



STAFF REPORT

Meeting Date: September 23, 2014

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP
Director of Community Development

Subject: Request by Councilmember Mirisch to Order a City Council Review of the Director of Community Development's Decision Approving an Administrative Modification Approving Project Revisions to the Beverly Hilton Specific Plan at 9876 Wilshire Boulevard (Waldorf Astoria)

Attachments:

1. Application for Administrative Modification.
2. Public Comment Letters
3. Administrative Modification Approval Determination
4. Responses to Questions from Councilmembers
5. Staff Report for June 18, 2014 Architectural Commission Hearing
6. Architectural Commission Resolution Approving Design and Materials

INTRODUCTION

Councilmember Mirisch requested this matter be placed on the City Council Study Session Agenda. This report presents information related to the Director of Community Development Department's September 4, 2014 decision to approve an Administrative Modification for the Beverly Hilton Specific Plan, and sets forth the process the City Council may follow to review the decision and to request a future hearing on the matter. The Administrative Modification authorizes changes to the approved Beverly Hilton Specific Plan that do not substantially alter the distribution, location, extent or density of the uses and buildings permitted in the Specific Plan. With a majority vote by the City Council, the Director's decision may be called up for review by the City Council and placed on a future agenda as a public hearing item.

BACKGROUND

On September 4, 2014, the Director of Community Development approved an Administrative Modification authorizing project-related changes to the Beverly Hilton Specific Plan at 9876 Wilshire Boulevard.

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The Specific Plan was originally approved by the City Council on April 29, 2008 after public hearings before the Planning Commission and City Council. The adopted Specific Plan sets forth standards for development and administration of the project. A development agreement between the owner and the City was also approved conveying certain development rights to the owner and public benefits to the City. A summary of the project and public benefits agreed to is provided in the tables below:

Project Summary Table (2008 Approval)	
Project Site	Between Wilshire Boulevard and N. Santa Monica Boulevard; east of the centerline of Merv Griffin Way
Approved Buildings	Two residential towers and a Waldorf Astoria hotel
Hotel Rooms	170 new hotel rooms in the Waldorf Astoria tower 352 hotel rooms to be preserved in original Wilshire Tower 217 hotel rooms to be demolished 522 total hotel rooms permitted on-site at final build-out of project
Residential Uses	110 total residential units allowed on site 36 units provided in an 8-story tower 74 units provided in an 18-story tower
Total Project Floor Area	973,565 square feet

Project Public Benefits Table (2008 Approval)	
\$10.2 Million	Payment Schedule: <ul style="list-style-type: none"> • \$5M paid prior to or concurrent with issuance of the building permit for the Waldorf Astoria building • \$5.2M paid prior to or concurrent with issuance of the building permit for the Residence B condominium building • \$1.5M of the total public benefit is to be placed in an affordable housing trust fund
\$1.66 Million	Paid to the Beverly Hills Unified School District
\$500,000	Paid to the City's Fine Art fund
EMS Fees	\$4.50 per \$1,000 in sales transactions every time a sale occurs
5% Municipal Surcharge	The City shall receive 5% of the gross room revenue generated by the Waldorf Astoria
Gateway Elements	Requires the development of a gateway element near the intersection of Wilshire and Santa Monica Boulevards
Land Dedication / Easements	To create bus turnouts on N. Santa Monica and Wilshire Boulevards Easement for possible subway portal
City Shuttle	Access provided for pickup/drop-off within the property

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DISCUSSION

The Specific Plan authorizing the 2008 development anticipates that project amendments would occur as the conceptual design is further developed into construction drawings, and establishes provisions for reviewing project amendments. The process to amend the project set forth in the Plan is similar to provisions included in the 9900 Wilshire Boulevard project.

Process to Amend the Project

Section 5.4 (page 31) of the Specific Plan provides the process to amend and modify the Specific Plan. There are three levels of review:

1. Formal Amendments (formal noticed hearings before the Planning Commission and City Council)
2. Administrative Modification (administrative review; mailed notice to owners/residential occupants with 100 feet of project site plus block face)
3. Modifications (no notice)

The **Formal Amendments** process requires Planning Commission review, followed by City Council approval when the following project changes are requested:

- Modifications that would substantially alter the distribution, location, extent or density of the uses and buildings permitted in the Specific Plan;
- Any increase in the total number of hotel guest rooms or residential units;
- Any increase in the overall floor area of the residential or hotel uses;
- Any increase in the total capacity of function rooms or areas; and
- A material increase in the maximum height of the buildings.

The **Administrative Modification** process gives the Director of Community Development the authority to approve changes to the Specific Plan that do not substantially alter the distribution, location, or extent or density of the uses and buildings permitted in the Specific Plan. The Director also has authority to approve changes to the site plan and building elevations that materially alter the approved architectural style or modulation of the buildings.

The Administrative Modification review and approval process was used to evaluate the subject 2014 revisions because none of the project changes qualified as Formal Amendments under the above criteria.

The administrative modification procedure requires a 'notice of pending decision' and site posting ten (10) days prior to rendering a decision. This notice was provided on July 31, 2014. A decision on the application was made on September 4, 2014 and a notice of final decision delivered on the following day (September 5, 2014). Both notices require mailing to all property owners and residential occupants within 100 feet of the project site, plus all properties on the same block face as any property that falls within the 100-foot radius. A fourteen day (14) appeal period extended through September 19, 2014.

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The Specific Plan also includes a **Modification** process, which does not include any notice requirements. Changes that can be approved through this process include the following:

- Relocation or alteration of ancillary uses, provided such relocation or alteration does not increase parking demand;
- Variations between the conceptual plans approved by the City Council and the final construction drawings prepared for permit issuance, provided the final construction drawings substantially conform to the plans approved by the City Council;
- Changes to the number and location of parking spaces, provided that the minimum number of required parking spaces continues to be satisfied;
- Changes to the configuration of the parking structure, provided that access points do not materially change;
- Changes to the locations of retail, restaurant, and open air dining uses within the hotel, provided that the changes do not increase parking demand;
- Substitution of similar types of plant species for use in the landscaping plan; and
- Minor changes to the site plan and building elevations, provided such changes do not materially alter the approved architectural style, modulation, or building height.

While some of the 2014 project amendments may have individually been eligible for review and approval through the Modification process, all of the changes were requested at the same time, considered cumulatively, and evaluated under the Administrative Modification procedure described above.

Project Revisions

Attached to this report are project plans and information that illustrate the extent of the Director-approved changes. A summary of the approved changes is as follows:

- Refinements to the architectural design of the podium and tower;
- Addition of a mezzanine in the first floor of the podium;
- Addition of a 2,408 square foot outdoor dining area;
- Reconfiguration of meeting and function rooms that will not result in an overall increase in meeting or function room capacity;
- No net increase in floor area from that approved in the Specific Plan;
- An overall height increase of 4 feet;

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- Implementation of a graywater system that will use water recycled from the hotel to reduce total water demand from the project; and
- Off-site right-of-way improvements along Wilshire Boulevard and Santa Monica Boulevard, including streetscape and landscape improvements.

City Council Call for Administrative Review

Pursuant to Article 2 of Chapter 4 to Title 1 of the Beverly Hills Municipal Code, the City Council may order the review of any decision of any commission, board or city official. Such order must be made within thirty days from the date of the September 4, 2014 decision.

This report has been prepared in response to a request from Councilmember Mirisch to explore with the Council whether the Director's determination on the subject project revisions should be reviewed by the City Council. If a majority of the Council supports the review, a de novo hearing will be set to consider the merits of the project amendments. If scheduled, notice would be provided in the same manner as required for the Administrative Modification. A vote to call the decision up for review will stay the Director's decision pending resolution by the City Council.

FISCAL IMPACT

The recommendation in this report does not have significant budget or fiscal impacts for the City. It is noted that a City Council public hearing will result in some cost to the City associated with public notices.

RECOMMENDATION

That the City Council determine whether to order a review of the Director's administrative modification determination for the subject project, and if so, set the hearing date.

Susan Healy Keene, AICP

Approved By

