bike and vehicular mobility in and around the project site
- Provide additional public parking beyond code standards
- Encourage lot consolidation

[3] A similar process already exists in the Zoning Code as it relates to the Transportation Overlay Zone for all T1 Zoned parcels (to allow certain, limited, development opportunities); the Medical Overlay Zone was also modeled after this process.

- Iconic and innovative building designs
- Substantial area dedicated to green space, public open space, and pedestrian amenities to promote the appearance of a greenbelt
- Substantial setbacks from Wilshire Boulevard (Parcels 2 and 3) to complement Beverly Gardens Park and the Fountain Plaza.

For a project to be approved, the City Council would need to find that the development conforms to each objective and that the proposed public benefits are sufficient.

C-PD-G Overlay Zone Development Standards

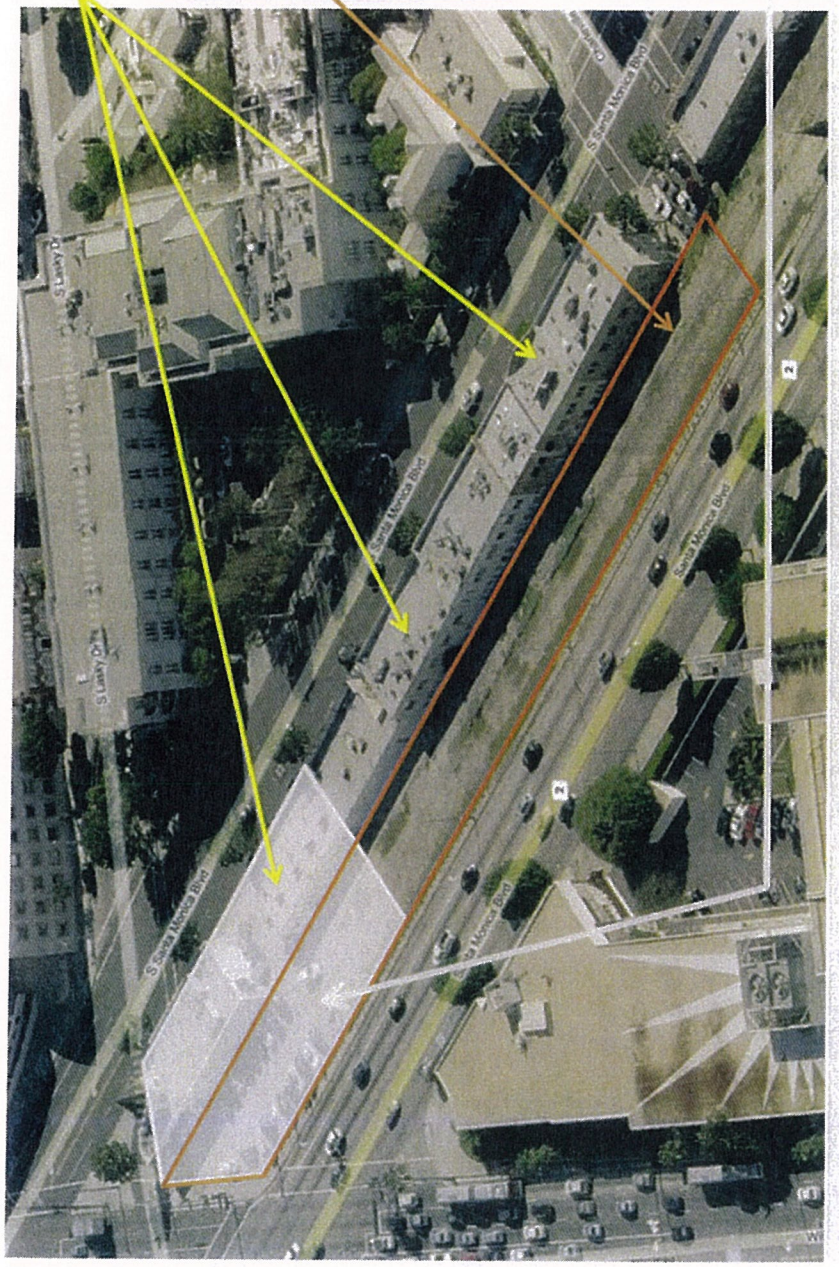
The proposed zoning text amendment does not specify any setback, green space, or land dedication requirements; these standards would be established with the Planned Development permit.

This approach may be challenging for developers because it does not provide a specific formula for building design. However, given the uniqueness of the T1 zoned parcels and the uncertainty of how many immediately adjacent C3 properties might be incorporated into a future development, the Planning Commission decided to promote design flexibility and innovation rather than promulgate strict zoning standards. The Planning Commission recommends an approach that relies on the overlay zone objectives as a means to obtain significant setbacks and green space, and meet other development goals.

Notwithstanding the objectives-based approach, the Planning Commission did find it necessary to specify certain standards, including:

- Permitted/Prohibited Uses:
  - allows office, retail, restaurants, hotels, residential above the first floor and similar uses
  - prohibits medical office use, nightclubs or other uses prohibited in the C3 zone.
- Height Limit:
  - T1 Zoned Parcels without Adjacent C3 Parcel: 18' (1 story)
  - T1 Zoned Parcels incorporated with Adjacent C3 Parcel(s): 45' (3 stories)
- Density:
  - T1 Zoned Parcels without Adjacent C3 Parcel: 0.5:1 FAR
  - Portions of T1 Zoned Parcels incorporated with Adjacent C3 Parcel(s): 1.5:1 FAR – (2.0:1 FAR for the underlying C3 zoned parcels)
  - No development, except required landscaping, on portions of the T1 parcel not immediately adjacent to C3 parcel included as part of the overall development.
- Parcel Size:
  - Minimum parcel area of 30,000 square feet to qualify for overlay zone, but includes an exception for Parcel 3, which is less than 30,000 square feet.
  - This provision effectively prohibits subdividing the existing T1 parcels into smaller parcels.
- Parking/Loading:
  - Compliance with City standards, however, overlay zone Objective 5 (Attachment 1) requires additional excess parking on Parcels 1 and 2 to mitigate a neighborhood parking deficiency.

C-PD-G Overlay Zone Development Standards



C3 Only Development
- 45', 3 Stories
- 2.0:1 FAR

T1 Only Development w/C-PD-G Overlay Zone
- 18', 1 Story
- 0.5:1 FAR[1]
- Compliance with Overlay Zone Objectives

[1] Any floor area established under this provision would be applied toward the maximum floor area for any combined T1 and C3 Development (below)

T1 & C3 Development w/C-PD-G Overlay Zone
- 45', 3 Story
- 1.5:1 FAR (T1) [2]
- 2.0:1 FAR (C3)
- Compliance with Overlay Zone Objectives
- Remaining portions of T1 Zone landscaped

[2] When calculating total floor area permitted for the T1 portion with the combined development scenario, only the parcel area immediately adjacent to the incorporated C3 lots may be considered. The remaining (not shaded) T1 portion receives a 0.0:1 FAR. In the illustrated example above, the shaded portion of the T1 parcel is about 1/3 of the total T1 parcel, (1/3 of 35,900 SF = 11,850 SF). To calculate the maximum buildable area in this example, 11,850 would be multiplied by 1.5 FAR resulting in a maximum buildable area on the T1 portion of 17,800 SF.

Environmental Review and Other Studies[4]

An Environmental Impact Report was prepared that analyzes the maximum build out potential of all parcels in the Gateway overlay zone. The study concluded that there are the following unmitigable impacts:

- Air Quality impact if all three T1 zoned parcels are developed at the same time
- Traffic impact at South Santa Monica Boulevard and Wilshire Boulevard.

Any future development on the T1 zoned parcels whether incorporated with the immediately adjacent C3 parcels or not will be subject to additional environmental review, including possibly a new environmental impact report.

Also, when a development is proposed and as appropriate, the City will require massing models, site line studies from the nearby sensitive land uses, economic pro forma reports, and neighborhood parking deficiency studies to ensure the decision-making authorities have all the information needed to make an informed decision regarding the project.

Site Visit

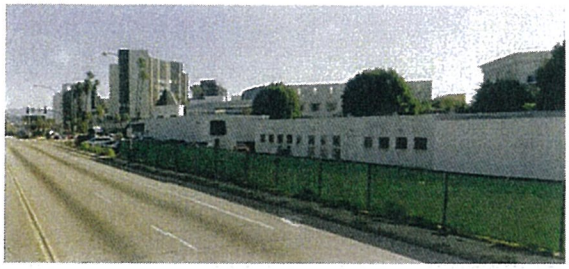
A site visit to the subject properties, including the Kenquest property, is scheduled to occur at 4:30 pm during the Study Session; a shuttle bus will be available to facilitate transportation. Later in the formal agenda, the City Council will have an opportunity to direct questions to staff regarding the project. The following tables provide addition information regarding the subject properties:

Kenquest Building (499 N. Canon Drive)

- 20,000 square feet of building area above grade (approximate and not including buildings along S. Santa Monica Boulevard)
- 4 Stories, plus a penthouse and mechanical room above
- 54 feet to the top of the parapet; 76 to the top of the penthouse/mechanical room (approx.); for reference, the bottom of the Kenquest sign parallel to N. SMB is approximately 45 feet
- Building is set back approximately 20 from the curb face on N. Santa Monica Boulevard; 5 feet of which is city owned property

[4] The city's environmental consultants will not be present at the April 11th meeting, but will attend the subsequent public hearing to answer questions regarding these studies.

Parcels 1 and 2



- Parcel 1 (westernmost parcel) and Parcel 2 (west of Wilshire Blvd)
- Parcel 1 and 2 are 60 feet in depth
- Parcel 1 is approx. 54,000 square feet in area
- Parcel 2 is approx. 35,900 square feet in area
- The City owns 2 feet from the curb face at N. SMB (Parcels 1 and 2)

Parcel 3

- Parcel 3 (east of Wilshire Blvd)
- 60 feet in depth
- approx. 26,100 square feet in area
- The City owns 5 feet from the curb face at N. SMB

NEXT STEPS

This report is intended to provide background information on the Gateway Project to prepare the City Council for the site visit. Staff requests that the City Council indicate additional information that may be needed for a future discussion at a public hearing.

FISCAL IMPACT

There are costs associated with the courtesy notice in the Beverly Hills Courier and Beverly Hills Weekly, approximately $1,500, and costs associated with a shuttle bus for the site visit (approx. $180); however, these expenses are covered in department operating budgets. Accordingly, there is no significant budget or fiscal impacts associated with this report.

RECOMMENDATION

This report is provided for information purposes only.

Susan Healy Keene
Director of Community Development

AGENDA REPORT

Meeting Date: July 24, 2012

Item Number: D-2

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP, Director of Community Development

Subject:

THE FOLLOWING ACTIONS RELATING TO 9900 SANTA MONICA BOULEVARD, 9848 WILSHIRE BOULEVARD AND 9817 WILSHIRE BOULEVARD AND ALL IMMEDIATELY ADJACENT PARCELS CURRENTLY ZONED COMMERCIAL (C-3) (AKA THE GATEWAY PROJECT)

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE BEVERLY HILLS GATEWAY PROJECT, ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM;

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE GENERAL PLAN TO ESTABLISH A GATEWAY COMMERCIAL/MIXED USE/TRANSPORTATION LAND USE DESIGNATION FOR THREE PARCELS OF FORMER RAILROAD RIGHT-OF-WAY PROPERTY LOCATED AT 9900 SANTA MONICA BOULEVARD, 9848 WILSHIRE BOULEVARD AND 9817 WILSHIRE BOULEVARD CURRENTLY ZONED TRANSPORTATION T-1 AND ALL IMMEDIATELY ADJACENT PARCELS CURRENTLY ZONED COMMERCIAL (C-3);

AN ORDINANCE OF THE CITY OF BEVERLY HILLS ESTABLISHING THE COMMERCIAL PLANNED DEVELOPMENT GATEWAY OVERLAY ZONE (C-PD-G) AND AMENDING THE BEVERLY HILLS MUNICIPAL CODE

Attachments:

1. Resolution Certifying Final Environmental Impact Report
2. Resolution Amending the General Plan
3. Ordinance Establishing C-PD-G Overlay Zone
4. Planning Commission Recommendation Resolutions
5. June 19, 2012 Agenda Report

RECOMMENDATION

Staff recommends that the City Council move to approve a resolution certifying the final environmental impact report; a resolution amending the General Plan to establish a Gateway Commercial/Mixed Use Transportation Land Use Designation; and, move to waive the full reading of the ordinance and that the ordinance entitled "An Ordinance of the City of Beverly Hills Establishing the Commercial Planned Development Gateway Overlay Zone (C-PD-G), and Amending the Beverly Hills Municipal Code" be introduced and read by title only.

INTRODUCTION

In response to questions received from the City Council at the June 19 meeting, this report provides additional clarification as to how the proposed Overlay Zone objectives and development standards would apply to the subject properties. Staff and the City's environmental consultants will be prepared to respond to questions regarding environmental review of the project at the meeting.

BACKGROUND

At its June 19, 2012 meeting, the City Council held a public hearing to consider a proposed Overlay Zone and general plan designation change (the "Project") as recommended by the Planning Commission. The Mayor closed the public hearing for the project and the City Council's questions of staff, the applicants and consultants were carried over to the City Council meeting of July 24, 2012. The staff report and attachments for the June 19, 2012 hearing are attached to this report.

There are three T-1 zoned properties affected by the proposed resolutions and ordinance. Each of the three T-1 parcels is a large, undivided parcel along North Santa Monica Boulevard, adjacent to smaller commercial-zoned parcels (C-3 zoning) along South Santa Monica Boulevard. Parcel 1 (9900 Santa Monica Boulevard) is the westernmost parcel that extends from the western City boundary to approximately Charleville Boulevard. Parcel 2 (9848 Wilshire Boulevard) extends from Charleville Boulevard to the Wilshire and Santa Monica Boulevards intersection; a portion of Parcel 2 provides parking for Starbucks Coffee. Parcel 3 (9817 Wilshire Boulevard) extends from the Wilshire and Santa Monica Boulevards intersection to approximately Linden Drive and is used by the Budget car rental company.

The proposed C-PD-G Overlay Zone could apply not only to the subject T-1 zoned parcels but also to the C-3 zoned properties adjacent to those T-1 parcels. Under the proposed Overlay Zone, T-1 parcels combined with adjacent C-3 parcels would have the potential for greater height , density, or both, if approved by the Planning Commission and City Council (Overlay Zone Objective #3).

The intent of the Overlay Zone is to encourage combined T-1 and C-3 development on the subject parcels for the following reasons:

- Allows the existing C-3 zoned properties along South Santa Monica Boulevard to redevelop (to address difficulty of doing so now because of shallow lot depths and City parking requirements);
- Allows for provision of parking in excess of Code that addresses deficiencies in the neighborhood (Parcels 1 and 2);
- Links pedestrians between North and South Santa Monica Boulevard and promotes efficient use of parking resources;
- Provides significant open green space such as substantial setbacks at Wilshire Boulevard; and,
- Provides land dedication for roadway improvements along North Santa Monica Boulevard.

OWNERSHIP

The City Council, upon review of the incentive in the Overlay Zone to combine T-1 and C-3 parcels, requested additional information about the ownership of properties in the subject area.

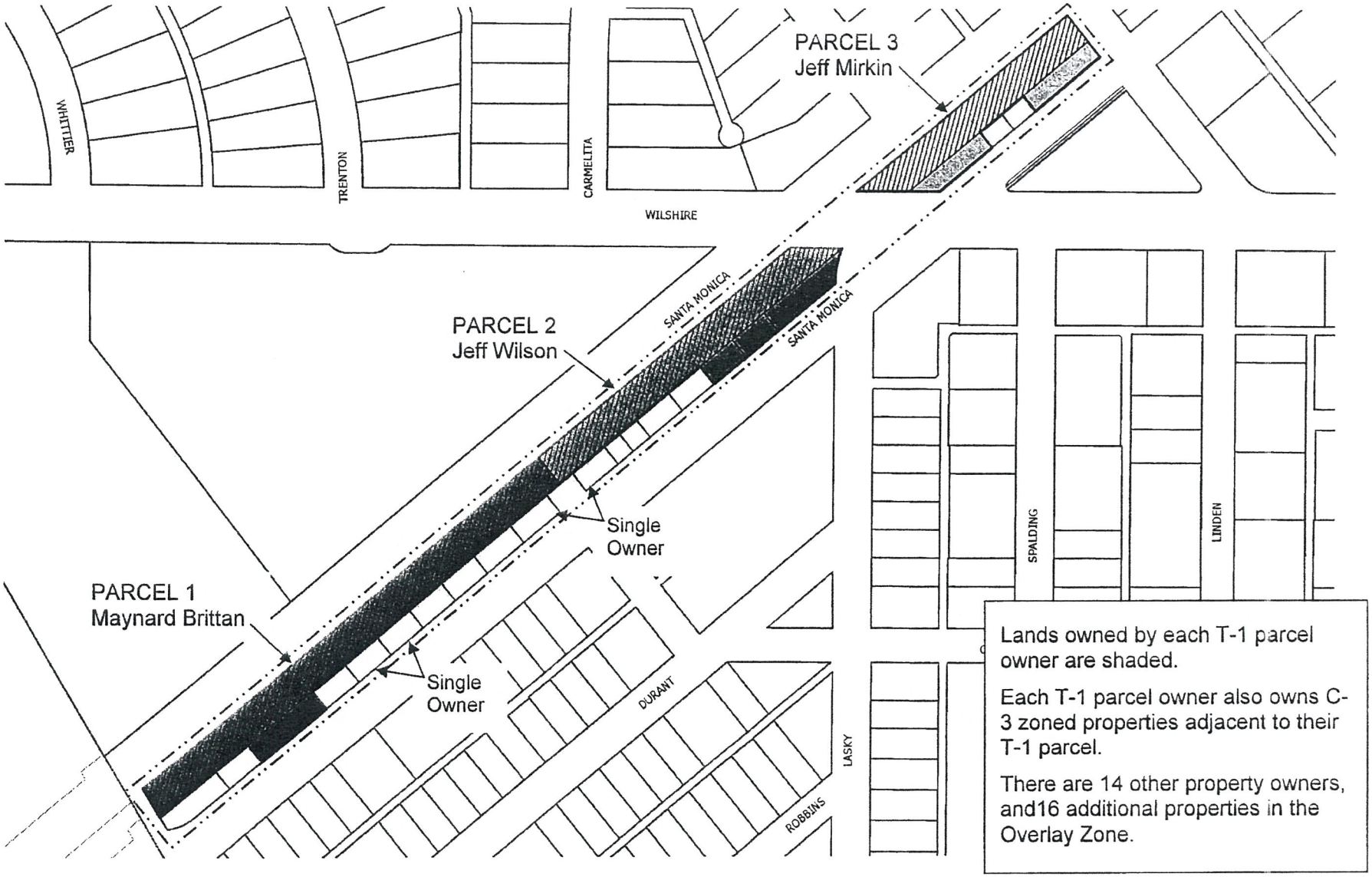
There are fourteen (14) other property owners who own one or two C-3 properties in the proposed Overlay Zone.

T-1 Parcel	Adjacent C-3 Properties Owned by T-1 Parcel Owner	Additional C-3 Property Owners abutting the T-1 Parcel
Parcel 1	2	8
Parcel 2	3	5
Parcel 3	2	2

The proposed overlay zone is intended to encourage the assemblage of lots, and it is anticipated that additional properties would be assembled prior to a development proposal being submitted. The three T-1 Zoned Parcels proposed for inclusion in a C-PD-G Overlay Zone have three separate owners.

For owners of T-1 parcels to request the greater height and floor area ratio (FAR) allowances, the C-3 properties immediately adjacent to each T-1 parcel, or portion thereof, would need to be incorporated into a proposed development project. Currently, each T-1 parcel owner also owns commercial (C-3) properties along South Santa Monica Boulevard adjacent to their T-1 parcel; however none of the three owners has assembled all C-3 properties adjacent to his T-1 parcel. The T-1 zoned parcels, properties that each T-1 parcel owner holds, and properties under other ownership within the proposed Gateway Overlay Zone are illustrated in the following graphic.

OWNERSHIP AND ASSEMBLED PROPERTIES IN THE PROPOSED OVERLAY AREA



DISCUSSION

The proposed ordinance would establish a Commercial Planned Development Gateway Overlay (C-PD-G) Zone.

Eligibility and Requirements for Use of the Overlay Zone Development Standards

Only the three subject T-1 zoned parcels are eligible to apply for the Overlay Zone; no other T-1 zoned parcel is eligible. Existing C-3 zoned properties that are adjacent to and incorporated into a development with one of the subject T-1 zoned parcels must also be part of the C-PD-G Overlay Zone application. Use of the Overlay Zone development standards would not be by-right and owners of the subject T-1 zoned parcels would be required to go through a public hearing process before the Planning Commission and City Council. Development under the proposed Overlay Zone would be regulated through 14 objectives (Section 10-3-1871) and a series of development standards (Section 10-3-1874) to allow flexibility and creativity for developers.

The properties currently zoned C-3 along Little Santa Monica Boulevard are not eligible to apply for use of the overlay zone; however the development standards have been designed to encourage incorporation of these properties in any future Overlay Zone project. Currently those C-3 commercial properties can be developed using the City's basic commercial development standards of 2.0 FAR and a 45' maximum height and this would not change if the Overlay Zone is adopted. The Overlay Zone only comes into play for the C-3 parcels if they are developed in conjunction with the adjacent T-1 parcel.

Overlay Zone Development Standards

The development standards for the proposed Overlay Zone mainly address height and density (floor area ratio). Setbacks would be determined by the reviewing authority based on the 14 objectives for the Overlay Zone. Objective #s 2, 7, 9, 10. Overlay Zone Objective #12 would allow the Planning Commission and City Council to consider additional height up to 60 feet for a Parcel 1 or Parcel 2 development if that development offers public benefits such as setbacks so substantial that a structure cannot be built at the maximum allowed floor area within a 45-foot high structure.

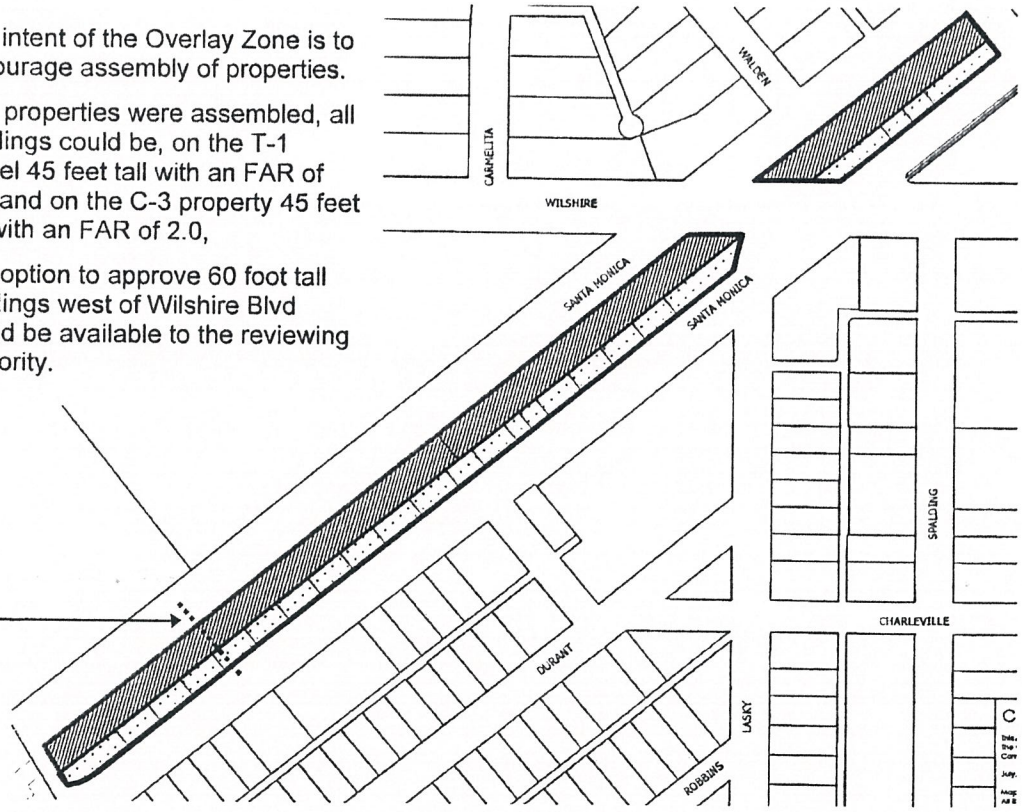
The proposed Overlay Zone allows for three development scenarios, these scenarios are illustrated on the following pages.

SCENARIO 1. Complete Development of the Area:

The intent of the Overlay Zone is to encourage assembly of properties.

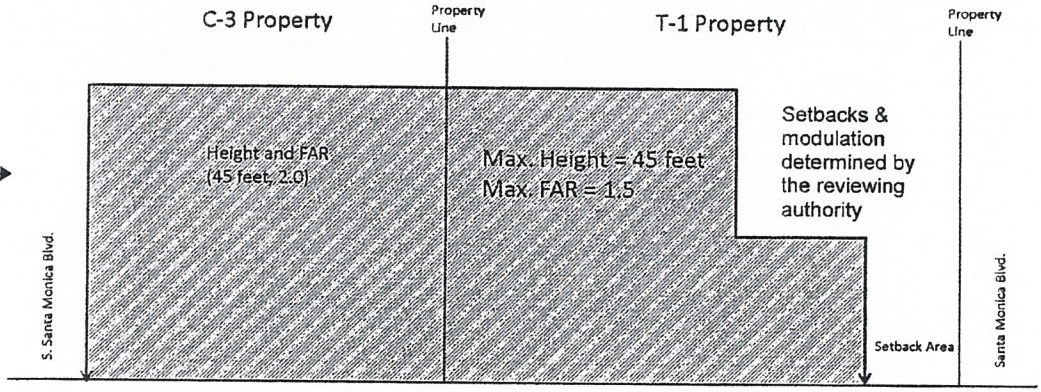
If all properties were assembled, all buildings could be, on the T-1 parcel 45 feet tall with an FAR of 1.5, and on the C-3 property 45 feet tall with an FAR of 2.0,

The option to approve 60 foot tall buildings west of Wilshire Blvd would be available to the reviewing authority.



The development of all lands as one project would provide the reviewing authority with optimal ability to assess the project based on the required objectives proposed in Section 10-3-1871 of the Zoning Ordinance (Attachment 3).

Cross-Section through the Site Depicting Potential Height and FAR



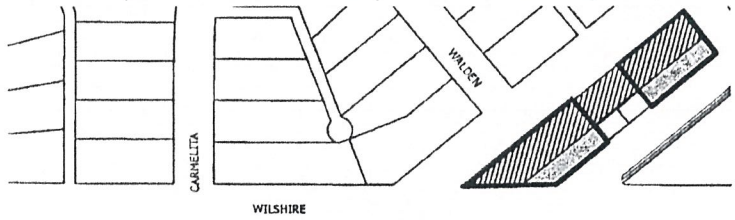
This development scenario would provide the maximum allowance for height and floor area.

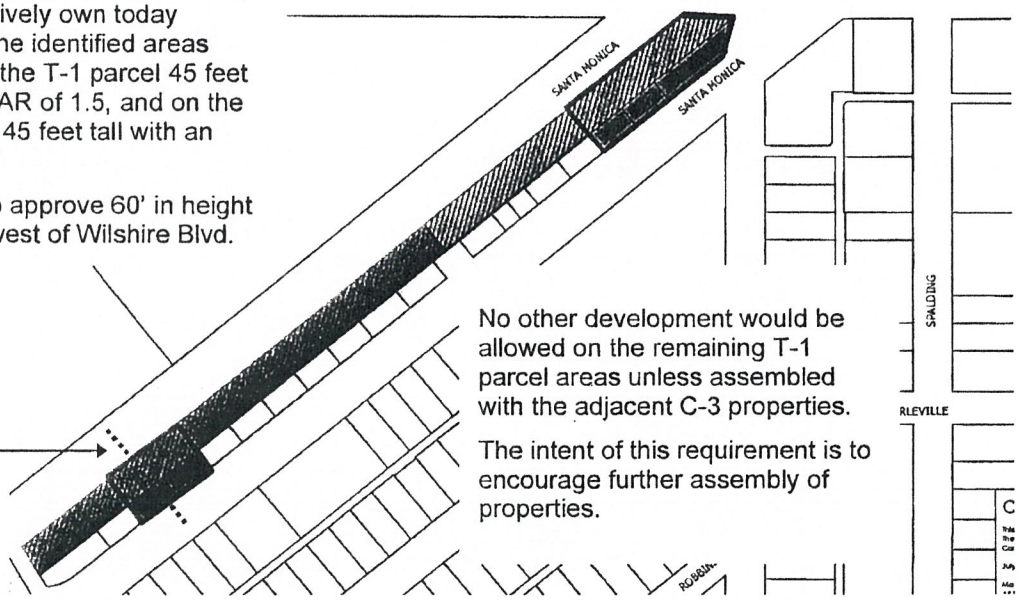
SCENARIO 2. Incomplete Development of the Area ("Combined Project"):

If all properties cannot be assembled, the T-1 Parcels could be developed with a portion of the adjacent C-3 properties.

If T-1 owners developed with the adjacent C-3 properties which they each respectively own today buildings in the identified areas could be, on the T-1 parcel 45 feet tall with an FAR of 1.5, and on the C-3 property 45 feet tall with an FAR of 2.0,

The option to approve 60' in height is available west of Wilshire Blvd.





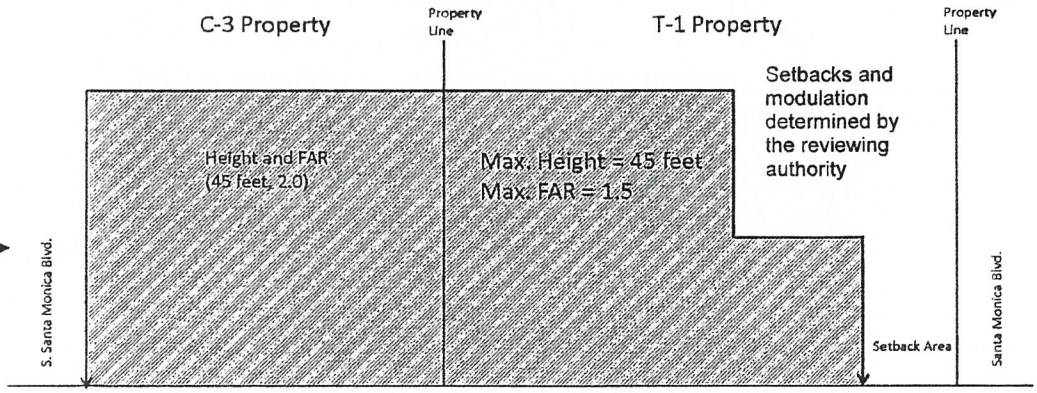
No other development would be allowed on the remaining T-1 parcel areas unless assembled with the adjacent C-3 properties.

The intent of this requirement is to encourage further assembly of properties.

In the scenario where a T-1 parcel is developed with adjacent C-3 parcels, the project is eligible for the following development standards:

- C-3 Parcels – Height: 45 feet, FAR 2.0
- T-1 Parcel – Height: 45 feet, FAR 1.5
- T-1 Parcel (not part of Combined Project) - FAR 0.0

Cross-section through the "Combined Project" Areas Depicting Height and FAR



In the scenario depicted on the previous page, a portion of a T-1 Parcel has been developed with adjacent C-3 parcels in a combined development. Pursuant to the Overlay Zone requirements, the remaining portion of the T-1 Parcel not included in the combined development must be landscaped and remain free of structures. This would allow the undeveloped T-1 area to be available in the future for a combined development should the owner of the T-1 parcel gain an ownership interest in the C-3 parcels adjacent to the undeveloped portion of the T-1 parcel.

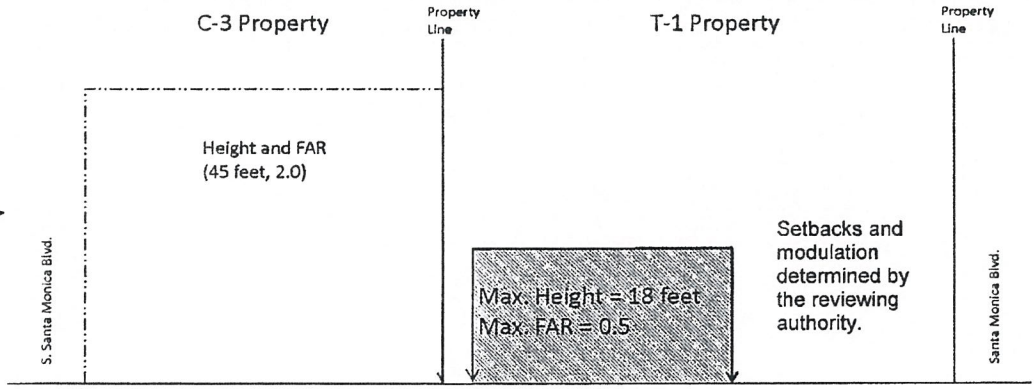
It is important to note that all green space, public open space, or setback objectives or requirements of the Overlay Zone must be met within the boundaries of the Combined Project. T-1 zoned areas that are not part of the Combined Project cannot be used to satisfy green and open space requirements of the Overlay Zone pursuant to BHMC 10-3-1875 C, so as not to foreclose future combined T-1 / C-3 development.

SCENARIO 3. Development of T-1 Parcels Only ("T-1 Only Project"):

In this scenario, only the T-1 parcels are developed.

If Parcel 1, 2 or 3 was developed without being combined with an adjacent C-3 property, the project would be limited to a height of eighteen feet (18'), and a Floor Area Ratio (FAR) of 0.5 to 1. This is the most limiting of the development options proposed for the Overlay Zone.

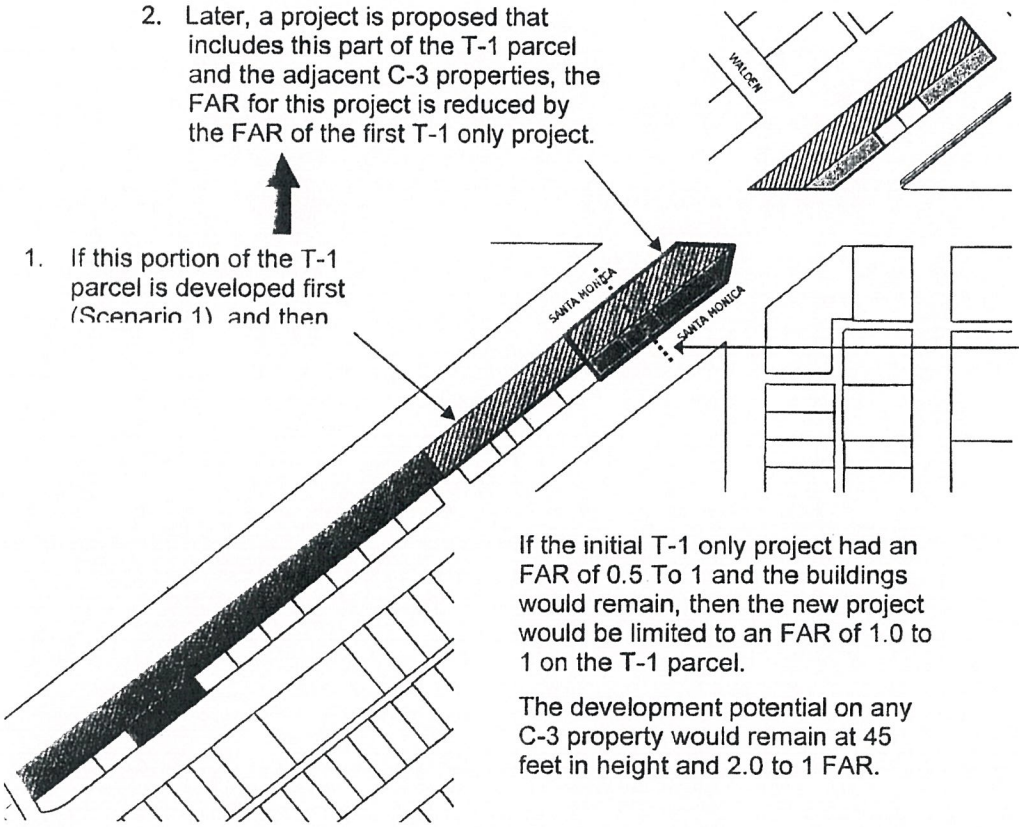
T-1 Property Developed without Adjacent C-3 Property ("T-1 Only Project")



Limiting the height and FAR for T-1 parcel only development projects is intended to encourage assembly of the T-1 parcel with adjacent C-3 properties.

SUBSEQUENT PROJECTS AFTER INITIAL DEVELOPMENT

If a T-1 Only Project is built (Scenario 3), and then at some point in the future the site is redeveloped or an additional development is added in the form of a project that combines part of the T-1 parcel with the adjacent C-3 properties (Scenario 2), the new project's FAR is reduced by any portion of initial T-1 only project that would remain.

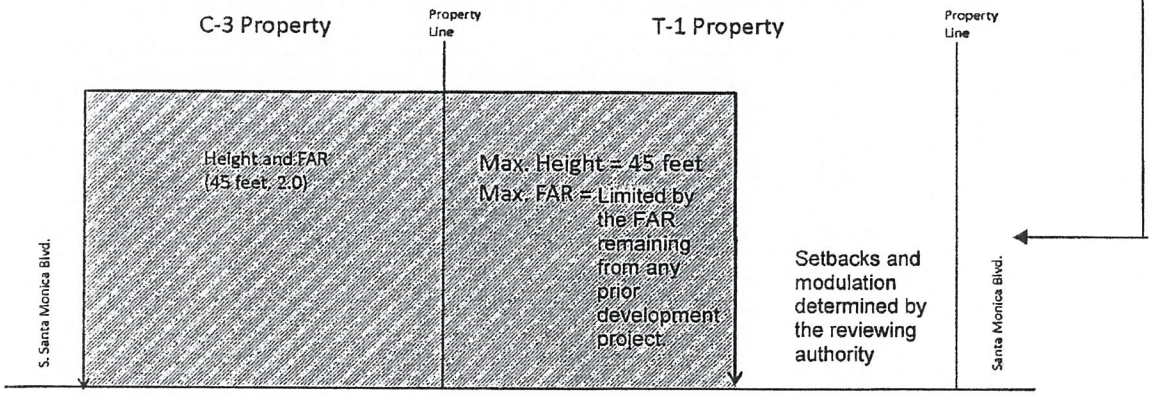


If the initial T-1 only project had an FAR of 0.5 To 1 and the buildings would remain, then the new project would be limited to an FAR of 1.0 to 1 on the T-1 parcel.

The development potential on any C-3 property would remain at 45 feet in height and 2.0 to 1 FAR.

Once again, this is proposed as a means of encouraging assembly of the properties; this particular requirement would encourage assembly after initial development has occurred.

Cross-section through Subsequent "Combined" Project Depicting Height and FAR



MINIMUM T-1 LOT SIZE

A minimum lot size requirement is proposed in the Zoning Ordinance (Section 10-3-1876, Attachment 3) to encourage the initial development of the subject T-1 parcels to incorporate as many adjacent C-3 properties as possible. A minimum lot size of 30,000 square feet is required to apply for the C-PD-G Overlay Zone. T-1 Parcels 1 and 2 meet the 30,000 square foot minimum; however there is insufficient area to subdivide these T-1 parcels and still meet the minimum lot size. T-1 Parcel 3 is smaller than the 30,000 square foot minimum; however Section 10-3-1876 of the Zoning Ordinance allows any T-1 property in existence at the time of the adoption of the ordinance to participate in the Overlay Zone.

REVISIONS TO THE RESOLUTION AND ORDINANCE

Language has been added to Section 8 of the General Plan resolution (Attachment 2) to clarify that the maximum height provided in the overlay zone would apply to the adjacent C-3 properties as well as the T-1 parcels. Language has also been added to the zoning ordinance (Attachment 3) in Section 10-3-1874B to clarify that the height allowances in this section are consistent with the height allowances in the objectives in Section 10-3-1871.

PUBLIC NOTICE

The subject project was noticed for the June 19, 2012 meeting in the *Beverly Hills Courier* and the *Beverly Hills Weekly* newspapers. Public notice was also mailed to owners of commercial property within 300 feet and residential property owners and occupants within 500 feet. Additionally, notice was provided to all individuals that provided comment on the environmental impact report, the Beverly Hills School District, and local neighborhood organizations. Some written correspondence was received during the Planning Commission hearings; those comments were included as attachments to those reports provided as attachments to the June 19, 2012 agenda report. The public hearing on this item was closed on June 19, 2012.

FISCAL IMPACT

The recommendation in this report has no significant fiscal or budgetary impact; however, development that could be constructed pursuant to the proposed regulations could have a positive impact. The economic impact of any particular development will be evaluated when formal applications are presented to the City Council for review.

Susan Healy Keene
Director of Community Development
Approved By
Susan Healy Keene

AGENDA REPORT

Meeting Date: June 19, 2012

Item Number: D-2

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP, Director of Community Development

Subject: 9900 SANTA MONICA BOULEVARD, 9848 WILSHIRE BOULEVARD AND 9815 WILSHIRE BOULEVARD AND ALL IMMEDIATELY ADJACENT PARCELS CURRENTLY ZONED COMMERCIAL (C-3)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE BEVERLY HILLS GATEWAY PROJECT, ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM;

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE GENERAL PLAN TO ESTABLISH A GATEWAY COMMERCIAL/MIXED USE/TRANSPORTATION LAND USE DESIGNATION FOR THREE PARCELS OF FORMER RAILROAD RIGHT-OF-WAY PROPERTY LOCATED AT 9900 SANTA MONICA BOULEVARD, 9848 WILSHIRE BOULEVARD AND 9817 WILSHIRE BOULEVARD CURRENTLY ZONED TRANSPORTATION T-1 AND ALL IMMEDIATELY ADJACENT PARCELS CURRENTLY ZONED COMMERCIAL (C-3);

AN ORDINANCE OF THE CITY OF BEVERLY HILLS ESTABLISHING THE COMMERCIAL PLANNED DEVELOPMENT GATEWAY OVERLAY ZONE (C-PD-G) AND AMENDING THE BEVERLY HILLS MUNICIPAL CODE.

Attachments:

1. Resolution Certifying Final Environmental Impact Report
2. Resolution Amending the General Plan
3. Ordinance Establishing C-PD-G Overlay Zone
4. Planning Commission Recommendation Resolutions
5. Planning Commission Staff Reports (November 20, 2008 – May 24, 2012)

6. Public Notice
7. Recent Correspondence
8. Final Environmental Impact Report and Supplemental Reports (previously provided under separate cover)

RECOMMENDATION

Staff recommends that the City Council move to approve a resolution certifying the final environmental impact report; a resolution amending the General Plan to establish a Gateway Commercial/Mixed Use Transportation Land Use Designation; and, move to waive the full reading of the ordinance entitled "An Ordinance of the City of Beverly Hills Establishing the Commercial Planned Development Gateway Overlay Zone (C-PD-G), and Amending the Beverly Hills Municipal Code" be introduced and read by title only.

INTRODUCTION

The owners of the subject T1 zoned properties, along North Santa Monica Boulevard between the western city boundary and the city's two-level parking structures near Linden Drive, seek approval for a zoning and general plan designation change. The history of this project extends for more than a decade and is briefly summarized below. While the attached resolutions and ordinance modify the zoning code and create a new general plan designation, these documents do not authorize any development to occur on the T1 lots without the filing of new applications and public hearings before the Planning Commission and City Council.

Background

There are three T1 zoned properties affected by the proposed resolutions and ordinance. Parcel 1 (9900 Santa Monica Boulevard) is the westernmost parcel that extends from the western city boundary to approximately Charleville Boulevard. Parcel 2 (9848 Wilshire Boulevard) extends from Charleville Boulevard to the Wilshire and Santa Monica Boulevards intersection; a portion of Parcel 2 provides parking for Starbucks Coffee. Parcel 3 (9817 Wilshire Boulevard) extends from the Wilshire and Santa Monica Boulevards intersection to approximately Linden Drive and is used by the Budget car rental company.

In 2001, an application was filed to develop Parcel 2 (9848 Wilshire Boulevard), which is at the southwest corner of Wilshire and North Santa Monica Boulevards. That application prompted renewed questions about the city's vision of these T1 parcels and roadway and capacity limitations at that intersection. Transportation and land use studies were commissioned over the subsequent years prepared by city consultants and paid for by the three T1 property owners.

The transportation study[1] completed and presented to the City Council in 2003 explored several options to improve traffic conditions at the Santa Monica and Wilshire Boulevards intersection, including widening North Santa Monica Boulevard; providing a pedestrian bridge; and, an 'over/under' alternative that had Wilshire Boulevard, at grade, bridging over a sunken Santa Monica Boulevard roadway. None of the

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[1] The transportation study was incorporated into the final Gateway Land Use Study, completed November 22, 2006

recommendations in the transportation study were implemented and are not presently being pursued at this time.

A land use study (Gateway Land Use Study)[2] was completed and presented to the City Council and Planning Commission at a joint meeting in late 2006[3]. This study explored the feasibility of development on the T1 zoned parcels based on different development standards, including the city's most common commercial zoning: C3 zoning (3 stories / 45 feet and a 2.0:1 FAR[4]). Other alternatives studied included a floor area ratio (FAR) of 1.5:1; a mixed use project alternative; and, a 'no change' alternative. The staff recommendation at that time supported three (3) stories / 45 feet and a 1.5:1 FAR if the T1 parcels were developed separately, and up to a 2.0:1 FAR if development incorporated the adjacent C3 parcels.

The City Council at that time encouraged continued evaluation of a possible zone change and directed the City Manager to informally explore the possible acquisition of the subject T1 parcels, but that effort, along with previous city efforts did not result in any land acquisition.

Following the joint City Council and Planning Commission meeting, each of the three T1 parcel owners filed applications to change the subject T1 parcels to a C3 zoning. The owner of Parcel 2 also had an application for a new three story office building. An environmental impact report (EIR) was prepared that evaluated the proposed development project and a maximum development scenario of three stories and a 2.0:1 FAR across all three T1 zoned parcels. The Draft EIR was completed in 2008.

Through much of 2009 and into 2010, discussion of a possible museum project on Parcel 2 stayed the processing of the zone change applications. For the balance of 2010, staff updated certain technical studies in the environmental impact report and renewed public hearings before the Planning Commission, which began in January 2011.

The Planning Commission requested a City Council liaison meeting (Mayor Brien and City Councilmember Bosse), which was held in April and a second meeting held in August 2011. During this time, the owner of Parcel 2 explored various project revisions. Ultimately, plans to redevelop Parcel 2 were placed on hold by the applicant pending the outcome of the subject zone change and general plan amendment proposal.

DISCUSSION

The applicants seek approval to change the underlying T1 zoning to a commercial zoning. Presently, only transportation-related uses are permitted on the parcels, and some uses, such as establishing a surface parking lot, require a two-step process of requesting a Transportation Overlay zone be applied to the property (a legislative act) and approval of discretionary applications, in order to construct the lot.

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[2] Available online at: http://www.beverlyhills.org/files/GatewayFINALReport2011-22-2006.pdf
[3] City Council / Planning Commission Meeting available on Granicus: http://beverlyhills.granicus.com/MediaPlayer.php?view_id=&clip_id=418&meta_id=11369
[4] Floor Area Ratio (FAR) is a development standard that sets forth the maximum amount of building area permitted on a lot. An FAR of 2.0:1 means the floor area of a building may not exceed two times the area of the parcel.

Historically, the T1 parcels supported the Pacific Electric Railway, or Red Car, mass transit system. After the Red Car stopped running in the early 1960s, the T1 parcels were sold to various entities. The city eventually acquired some of the parcels and built the five parking structures that serve the community today. Only one other privately owned T1 parcel has been developed, the Kenquest site, in the 1960s.

From time to time there has been discussion about potential use of the T1 lots to improve traffic congestion, to add green space, and what type of development might be appropriate on the parcels. The city's own parking structures were at one time considered temporary; however, there are no plans today to remove the structures that many businesses and visitors rely on daily.

The lack of a definitive long range plan and concerns about the opportunity cost of allowing development on the T1 parcels generated significant discussion at the Planning Commission. If development is allowed, the likelihood of using significant portions of the T1 parcels for roadway improvements is diminished. And, while there remains public right-of-way on the north side of Santa Monica Boulevard, that area is presently incorporated into the Beverly Gardens Park and not anticipated to be used for future roadway improvements. Conversely, not allowing development creates a disincentive to improve the quality of that highly visible space and keeps those parcels from contributing significantly to the city's general fund. To better inform the Commission's deliberations, they requested a meeting with the Council liaisons.

City Council / Planning Commission Liaison Meetings

Mayor Brien and Councilmember Bosse participated in the liaison meetings. Understanding their perspectives were not necessarily the views of the full Council, they offered some key guidance that helped shaped the Planning Commission's deliberations. Specifically, future development should include:

- appropriate setbacks, green space and building modulation; C3 zoning (2.0:1 FAR) may not be appropriate for the subject parcels;
- neighborhood serving uses and help serve as a catalyst to revitalize the (South Santa Monica Boulevard) area; lot consolidation is encouraged;
- solutions to address parking deficiencies in the area;
- iconic architecture; and
- protections for nearby residential neighborhoods and the high school to avoid traffic impacts

The liaisons also noted that each of the three parcels was unique and that future development standards and projects should reflect that uniqueness. However, projects should be integrated to the extent feasible and relate to each other. While generally not supportive of large scale development, the possibility of a project taller than 45 feet could be considered at the appropriate location if there were adequate public benefit.

Notwithstanding the above, the liaisons expressed an interest in reviewing the Planning Commission's draft ordinance and receiving community feedback before making any final judgment.

Planning Commission Deliberations

The Commission held several public hearings on the subject amendments and visited the site twice. While the Commission's final recommendation supports appropriate development of the T1 parcels, that recommendation evolved over time.

Neighborhood Compatibility, Building Scale, Height and Mass

The location of the subject parcels at the western city boundary in close proximity to Century City and across the street from the entitled Hilton Redevelopment and 9900 Wilshire projects were considerations in the Commission's deliberation. Also considered were the proximity to residential neighborhoods, existing and planned open space in the area, the low-scale development on South Santa Monica Boulevard and iconic architecture in the area. The uniqueness of the T1 parcels compared to other property in the area also creates some design challenges and opportunities.

The Commission discussed the relationship among the subject parcels and need for a cohesive development approach that would link pedestrians and promote efficient use of parking resources. The Commission sought to encourage neighborhood serving uses, a pedestrian oriented environment and included objectives to explore the possibility of feasibly drawing pedestrians from Century City and the planned developments across Santa Monica Boulevard to the subject parcels. The proposed objectives were also designed to encourage lot consolidation to help revitalize parts of South Santa Monica Boulevard.

There was much debate about setbacks from North Santa Monica and Wilshire Boulevards, building height, scale and mass. The Commission valued significant green space that respected the Beverly Garden Park and anticipated redevelopment on the north side of Santa Monica Boulevard. The majority of commissioners expressed concerns about a dense wall of development that could contribute to a canyon-like effect as viewed from Santa Monica Boulevard. Therefore, there was interest in breaking up the mass and possibly creating visual access across the site. To achieve this, the Commission recognized that taller buildings on Parcels 1 and 2 might be appropriate. If setbacks and open space reduce the amount of floor area that can be achieved in a development within 45 feet, then a taller building may be needed to enable development of that square footage. Additional height on Parcel 3 is not authorized by the objectives or development standards to avoid impact on the privacy of residential properties to the north. (Overlay Objectives 3, 6, 7, 8, 12 and 13)

Parking and Traffic

The Commission also recommended that any development of the subject T1 parcels address parking deficiencies in the neighborhood. Moreover, creating additional parking may encourage partnership opportunities for owners of buildings fronting on South Santa Monica Boulevard. A desire for enhancing the neighborhood serving needs of the residents and businesses in the area includes providing restaurant opportunities, which typically requires more parking than is currently available.

Access to parking was a concern expressed by residents in the area. Commuter traffic travels on residential streets in the area. Residents expressed concern that development would further exacerbate that condition. Residents expressed concern about the use of Charleville Boulevard in any future development and a preference for signalized access from North Santa Monica Boulevard. Because the applicant's project scope has changed

over time and the specific development on Parcel 2 is not being considered as part of this policy discussion, the Planning Commission was satisfied with the level of analysis in the EIR. However, any future project that is developed in compliance with the proposed overlay zone would be subject to further environmental review and evaluation of appropriate ingress and egress conditions. (Overlay Objectives 4 and 11)

Roadway Improvements

While there are no plans to increase capacity along North Santa Monica Boulevard, the City Council has recently reviewed plans for a reconstruction project and directed incorporation of design solutions for a possible bicycle path. The Planning Commission included objectives in the overlay zone to ensure future development provided necessary land to accommodate identified roadway needs.

A well-traveled bus stop is adjacent to Parcel 2. The overlay zone objectives ensure this stop can be planned with the necessary space to provide better protection for pedestrians, riders and motorists. Additional land on Parcel 2, adjacent to Wilshire Boulevard, will be needed to create a dedicated turning lane to South Santa Monica Boulevard. This roadway improvement is identified as a mitigation measure in several EIRs for other projects. (Overlay Objective 10)

Public Benefits

The Commission incorporated a number of public benefit requirements into the objectives. Specifically, the objectives require substantial setbacks and green space; iconic architecture; parking in excess of code provisions to substantially offset neighborhood parking deficiencies; and, land dedication that may be required for roadway improvements. In addition to these objectives, project approval would require additional public benefits as the City Council determines appropriate. (Overlay Objectives 5, 6, 7, 9, and 14)

Proposed Text Amendment

The subject resolutions and ordinance set forth a path for development of the T1 parcels. No entitlement to develop or make improvements to any of the T1 zoned properties is conveyed with the adoption of the attached documents. However, adoption of the ordinance does signal the city's interest in future development of the parcels.

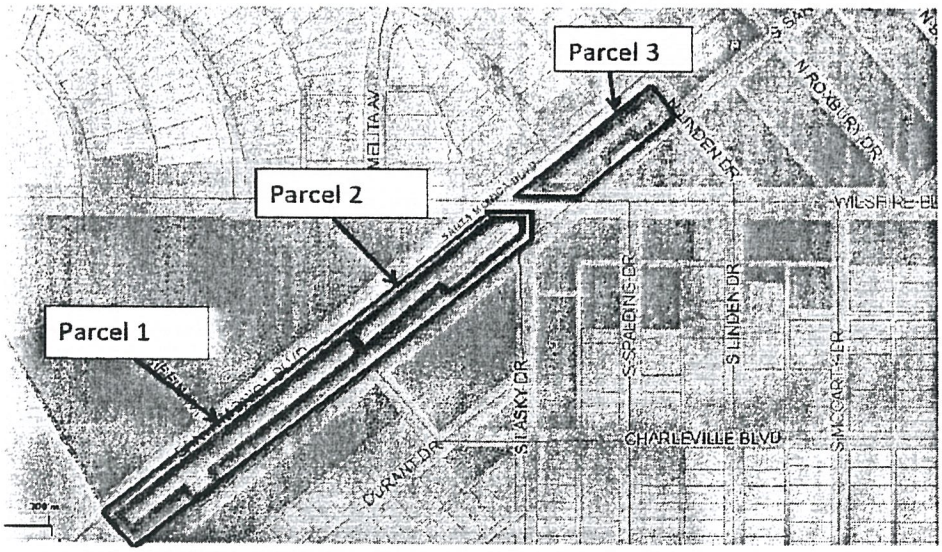
This approach to first amend the zoning code and general plan to allow future development is similar to the approach used to establish the Transportation Overlay Zone TO zone and the recent medical land use regulations. Both of those prior ordinances created the opportunity to seek approval of a future project, but established a legislative proceeding in which to evaluate the development and consider public benefits.

Similarly, future development of the subject T1 parcels would require separate applications, evaluation of the environmental impacts, consideration of public benefits, and noticed public hearings before the Planning Commission and City Council.

Overlay Zone Established

The proposed ordinance establishes a Commercial Planned Development Gateway Overlay (C-PD-G) zone. Application of this overlay to property must be applied for and

requires City Council approval. The three subject T1 zoned properties are eligible to apply for the overlay zone. No other T1 zoned parcel is eligible. Any of the existing C3 zoned properties that are adjacent to and incorporated into the development of a qualifying T1 zoned parcel must also have a C-PD-G overlay zone. The underlying C3 zoning standards generally remain unchanged by the overlay zone, which continues to allow for a 2.0:1 FAR on those parcels. However, if eligible and approved, development on the C3 zone (and adjacent T1 zone) could extend to sixty feet (60') in height. The overlay zone objectives apply to all parcels joined by the development.



Overlay Zone Development Standards

The proposed ordinance retains the current T1 zoning with the opportunity to apply for a Transportation Overlay zone, which exists in the zoning code today. In addition to those transportation-related uses permitted in the Transportation Overlay, the Gateway Overlay would allow all the uses presently permitted in the C3 zone, including:

- general office
- retail and restaurants
- galleries
- museums
- boutique hotels
- residential (above the first floor)

Medical office space would be a prohibited land use in the Gateway Overlay.

For development of the subject T1 parcels only (no C3 zoned parcels), there is a maximum 0.5:1 FAR permitted on the site with a maximum height of 18 feet.

Development on the subject T1 parcels that also include a C3 zoned parcel(s) may be developed with a maximum 1.5:1 FAR for those portions directly abutting the included C3 zoned parcel(s); the remainder of the T1 parcels cannot be developed, except as required for landscaping or public open space. Building height may extend to 45 feet on all parcels, and up to 60 feet for qualifying parcels.

One final development standard establishes a minimum parcel size for the T1 zoned parcels. The minimum lot size is 30,000 square feet. Two of the three T1 zoned properties exceed this area; however, development on the third parcel is permitted provided it is in accordance with this proposed ordinance. The purpose of the minimum lot size is to preclude subdividing the parcel into smaller parcels, and encourage coordinated development in the area.

Overlay Zone Objectives

The proposed development standards described above provide an overall framework for development, however, the objectives below provide greater guidance as to the intent and purpose of the overlay zone. There are 14 objectives in total, which are included in the ordinance and reprinted here for ease of reference. Compliance with these objectives is required for any future development to occur on the subject parcels:

1. Development shall be consistent with the purpose and intent of the C-PD-G Overlay Zone and the General Plan.

2. Development within the overlay zone shall promote the garden quality of the City.

3. Lot consolidation and coordinated development of underlying T-1 zoned properties and adjacent underlying C-3 properties fronting on South Santa Monica Boulevard is encouraged and shall be required for the reviewing authority's approval of height and density allowances in excess of eighteen feet (18') in height and a one-half to one (0.5:1) Floor Area Ratio.

4. Project design shall provide pedestrian, bicycle, and vehicular access and connectivity within and between C-PD-G Overlay Zone properties, the adjacent C-3 properties, and residential and hotel development built or planned across North Santa Monica Boulevard. Connectivity at or above grade and within underground parking structures shall be achieved to the extent feasible. The reviewing authority shall consider the appropriateness of ingress/egress for proposed projects within the C-PD-G Overlay Zone to ensure that traffic will not adversely impact the adjacent residential areas and the high school area.

5. Parking shall be located below-grade and located on properties within the C-PD-G Overlay Zone; vehicle and pedestrian access to parking shall be convenient. Minimal at-grade parking may be considered by the reviewing authority. Parking in excess of the minimum required parking set forth in Section 10-3-2730 of the zoning code shall be incorporated into any development and be made available to the public. The excess public parking incorporated into any development on Parcel 1 (9900 Santa Monica Boulevard) and Parcel 2 (9848 Wilshire Boulevard) shall, on a collective basis, substantially offset the parking deficiency in the neighborhood along South Santa Monica Boulevard between the intersection with Wilshire Boulevard and the city's western Boundaries.

6. Development shall take advantage of design flexibility incorporated into the C-PD-G Overlay Zone to create iconic architecture that promotes the image of the City and that respects the scale, mass, and character of surrounding development in the immediate vicinity. Building facades visible from public streets shall exhibit innovative design, distinctive architectural merit, or a combination of both.

7. Project design and site planning shall incorporate substantial area dedicated to green space, public open space, and pedestrian amenities. Building height shall be balanced with appropriate setbacks and landscaping adjacent to public streets to promote the appearance of a green belt and minimize the perception of a continuous uninterrupted wall of development as viewed from public streets. Buildings shall be well modulated.

8. Development shall be designed with pedestrian-oriented amenities and uses at the ground floor that encourage pedestrian activity during daytime and nighttime hours such as restaurants, outdoor dining and retail.

9. Development on Parcels 2 (9848 Wilshire Boulevard) and 3 (9817 Wilshire Boulevard) shall provide substantial setbacks from the intersections of Wilshire Boulevard and North and South Santa Monica Boulevard to aesthetically complement Beverly Gardens Park and fountain plaza, and the planned open space at the northwest corner of Wilshire Boulevard and North Santa Monica Boulevard. The setback area at the intersections shall include pedestrian amenities, green space, significant public art, or other elements determined to be appropriate by the reviewing authority.

10. Development shall incorporate adequate land dedications or easements that may be needed for future roadway and transportation improvements, including bicycle facilities, pedestrian mobility elements, bus shelters, pedestrian bridges, or similar improvements.

11. Development shall not result in detrimental impacts to existing or planned development in the vicinity with regard to traffic levels, traffic safety, pedestrian-vehicle conflicts, and pedestrian safety hazards, parking demand, parking design, loading, or manner of operation, unless the reviewing authority finds the development benefits outweigh the detrimental impacts.

12. On Parcel 1 (9900 Santa Monica) and Parcel 2 (9848 Wilshire Boulevard) only, structure height in excess of forty-five feet (45'), up to a maximum of sixty feet (60') not including permitted projections, may be granted if the reviewing authority finds that design innovations or other public benefits preclude development of the maximum allowable building floor area within a three-story, forty-five foot (45') high structure.

13. Development on the underlying T-1 zoned parcel shall not preclude future development opportunities on adjacent C-3 zoned parcels that are not included in the C-PD-G Overlay Zone.

14. Development shall include additional public benefits that the reviewing authority determines to be appropriate.

General Plan Amendment

The subject resolutions amend the General Plan Land Use Map to establish a new generalized land use designation called Gateway Commercial Mixed Use/Transportation. The new designation would apply to the subject T1 zoned parcels and the adjacent C3 zoned parcels fronting on South Santa Monica Boulevard. The

Gateway Commercial/Mixed Use /Transportation designation will establish a FAR range of 0.0:1 to 2.0:1 with a maximum height of 18 feet to 60 feet. The zoning code amendment sets forth the specific development standards and procedures to development the properties in accordance with this new land use designation.

Environmental Analysis

The subject general plan and zoning code amendments have been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines[5], and the environmental regulations of the City. The City prepared an initial study and, based on the information contained in the initial study, concluded that there was substantial evidence that the amendments might have a significant environmental impact on several specifically identified resources. The City ordered the preparation of an environmental impact report to analyze the potential impacts on the environment. The Draft EIR (DEIR) was previously circulated for public review on November 3, 2008 for the required 45-day public comment period. The Planning Commission's meeting of November 20, 2008 allowed for added public testimony regarding the DEIR. In addition, the Planning Commission provided comments on the adequacy of the document and requested additional analysis to be included in the Final EIR (FEIR).

The FEIR, which includes responses to all public comments as well as revisions to the document in response to Commission comments, was released in March 2011. A supplemental environmental analysis was prepared after the FEIR was released in response to changes in the project description and to incorporate a study of the adjacent C3 zoned properties. The Supplemental Environmental Impact Analysis provides a comparison of the revised project and its potential impact to the project evaluated in the March 2011 Final EIR.

The FEIR and Supplemental Environmental Impact Analysis include updated methodology and technical studies to ensure the data and conclusions of the report reflect appropriate information. The additional environmental analysis did not result in the identification of any significant new impacts compared to those identified in the Final EIR and, therefore, did not require recirculation. The supplemental analysis was presented to the Planning Commission and made available to the public.

Environmental Impacts

The executive summary of the FEIR and Supplemental Environmental Impact Analysis provide an overview of all environmental impacts that could result from project approval, including mitigation measures proposed to reduce these impacts. The significant and unavoidable impacts identified are described below.

Significant and Unavoidable Impacts

Impact AQ-1 Temporary air pollutant emissions generated by construction activities associated with the concurrent development of all three parcels would be Class I, **significant and unavoidable.** This impact is both a project level impact and a cumulative impact that results when the project is considered in combination with other known proposed or approved development projects.

[5] The CEQA Guidelines and Statue are available online at http://ceres.ca.gov/ceqa/guidelines

Impact T-1/T-2 Traffic generated from development of Parcels 1, 2 and 3, when added to existing traffic conditions, would result in significant impacts at two of the 11 study area intersections based on the City of Beverly Hills significance criteria. Mitigation is available to reduce impacts at one of these intersections (South Santa Monica/Moreno) to less than significant levels; however, mitigation is not feasible at one intersection (South Santa Monica Boulevard/Wilshire Boulevard). Therefore, the impact at that location would be Class I, significant and unavoidable.

Impacts Less than Significant

The Final EIR concludes that impacts to the following environmental factors would be less than significant either with or without mitigation: Aesthetics, Cultural Resources; Hazardous Materials; Noise, Land Use and Planning; Noise; Public Services and Utilities.

Statement of Overriding Considerations

Pursuant to CEQA regulations, when a public agency decides to approve a project that will cause one or more significant environmental effects, the agency shall prepare a statement of overriding considerations (SOC) which reflects the balancing of competing public objectives. Specifically, the public agency must find that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment. The attached CEQA Resolution includes a Statement of Overriding Considerations to address the significant and unavoidable impacts summarized above relating to temporary air pollution impacts during construction (Impact AQ-1) and relating to cumulative traffic impacts at one area intersection (Impact T-1/T-2).

Public Notice

The subject project was noticed in the *Beverly Hills Courier* and the *Beverly Hills Weekly* newspapers. Public notice was also mailed to owners of commercial property within 300 feet and residential property owners and occupants within 500 feet. Additionally, notice was provided to all individuals that provided comment on the environmental impact report, the Beverly Hills School District, and local neighborhood organizations. Some written correspondence was received during the Planning Commission hearings; those comments were included as attachments to those reports (Attachment 7)

FISCAL IMPACT

The recommendation in this report has no significant fiscal or budgetary impact; however, development that could be constructed pursuant to the proposed regulations could have a positive impact. The economic impact of any particular development will be evaluated when formal applications are presented to the City Council for review.

Scott Miller
Chief Financial Officer
Finance Approval

Susan Healy Keene
Director of Community Development
Approved By