



AGENDA REPORT

Meeting Date: December 17, 2013

Item Number: F-1

To: Honorable Mayor & City Council

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

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS ADOPTING THE GENERAL PLAN 2014-2021 HOUSING ELEMENT UPDATE AND ADOPTING AN ADDENDUM TO A NEGATIVE DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

Attachments:

1. Resolution adopting the 2014-2021 General Plan Housing Element Update; and a CEQA addendum including the 2014-2021 General Plan Housing Element
2. Letter to the City from the California State Department of Housing and Community Development, Dated September 12, 2013
3. 2008-2014 Housing Element and 2010-2015 Hazard Mitigation Action Plan Negative Declaration and Initial Study
4. Addendum to 2008-2014 Housing Element and 2010-2015 Hazard Mitigation Action Plan Negative Declaration and Initial Study

RECOMMENDATION

Adopt a resolution adopting the General Plan 2014-2021 Housing Element Update and adopting an addendum to the 2008-2014 Housing Element and 2010-2015 Hazard Mitigation Action Plan Negative Declaration/Environmental Initial Study.

INTRODUCTION

The Housing Element is a required element of the City's General Plan that 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 2011. The Community Development Department has worked

with input from the community, Planning Commission, and City Council to create a Draft Housing Element that covers the period of 2014-2021 (Exhibit A of the attached resolution). This Housing Element Update is based largely on the adopted 2008-2014 Housing Element.

After receiving direction from the City Council on August 6, 2013, staff submitted the Draft 2014-2021 Housing Element to the California State Department of Housing (HCD) for review, as required by State Planning and Zoning law. On September 13, 2013, the City received a letter from HCD (Attachment 2) indicating that no changes to the draft element were required, and with the City Council's adoption of the Housing Element update, the State would certify the Element.

Two separate actions are before the City Council:

1. Adopt the addendum to the 2008-2014 Housing Element and 2010-2015 Hazard Mitigation Action Plan Negative Declaration/Environmental Initial Study per the requirements of the California Environmental Quality Act (CEQA).
2. Adopt the updated 2014-2021 Housing Element.

These actions are discussed in further detail in this report.

BACKGROUND

Required Housing Element Contents

The purpose of the Housing Element is to plan for an adequate supply of safe, affordable housing for all community members. 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.

Current Housing Element

In November 2011 the City Council adopted the City's current Housing Element, which covers the 2008-2014 period. The State certified the 2008-2014 Housing Element in 2012, marking the first time the City of Beverly Hills received state certification for its housing element. This element was adopted midway through the 2008-2014 period due to the time taken to gather public input because of the overall general plan update process which was occurring at the time.

Draft 2014-2021 Housing Element Update Process

The 2014-2021 Housing Element is based largely on the City's current element. The Draft Element was reviewed by the Planning Commission on June 27, 2013 and the City Council on August 6, 2013. City staff then sent the Draft Element to the State for review and comment. On September 13, 2013 the City received a letter from the State indicating that no changes to the element were required and the state is prepared to certify the Element as soon as it is adopted by the City Council.

Because no changes to the Element were necessary, the content of the document attached to this report is the same as the Draft Housing Element that was reviewed by the City Council on

August 6, 2013. Although the official deadline for the City to adopt the Housing Element was October 15, 2011, so long as the City adopts the Housing Element before February 12, 2014, the next Housing Element will be due in eight years. If the deadline is missed, the next Housing Element will be due in four years. The contents of the Housing Element Update are described in detail later in the discussion section of this report.

DISCUSSION

This section discusses the contents of the 2014-2021 Housing Element Update as well as the two actions before the City Council: the adoption of the environmental review document, and the adoption of the Housing Element Update.

Draft 2014-2021 Housing Element Contents

The Draft 2014-2021 Element is split into the 2014-2021 Housing Element document and the Appendices. The 2014-2021 Housing Element document would replace the 2008-2013 Housing Element in the General Plan, and includes the introduction, housing plan (including the housing goals, policies and programs), and a summary of housing needs. The second document, the Appendices, includes detailed background information on the community's housing needs based on the 2010 U.S. Census and information on past housing trends.

The 2014-2021 housing plan (included in the Housing Element document) establishes goals, policies, and programs to address the community's housing needs. Because the 2014-2021 Housing Element is based largely on the 2008-2014 Housing Element, the goals and policies have not changed. Program timelines have been revised to meet the new planning cycle (2014-2021) and some programs have been updated to reflect actions that the City accomplished since the adoption of the last Housing Element.

Programs accomplished during the 2008-2014 planning cycle include:

- Program 10.5 "Affordable Housing Production Brochure and Outreach" was accomplished with the production of a brochure in 2013;
- Program 11.5 "Housing Opportunities for Persons with Disabilities" was accomplished with the establishment of reasonable accommodation procedures for disabled persons in 2012 (Ordinance 12-O-2634);
- Program 12.1 "Zoning Text Amendments for Special Needs Housing" was accomplished with the establishment of the Special Needs Housing Overlay Zone in 2012 (Ordinance 12-O-2633); and,
- Program 12.3 "Monitor the Development Review Process" was accomplished through the hiring of an Urban Designer to help streamline review of new housing projects and the formation of the Development Services Team, a dedicated group of employees in the Community Development Department focused on processing permits.

The following housing programs have been modified in the Draft 2014-2021 Housing Element:

- Program 9.4 "Historic Preservation Program" was added in response to the newly adopted Historic Preservation program and to address Historic Preservation as a tool for the preservation of older housing stock;
- Program 11.5 "Housing Opportunities for Persons with Disabilities" was changed to reflect the adoption of the Reasonable Accommodation Ordinance; and,

- Program 12.3 "Monitor the Development Review Process" was modified to reflect recent actions taken to streamline the permit process and reflect the current effort to update the zoning code to reduce inefficiencies and clarify the development process.
- Failure to adopt the Element could call into question the adequacy of the General Plan, and impact future decision-making when required to make general plan consistency findings for such things as development agreements, subdivisions and certain land use entitlements.

The proposed changes made to the Housing Element during this update are minor in nature and are meant to create a Housing Element that more accurately addresses the needs and desires of the community.

Environmental Review – Adopting an Addendum to the Negative Declaration pursuant to CEQA

California Environmental Quality Act (CEQA) regulations require the City to analyze whether the proposed update of the Housing Element would result in significant environmental impacts. Prior to the adoption of the previous Housing Element, an initial study and negative were completed, circulated, and adopted by the City (Attachment 3). These documents concluded that the Housing Element Update would have no significant impact on the environment.

CEQA Guidelines allow for a lead agency to prepare an addendum to an adopted negative declaration if only minor technical changes or additions have been made and other requirements have been met (explained in more detail in Attachment 4). Because the 2014-2021 Housing Element Update is based largely on the 2008-2014 Housing Element, staff has determined that an addendum to the Negative Declaration prepared in 2011 for the Housing Element is the most appropriate environmental review for the Housing Element Update. The Addendum to the 2011 Negative Declaration is included in Attachment 4 of this report.

As reflected in the Addendum, after complete analysis of the 2014-2021 Housing Element Update, it has been determined that adoption of the Element will not have a significant impact on the environment. The Element does not modify development patterns in the City or propose changes in the pattern of land uses established in the General Plan. The Element does not propose specific development projects; however, goals and policies of the plan may result in future actions that could have environmental effects. All new development in the City must be consistent with the general plan and development regulations set forth in the municipal code. As projects are proposed in the future, they will be reviewed for consistency with these documents and for impacts to the environment per CEQA.

Per CEQA requirements, the Addendum does not need to be circulated for public review (Section 15164[c]).

Housing Element – Adopting the General Plan 2014-2021 Housing Element Update

The City received a letter from the California State Department of Housing and Community Development (HCD) on September 12, 2013 stating that it is prepared to certify the City's proposed 2014-2021 Housing Element Update upon adoption by the City Council. This indicates that the State finds the Element to be in compliance with the laws that govern Housing Elements and that the City has satisfactorily evaluated the housing needs of the community and provided programs to meet these needs. The State did not require the City to make any changes to the Housing Element document during its review. The "pros" and "cons" of adopting the 2014-2021 Housing Element include:

Pros

- The City will be eligible for certain State grants and funding including the Housing Related Parks Program and Community Development Block Grant Program;
- The element will be presumed by the courts to be legally adequate;
- The City's next Housing Element will be due in eight years (instead of four years); and,
- The plan provides a clear framework including goals, policies, and programs to plan for the future housing needs of the community.

Cons

- Certain programs included in the Housing Element, when implemented in the future, may have a cost to the City, including consultant costs for studies.
- Programs in the Element commit the City to undertake certain actions to meet the goals of the Element such as continuing to fund homeless and senior housing services and implementing programs like the housing trust fund.
- Failure to adopt the Element by the deadline will result in the City's next Housing Element being due in four years, instead of eight years.

FISCAL IMPACT

There are no immediate fiscal impacts from adopting the General Plan 2014-2021 Housing Element Update. Certain policies and programs included in the Housing Element, when implemented, will have a cost to the City related to consultant studies and program implementation. These actions will require further City Council action and a complete assessment of fiscal impacts will be presented at that time.

Adopting the General Plan 2014-2021 Housing Element Update could result in fiscal benefits for the City. Maintaining certification of the Housing Element will qualify the City for certain State funds. Additionally, adopting the Element by the February deadline will allow the City to complete the next update of the Housing Element in eight years rather than four years, saving staff time and resources.

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Approved By

