

HOUSING

Adopted on December 17, 2013

Certified by the State on _____

Table of Contents

Role and Purpose of Housing Element.....	460
Community Profile and Housing Needs Summary	461
Introduction	465
Public Outreach and Participation	465
Data Sources and Methods	467
Housing Plan	469
2014-2021 Goals and Policies	469
2014-2021 Housing Programs	474
Quantified Objectives.....	490
Sites Inventory and RHNA Summary	492
Sites Inventory Summary	492
RHNA Summary	499
Appendices	
Appendix A: Community Profile	A-1
Appendix B: Potential Constraints on Housing Production and Conservation	B-1
Appendix C: Housing Resources.....	C-1
Appendix D: Review of Past Accomplishments.....	D-1
Appendix E: Public Participation	E-1

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.

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).

...

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 three 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 notified a variety of interested organizations, including individuals and groups who have participated in the element update process. The notice defined a 60-day review and comment period, and identified locations for review of the draft document, including the local libraries, the community center, City Hall, and the Community Development Department. In addition, the draft Housing Element was available on the city's website at www.beverlyhills.org. The draft was also sent to the State Department of Housing and Community Development (HCD) for review and comment.

Public hearings were held on the Housing Element before both the Planning Commission and City Council prior to the Element being reviewed by HCD. Notification was published in local newspapers in advance of each hearing and the staff reports and draft documents were available on the City's website. 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.

...

Housing Plan

The Housing Plan includes the City's goals, policies, programs and quantified objectives for meeting 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. 9.2)

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. 9.3)

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)

2014 – 2021 Housing Element Goals and Policies

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. 10.6)

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. 10.6)

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. 11.6)

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.** 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)

...

2014-2021 Housing Programs

The Housing Element programs have been numbered to follow sequentially behind the City's other General Plan Programs, which are numbered 1.0 – 8.0.

Housing Element statutes now require an analysis of the needs of extremely low income (<30% AMI) households, and programs to assist in the creation of housing for this population. The Beverly Hills Housing Element sets forth numerous programs which help to address the needs of extremely low income households, including: Home Repair and Improvement (Imp 9.3); Rent Stabilization (Imp 9.6); Monitoring Affordable Housing (Imp 9.7); Housing Trust Fund (Imp 10.3); Second Units (Imp 10.4); Partnerships with Affordable Housing Developers (Imp 10.6); Senior Housing Development (Imp 11.2); Senior Case Management (Imp 11.3); Senior Homesharing (Imp 11.4); and Funding for Homeless Services (Imp 11.6).

9.0 Conserve and Improve Existing Housing Stock

Imp 9.1 Upkeep and maintenance of vacated buildings

The City requires the exterior of vacated multi-family structures that will be demolished for redevelopment to be adequately maintained as a condition of tentative map approvals and extensions.

The City's Code Enforcement Office (Community Preservation) maintains a list of all vacant properties in the City, monitors the sites, and works with the property owners to assure that the properties are maintained in an appropriate manner.

Timeline: Ongoing

Funding Source: Department Budget

Responsible City Section: Community Preservation Division,
Community Development Department

Imp 9.2 Property Maintenance

The City requires housing to be maintained in an aesthetic, safe and habitable manner consistent with City codes. The program is run as part of the City's comprehensive Code Enforcement program (Community Preservation) and is structured as a reactive, complaint-driven inspection process. The City will explore restructuring the program to include a random housing inspection program.

Timeline: On-going, explore program restructuring by 2016

Funding Source: Department Budget

Responsible City Section: Community Preservation Division,
Community Development Department

Imp 9.3 Home Repair and Improvement

The Handyworker Program provides minor home repair, and improved security and mobility assistance to low income tenants and homeowners in single and multi-family units. The program is administered by Willdan Engineering at no cost to the qualifying low-income owner or tenant. Willdan Engineering provides community outreach, applicant screening, pre-construction site visits, repairs and remodeling, and confirmation that the property meets the City's standards for habitability.

Population Served: Extremely Low, Very-Low and Low- income (up to 80% AMI)households

Eligible Repairs: Interior/ Exterior Repairs, Energy Conservation Activities, Security/ Safety Improvements

Managed By: Willdan Engineering

Maximum Award Amount: In 2012/13 the City increased the maximum award amount to \$15,000.

Target: Serve 25 low income households per year.

Timeline: On-going

Funding Source: CDBG

Responsible City Section: Community Services Department; City Manager's Office

Imp 9.4 Historic Preservation Program

Historic Preservation is a tool that can be used to maintain the City's historic housing stock. Beverly Hills has a rich history and legacy of architecturally significant buildings. The City has adopted a Historic Preservation Element within the General Plan to provide the foundation for the City's preservation activities. The Historic Preservation Ordinance (Chapter 10-3-32) implements the goals, policies and programs of the General Plan, and establishes the review authority of the Cultural Heritage Commission. Individually designated historic properties, and properties within any future historic district, are required to obtain a Certificate of Appropriateness from the Cultural Heritage Commission prior to obtaining a building permit for alteration or development; minor alterations may be approved by Historic Community Development staff. Beverly Hills' "Historic Preservation Guidelines" along with the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings provide the basis for Commission and staff review of Appropriateness.

The City is exploring incentives to promote the preservation of historic sites and structures. Through the Mills Act pilot program, owners of designated historic single-family residential or commercial theater properties can enter into a contract with the City to reduce their

property taxes in exchange for agreeing to maintain the property's historic character.

Timeline: On-going. Evaluate preservation incentives in 2015, and adopt by 2016.

Funding Source: Departmental Budget

Responsible City Section: Community Development Department

Imp 9.5 Condominium Conversions

This program limits loss of rental housing units due to the conversion of existing apartment buildings to condominiums by setting an annual cap and providing protections for tenants.

Currently, apartment buildings proposed for conversion to condominium ownership are subject to the City's condominium conversion regulations (Beverly Hills Municipal Code Sections 10-2-710, 711, and 712). These regulations set forth a series of tenant protections including tenant noticing, relocation provisions, right of first purchase, and extended lease provisions for senior and disabled households. These regulations also set an annual limit on the number of conversions allowed.

The City will evaluate the effectiveness of the existing ordinance, and consider modifying it to require a number of units in any building converted to be set aside as affordable rental or ownership housing. The City will also evaluate the benefit of offering an in-lieu fee option that would go into the City's Housing Trust Fund and be used to provide affordable housing elsewhere in the City.

Timeline: Evaluate ordinance revisions to address affordability, and, as appropriate, amend the ordinance in 2016.

Funding Source: Department Budget

Responsible City Section: Community Development Department

Imp 9.6 Rent Stabilization

Continue the City's rent stabilization ordinance to investigate tenant complaints regarding unlawful rent increases, service reductions, evictions and relocations.

The Community Preservation Office administers the rent stabilization program which affects approximately 12,800 apartment units in the City. The ordinance limits annual rent increases to no more than ten percent and provides tenant protections through required noticing of rent increases and evictions. Community Preservation officers respond to approximately 480 inquiries from residents annually, with approximately 30 complaints requiring follow-up investigation. Most complaints are resolved within 45 days, with the remainder being referred to "stepped up enforcement action", including but not limited to citations and further legal action.

Timeline: On-going

Funding Source: Department Budget

Responsible City Section: Community Preservation, Community Development Department

Target: Investigate 30 complaints per year

Imp 9.7 Monitoring Affordable Housing

The City of Beverly Hills currently has one deed-restricted affordable housing project providing 150 units of affordable rental housing to very low income seniors. This project was originally financed under the HUD Section 202 program with project-based Section 8 certificates providing ongoing affordability. Although this project is not currently at risk of being converted to market rate housing, the City will continue to coordinate with the service provider to monitor Section 8 renewals, advise tenants in advance of any potential conversion dates, and provide opportunities to continue affordability covenants. The City will also establish procedures for the monitoring and management of additional deed-restricted units that are developed.

Number of Units: 150

Number of Affordable Units: 150 (Extremely Low and Very Low Income, Senior/ Disabled)

Year Built: 1988

Affordability Covenant: 40 years

Owner/Operator: Menorah Housing Foundation

Timeline: On-going

Funding Source: Department Budget

Responsible City Section: Community Services Department

10.0 Provide New Housing Opportunities

Imp 10.1 Density Bonus

Beverly Hills updated its residential density bonus ordinance in 2005 consistent with current State requirements as specified under SB 1818. In summary, applicants of residential projects of five or more units may apply for a density bonus and additional incentive(s) if the project provides for one of the following, per State policy:

- *10% of the total units for lower income households; or*
- *5% of the total units for very low income households; or*
- *A senior citizen housing development that limits residency based on age requirements for housing for older persons; or*
- *10% of the total dwelling units in a condominium for moderate income households.*

The amount of density bonus varies according to the amount by which the percentage of affordable housing units exceeds the established minimum percentage, but generally ranges from 20-35% above the specified General Plan density. In addition to the density bonus, eligible projects may receive 1-3 additional development incentives, depending on the proportion of affordable units and level of income targeting.

The State requires the following incentives to be offered in conjunction with the density bonus:

- *A reduction in parcel development standards (coverage, setback, zero lot line and/or reduced parcel sizes)*
- *Approval of mixed use zoning in conjunction with the housing project*
- *Other regulatory incentives or concessions proposed by the applicant, or by the City that would result in identifiable cost reductions.*

Pursuant to Beverly Hills' adopted Housing Element, City Planning staff have been working with the Planning Commission to establish a list of preferred incentives for the density bonus program. Providing such a list encourages developers to use specified incentives, and contributes to greater certainty in the development process.

In order to further encourage the use of such on-list incentives, the City is considering establishing different application requirements and review procedures for on-list and off-list incentives.

Timeline: In 2013, amend the density bonus program to define a list of preferred incentives and concessions. Promote through the City's

website and through an updated Affordable Housing Brochure.

Funding Sources: Department Budgets

Responsible City Section: City Manager's Office; Community Development Department

Imp 10.2 Inclusionary Housing

Beverly Hills will pursue adoption of an inclusionary housing program to require a minimum percentage of units in a development to be price-restricted as affordable to lower and moderate income households. The Ordinance will require one of the following: (a) provision of affordable housing on-site; (b) provision of affordable units off-site; or (c) payment of an affordable housing in-lieu fee. Current case law (*Palmer/Sixth Street Properties v. City of Los Angeles*) limits the application of inclusionary requirements to: 1) for-sale housing projects, 2) rental projects receiving financial or regulatory assistance from the city subject to a written development agreement.

The City will conduct an inclusionary housing nexus study to document the relationship between residential development and demand for affordable housing, and to determine both the maximum supportable and recommended in-lieu fee amount. Based on the study's findings, the City will develop and adopt an inclusionary housing ordinance structured to offer incentives to help offset the cost of providing affordable units. In-lieu fees generated from the program will be contributed to the City's Housing Trust Fund.

Any Incentives that may be offered under the Inclusionary Housing program will be linked with incentives offered under the City's Density Bonus program (Imp 10.1a)

Timeline: Finish Inclusionary Housing Nexus and In-Lieu Fee Study in 2015 and adopt ordinance in 2016.

Funding Sources: Department Budgets; future Inclusionary Housing In-lieu Fees.

Responsible City Section: City Manager's Office; Community Development Department

Imp 10.3 Housing Trust Fund

Because the City did not have a Redevelopment Agency and has limited access to state and federal housing resources, the City faces practical and financial constraints in its ability to facilitate the construction of affordable housing. To create a more viable funding source, the City will establish a Housing Trust Fund that will be used to construct or help leverage construction of affordable housing. Potential Trust Fund resources include development agreements and

in-lieu fees from an Inclusionary Housing Program. An Affordable Housing Program will be established to manage the Trust Fund and establish parameters for allocation of funds towards projects, including consideration of priority assistance to projects which include a portion of units affordable to extremely low income households.

Since January 1, 2006, the City has entered into three development agreements that included over \$4 million in funds allocated for the Housing Trust Fund. To date, none of these projects has submitted for building permits, and therefore, no funds have yet been collected, but all three projects remain entitled to be built. This program will move forward once a funding source has been identified, and will coincide with the collection of fees.

Timeline: Establish Housing Trust Fund in Fiscal Year 2014/2015.

Funding Sources: Inclusionary Housing In-lieu Fees, Development Agreements

Responsible City Section: City Manager's Office; Policy and Management Office

Imp 10.4 Second Units

In compliance with AB 1866, Beverly Hills has developed both a ministerial approval process for second units that are less than 650 square feet in size, as well as a discretionary review process for larger second units proposed on properties north of Santa Monica Boulevard. During the prior planning cycle (2008-2012), the City received and approved 20 second unit applications, for an average of four per year. In 2013, the Community Development Department developed a brochure to provide information on the City's second unit standards and promote their development.

In order to collect information on second units to determine who lives in them, rent ranges, size, and additional steps the City can take to encourage construction of second units, the City conducted a Citywide survey of residential property owners in 2010. One of the questions posed in the survey was the amount of rent charged on existing second units (if any), as a means of assessing affordability and contribution towards addressing the community's regional housing needs (RHNA). Of the 40 occupied second units in the survey, 81 percent were provided rent free or for a rental amount affordable to very low income households. The results of the survey indicate that the majority of second units in Beverly Hills are occupied by caregivers or elderly parents of the primary homeowner.

To further encourage the provision of second units, the City will evaluate modifications to its second unit ordinance, including:

- Greater flexibility in second unit standards in R-1 zones south of Santa Monica Boulevard
- Explore increasing the by-right second unit size
- For second units built above a garage, allowance for an increase in the permitted height up to the height of the primary residence.
- Allowances for reduced setback requirements where privacy is not compromised

Evaluate revisions to current second unit standards, and amend the ordinance by 2015. Revise the second unit brochure to reflect updated development standards as appropriate. Conduct second unit survey in 2018 to inform the next housing element update
Funding Sources: Department Budgets.

Responsible City Section: Community Development Department

Imp 10.5 Sustainability and Green Building

“Green buildings” are structures that are designed, renovated, re-used or operated in a manner that enhances resource efficiency and sustainability. These structures reduce water consumption, improve energy efficiency, and reduce a building’s overall environmental impact. The City of Beverly Hills has adopted the California Green Building Standards Code (CALGreen), including additional mandatory measures in for projects adopted by the City in 2008. Modifications of Calgreen include requiring new multi-family and commercial buildings to be constructed to 15% greater energy efficiency than the State’s Energy Code (Title 24), and include solar energy collection systems. If compliance with the program would frustrate the ability to provide affordable housing in a project, some part of the program or the entire program can be waived.

Beverly Hills has also adopted a Sustainable City Plan in conjunction with recent amendments to its General Plan. The overall goal of the Sustainable City Plan is to reduce the City’s carbon footprint by providing a model framework for sustainable practices for the environment, the economy and social equity.

Timeline: Ongoing.

Funding Sources: Department Budget

Responsible City Sections: Community Development, Public Works Departments

Imp 10.6 Partnerships with Affordable Housing Developers

In today's housing market, creative approaches are required to finance and build affordable and special needs housing. Beverly Hills successfully partnered with the non-profit Menorah Housing Foundation to achieve development of 150 units of affordable senior housing, and has contracted with Alternative Living for the Aging for implementation of the senior shared housing program in the past. Both of these organizations own and manage numerous affordable housing developments for seniors in greater Los Angeles and can serve as potential resources for future senior housing in Beverly Hills. Several other local non-profits have an excellent track record in securing State and federal funds to build quality, affordable housing, including –Abode Communities (formerly LA Community Design Center), West Hollywood Housing Corporation, Jamboree Housing, and National Community Renaissance. The City has recently been in talks with local non-profit housing providers and is actively pursuing partnership opportunities.

The City will actively participate in sub regional conferences, symposiums, and affordable housing related events such as: the Southern California Association of Nonprofit Housing annual conference. The City will select a non-profit developer to develop an affordable housing project, and will support in this effort through leveraging local Housing Trust Funds, assisting in the application for State and federal financial resources, facilitating project entitlement, and providing a package of incentives such as fee deferrals and relaxed development standards.

Timeline: Actively participate in conferences, symposiums and other affordable housing events to review resources, incentives and City goals. Initiate an RFO process within two years of the establishment and funding of the housing trust fund, select a developer and pursue development of an affordable housing project. As able, consider providing priority assistance to projects which include a portion of units affordable to extremely low income households.

Funding Source for Administrative Costs: Department Budget

Funding Source for Development Cost: Housing Trust Fund

Responsible City Section: City Manager's Office; Community Development Department

11.0 Promote Equal Housing Opportunities and Special Needs Housing

Imp 11.1 Fair Housing Program

As a participating jurisdiction in the Los Angeles County CDBG program, fair housing services are coordinated by the County Community Development Commission on behalf of the City. The County currently contracts with the Housing Rights Center (HRC) to serve as the provider of fair housing and tenant-landlord information for its participating jurisdictions, including Beverly Hills. HRC provides fair housing investigation and coordinates referral services to assist individuals who may have been the victims of discrimination. Many of the people who contact HRC have basic questions about landlord and tenant rights and responsibilities; HRC's housing counselors provide clients with comprehensive information to help resolve tenant/landlord issues.

The City will continue to promote fair housing practices, and refer fair housing complaints to the Housing Rights Center. As a means of furthering fair housing education and outreach in the local community, the City will advertise the fair housing program through placement of fair housing services brochures at public counters in City Hall and the library, at the Beverly Hills Senior Center, and on the City's website.

Timeline: Ongoing

Funding Source: CDBG

Responsible City Section: Community Services Department

Imp 11.2 Senior Housing Development

The need for senior housing in the City is significant and growing, with 30 percent of households in Beverly Hills headed by a senior citizen. Of the City's 1,600 senior renter households, nearly half are lower income (<80% AMI); two-thirds of these lower income seniors are spending greater than two-thirds of their incomes on rent. The City will actively pursue development of an affordable housing project targeted towards Beverly Hills' extremely low (ELI) and lower income residents. As indicated in Program 10.6 (Partnerships with Affordable Housing Developers), the City intends to issue an RFQ and select a developer to build an affordable housing project, and will provide the following incentives to facilitate development:

- Flexible development standards (reduced parking requirements, modified setbacks, etc.)
- Density bonuses
- City support in affordable housing funding applications (priority to those that support deeper targeting to ELI households)

- Deferral/Reduction in development fees
- Direct financial assistance through Housing Trust Fund
- Project entitlement assistance

Timeline: Continue to build partnerships with affordable housing developers. Develop a project concept by 2016 and release an RFO by 2017. By 2018 commence development of a senior housing project in the City affordable to the City's lower and extremely low income residents.

Funding Source for Administrative Costs: Department Budget

Funding Source for Development Cost: Housing Trust Fund

Responsible City Section: City Manager's Office; Community Development Department

Imp 11.3 Senior Case Management Program

The City contracts with Jewish Family Service to provide a comprehensive case management program to assist frail elderly residents to remain independent and in their homes.

The following continuum of supportive services are provided to seniors who are frail, economically needy, and/or socially isolated:

- Comprehensive assessment – In-home psycho-social assessment of functional abilities, health status, mental and cognitive abilities, support network, financial health, safety risks, eligibility for government benefits and other programs. The comprehensive assessment includes:
 - Development of an individual care plan – Identifies senior's needs and associated services that will allow continued independence.
 - Service coordination – Coordination with appropriate services, including in-home care-workers, ERS, home delivered meals, assistance to obtain governmental benefits, arranging for other community based services, transportation assistance, and coordination of services with medical providers, family, and social supports.
 - Emergency Response Systems (ERS) – ERS are medical devices placed in a senior's home and connected to a central emergency location.
 - Monitoring/ home visits: Social workers make regularly scheduled home visits to assure quality of services, and that changing needs are met.

Additional Services: Information, referral and crisis intervention, consultation and advocacy, and assistance to families to further support the senior's independent living.

Approximately Jewish Family Service provides broad case management services through the Beverly Hills Senior Center,

including information, referral and crisis intervention, serving approximately 250 seniors thus far.

Timeline: On-going

Funding Source: CDBG, City of Beverly Hills Community Assistance Fund

Responsible City Section: City Manager's Office; Community Services Department

Imp 11.4 Senior Homesharing Program

Alternative Living for the Aging (ALA) provides a free shared housing program which matches older people with others (younger and older) interested in sharing their homes. Housing counselors at ALA interview each potential housemate and obtain references, leaving the decision to the potential housemates whether to make a match. Sharing a home promotes independent living, provides additional income for the provider, an affordable rent for the seeker, and the potential for deeper relationships for both. The average age of community members in Beverly Hills is growing older, and over 830 seniors currently live alone in single-family homes in the City. Shared housing promotes the efficient use of the housing stock, and can help address the housing needs of seniors in our community. Shared housing promotes the efficient use of the housing stock, and can help address the housing needs of seniors in our community. The City has provided funds to ALA in the past to help fund their housemate matching service, and anticipates the program will be funded again in future years when there are fewer budget constraints. Beverly Hills residents continue to have access to ALA's home sharing program.

Timeline: Evaluate Community Assistance Funds and determine grant amount annually.

Funding Source: City of Beverly Hills Community Assistance Grant Funds

Responsible City Section: Human Services Division, Community Services Department

Imp 11.5 Housing Opportunities for Persons with Disabilities

The City understands the significant and wide ranging housing needs faced by persons with disabilities and their families. The Westside Regional Center (WRC) reports that nearly 60 percent of their adult clients with developmental disabilities live with their parents, and as these parents age and become more frail, their adult disabled children will require alternative housing options. There are a number of housing types appropriate for persons living with a developmental disability, including: licensed community care facilities and group homes; supervised apartment settings with support services; and for

persons able to live more independently, rent subsidized, affordable housing. For persons with physical disabilities, housing accessibility is essential, ideally located in close proximity to services and transit. The City will work with the WRC to implement an outreach program informing Beverly Hills' families of housing and services available for persons with developmental disabilities, including making information available on the City's website.

Beverly Hills supports the provision of housing for its disabled population, including persons with developmental disabilities, through several means, including:

- By-right zoning for licensed residential care facilities (6 or fewer residents) in all residential zones, and provisions for larger care facilities (7 or more residents) in residential zones subject to a use permit
- Adoption of Ordinance 12-O-2633 in November 2012 to specifically define transitional and supportive housing as a residential use of property, and to permit in all residential zone districts subject only to those restrictions and processing requirements that apply to other residential dwellings of the same type in the same zone.
- Addition of Article 36.7 to the Municipal Code, establishing a procedure for an individual with a disability to request a reasonable accommodation from zoning and building standards.
- Provision of Home Repair and Improvement (Handyworker) grants for lower income households which may be used for accessibility improvements.

Timeline: In 2014, implement an outreach program in cooperation with the Westside Regional Center to publicize information on available regional resources for housing and services. Pursue State and Federal funds available for supportive housing and services in future affordable housing projects.

Funding Source: CDBG, City of Beverly Hills Community Assistance Grant Funds

Responsible City Section: City Manager's Office, Community Development Department; Community Services Department

Imp 11.6 Funding for Homeless Services

Beverly Hills launched the CLASP (Changing Lives and Sharing Places) Homeless Outreach and Engagement Program in January 2008. The program provides street outreach workers (through Step Up On Second) to assess the needs of homeless individuals in the City, provide case management, and to refer them to the appropriate services and shelter. Shelter is offered through People Assisting the Homeless (PATH), funded by the City to provide approximately 1,500 shelter bed nights per year. The City is also partnering with Step Up on Second to provide an apartment unit, combined with case management support.

Through its Community Assistance Grant Program, the City funds a variety of service organizations that serve the homeless and persons at-risk of homelessness. These organizations/programs include the All Saints Homeless Assistance Program, the Westside Food Bank, the Los Angeles Free Clinic, and the Maple Mental Health Counseling Center.

Service Providers: Step Up on Second; PATH; various other service agencies

Timeline: Annual funding allocations

Funding Source: City of Beverly Hills Community Assistance Grant Funds; Community Development Block Grant

Responsible City Section: Human Services Division, Community Services Department

12.0 Remove Governmental Constraints

Imp 12.1 Adjust Development Standards

The City's development standards are aimed at ensuring the quality and appropriateness of development, however, certain standards may have the effect of constraining the provision of certain housing types, and are considered below. The Housing Element constraints analysis identifies the City's minimum unit size as a disincentive to the construction of smaller, more affordable units for the City's workforce. In addition, the Element identifies the City's height districts and parking location requirements as potential constraints to development. With the adoption of its Housing Element in November 2011, the City committed to reducing minimum unit size requirements, and to conducting an analysis of the multi-family development standards to identify any standards identified as a constraint, and implement revisions as may be warranted. As part of the update to the density bonus ordinance to define a list of by-right development incentives (refer to Program 10.1), the City is evaluating reduced unit sizes ranging from 20-40% for projects that incorporate affordable units. The

City is also evaluating adjusting other development standards that would be beneficial to facilitating affordable housing, including but not limited to the following:

- o Replacing the current density calculation for multi-family projects in the zoning code with a maximum floor area ratio
- o Modifying development standards for single-lot projects
- o Allowing greater flexibility in the type, and location of multi-family parking
- o Allowing the same number of units to be rebuilt on properties which have more units than currently would be allowed
- o Providing additional incentives for workforce housing over and above those contained in the provisions of the State Density Bonus.

Timeline: Amend the Zoning Code in 2013 to include reduced minimum unit sizes as an incentive for the density bonus program. Explore revisions to other development standards, including minimum unit sizes for all multifamily units, as supported by analysis by 2015.

Funding Source: Departmental Budget

Responsible City Section: Community Development Department

Imp 12.2 Reduced Fees for Affordable Housing

Beverly Hills collects various fees from development to cover the costs of processing permits and providing services and facilities. The City has hired an economic consultant to conduct a comprehensive Citywide fee study, including an evaluation of the economic benefit of providing waivers or reductions of certain taxes, and fees including certain project fees for developments containing very low, low- and moderate-income housing units, as well as for housing developed under the City's modified standards for Multiple-family Residences for Elderly and Handicapped Persons (Deed Restricted).

The California legislature passed AB 641 in 2007 which helps to address the cash flow problems inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to lower income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

Timeline: Complete the fee study in Fiscal Year 2013, and adopt modified development fees for affordable housing.

Funding Source: Department Budget

Responsible City Section: Community Development Department

Imp 12.3 Monitor the Development Review Process

The City's Community Development Department has been restructured to provide more efficient permitting through:

- Establishment of a dedicated group of Zoning and Building staff focused on processing permits
- Hiring an Urban Designer to help streamline design review for development applications

In addition, the City is currently updating its Zoning Code to reduce inefficiencies and uncertainty in the development review process.

Timeline: Adopt updated processing procedures in the Zoning Code in 2013.

Funding Source: Departmental Budget

Annually, 2011 – 2013, modify incentive program as appropriate within one year

Funding Source: Department Budget

Responsible City Section: Community Development Department

...

Quantified Objectives

Beverly Hills has developed the following numeric objectives for housing production, housing rehabilitation, and housing preservation based on the policies and programs set forth in the Housing Element.

Income Group	New Construction	Rehabilitation	Conservation
Extremely Low			75
Very Low	15	100	75
Low	3	100	
Moderate	2		
Above Moderate	90		
Total	110	200	150

The City has set forth objectives for housing production based on recent annual housing unit production levels. Included in these objectives are anticipated second units (approximately three per year). Based on the Beverly Hills' second unit survey, an estimated 81% of these second units are expected to be provided at very low income rents, 3% at low income rents, 12% at moderate income rents and 4% at market rents (Please see the results of the 2010 Second Unit Survey outlined in Sites Inventory Summary and Table 8). In addition to second units, Beverly Hills will support the provision of affordable housing through a new Housing Trust Fund and future inclusionary housing ordinance.

Housing rehabilitation plays an important role in maintaining the quality of housing, preserving the overall quality of neighborhoods, and contributing to an overall higher quality of life. The City provides rehabilitation assistance through the Handyworker Program that provides minor repairs/improved security/mobility assistance for low income tenants and homeowners. The goal is to serve approximately 25 very low and low income households annually, for a total of 200 households over the eight year planning period.

With respect to housing conservation, the City currently does not have any publicly assisted rental units that are at high risk of conversion to market rates. The City's goal will be to continue to coordinate with the non-profit owner of the 150 units of senior rental housing to maintain long term affordability.

...

Sites Inventory and RHNA Summary

Sites Inventory Summary

The State requires jurisdictions to identify sites for the development of housing within the planning period and demonstrate that the identified sites are sufficient to accommodate the jurisdictions' share of the regional housing need (Regional Housing Need Allocation, or RHNA). The inventory of sites is included in "Housing Resources" (Appendix C). This section presents a summary of the information in the sites inventory.

The State considers the following land suitable for residential development:

State Potential Housing Site Categories

- Vacant land zoned for residential use
- Vacant land zoned for nonresidential use that allows residential use
- Underutilized residential sites capable of being developed with more residential units
- Sites zoned for nonresidential use that can be redeveloped for residential use

Beverly Hills is a built-out City located in an urbanized metropolitan region, with very little land remaining that has not been developed in some form. Housing growth is primarily accommodated through the recycling of underutilized properties. Therefore, the inventory of potential new housing sites considers the redevelopment potential of existing multi-family properties, as well as vacant multi-family lands. Recent development trends suggest that, on average, multi-family projects in the City are built to at least 85% of the permitted General Plan density (refer to Table C-4 for project examples). Therefore, in order to assess realistic development potential, identified sites have been assumed to develop at 85% of the maximum General Plan density.

To address past State concern that adequate large sites for housing exist in the City, the housing inventory was designed to:

- Identify only sites with two or more parcels.
- Calculate residential unit density as 85-percent of allowable zoning density based on the number of parcels that can be assembled.
- Identify existing uses on each site (only properties with four or fewer units existing onsite were considered).
- Visually display properties that can be assembled.

Based on the housing sites inventory, and assuming 85% build out of zoning code density with no additional unit density incentive for

building senior or congregate housing, four project sites are available for residential projects meeting the State’s criteria of having a potential for more than 50 units. When unit densities are calculated utilizing the incentive for providing senior housing (150 units/acre), the number of potential sites meeting the State’s criteria is more than 45.

Beverly Hills’ RHNA numbers for January 1, 2014 to September 30, 2021 total 3 distributed among the following income groups: 1 very low income household, 1 low income household, and 1 moderate income household.

Table 2 presents the City’s aggregate residential sites inventory (see further discussion of sites inventory and Appendix C for list of properties):

Vacant multi-family (R-4) sites (>30 units/ac)	7 units
Underutilized ¹ multi-family (R-4) sites (>30 units/ac)	725 units
Entitled Housing Projects (with affordable units, or money)	466 units
Second units in single-family districts	20 units
Total Unit Capacity	1,218 units

Vacant Multi-Family (R-4) Sites (>30 units/ac)

Utilizing Geographic Information Systems (GIS) and assessor parcel data, and confirmed by site inspections, the City identified a total of 2 vacant R-4 zoned sites (2 lots, total), providing capacity for 7 new multi-family units, as illustrated in Table C-1 in Appendix C.

Underutilized Multi-family (R-4) Sites (>30 units/ac)

Multi-family parcels were considered “underdeveloped” with a realistic potential for redevelopment during the 2014-2021 Housing Element planning period if all of the following could be met:

- Zoned R-4 (Multi-Family Residential)
- Permitted density of at least 30 units per acre
- Developed currently with apartments, single-family, or duplexes (condominiums eliminated)
- No more than 4 units existing on any single property
- Must consist of at least 2 adjacent properties
- Building(s) constructed at least 40 years ago
- Building(s) in moderate condition or less (based on visual inspection)

¹ The methodology used in the analysis is presented in Appendix C and a discussion of the inventory is provided in this section.

- Current number of dwelling units on each site at least 4 units fewer than permitted under 85% of zoning code density.

As presented in Table 3 below, 284 R-4 parcels meet the City’s criteria of underdeveloped and suitable for intensification within the Housing Element planning period. Utilizing the 85% zoning density threshold and factoring in the specific site development standards for each parcel (refer to tables B-4, B-5, and B-6); a total of 725 net new units could be built on underutilized parcels in the R-4 zone districts. The following table presents the results of the underutilized sites inventory, the full inventory is presented at the end of this document in Appendix C.

Table 3 Underutilized Multi-family Residential (R-4) Properties				
General Plan Designation	Allowable General Plan Unit Density	Underutilized Sites (lots)	Underutilized Acres	Realistic Unit Potential (Net New)
High Density	50 units/ac	98	14.2	285
Medium Density	45 units/ac	75	10.2	193
Medium-Low Density	40 units/ac	94	13.6	203
Low Density	40 units/ac	17	2.5	44
Totals		284	40.5	725[^]

[†] Net Unit potential based on past development trend of 85% General Plan density

[^] Net Building Potential at 85% zoning code density

Although many of the sites identified in the City’s potential sites inventory are small (<.5 acres), as shown in Table C-4, redevelopment in the City occurs on small sites, either as single lot projects or as multiple lot projects. The City provides incentives for lot aggregation in the R-4 development standards, namely greater unit density for projects occurring on multiple lots.

Although the City sees development on single lots, for the sake of using a conservative measure of redevelopment potential, the City only considered potential redevelopment of underutilized sites that consisted of two or more parcels. Single parcels, although viable for redevelopment, were not considered.

Entitled Housing Projects

Since 2006, City has approved six projects that have either included affordable housing units or will provide monies for the City’s future Housing Trust Fund. Five of those projects (9.2 acres) were approved at a residential density of greater than 30 units per acre (see table below). These projects are summarized in this section.

Development agreements on two of the projects (9876 Wilshire Blvd., and 9900 Wilshire Blvd.) include funds for affordable housing totaling \$4.5 Million. Neither project has been submitted for building permits, but when they are, this money will be deposited in the City's - *to be created* - Housing Trust Fund (Imp. 10.3). An additional specific plan project (9200 Wilshire Blvd.) has been approved that includes \$3.25 million for public benefit. Although this money is not specifically allocated to affordable housing, it is anticipated that approximately 10% of the money will be deposited in the Housing Trust Fund (Affordable Housing monies included in the 9900 Wilshire project is equal to 10% of public benefit monies for that project).

The City has successfully incorporated affordable units within three recent market rate projects. One of the approved projects (8600 Wilshire Blvd.) is a residential/commercial project. The other two projects are residential R-4 projects that have utilized the City's Density Bonus Ordinance. Affordable housing provided by these projects is summarized in the following table (Table 4).

Project Address	General Plan Designation	Permitted Units	Acres	Allowable Unit Density	Affordability Component
9936 Durant	MFR High Density	14	0.28	50 units/ac*	2 Moderate
309-325 S. Elm	MFR High Density	30	0.70	43 units/ac*	3 Low
8600 Wilshire	Mixed Use 2	23	0.60	39 units/ac	2 Moderate
9200 Wilshire	Mixed Use	54	1.00	54 units/ac	\$350K
9876 Wilshire	Beverly Hilton Specific Plan	110	8.88	12 units/ac^	\$1.5 Mil.
9900 Wilshire	9900 Specific Plan	235	7.62	31 units/ac	\$3 Mil.
Total		466	19.08		Affordable Housing Dollars \$4.85Mil.

* These projects utilized State density bonus incentives (SB 1818)

Second Units

In addition to the potential sites identified in the housing sites inventory, there is a capacity to provide second units in many of the City's single-family residential districts. Second units, also known as guest houses, pool houses, and granny flats, are small dwelling units that provide a kitchen, bathroom and sleeping area. Second units can be part of the main home, or can be a small building in the backyard.

Second units can provide affordable rental options for smaller households, such as caregivers or the elderly parents of the primary homeowner, and offer an important opportunity to help Beverly Hills address its regional housing needs. The City has adopted a

ministerial approval process for second units less than 650 square feet in size, and allows larger second units, including units above garages, on R-1 properties located north of Santa Monica Boulevard subject to a second unit permit.

In order to collect information on second units, in June 2010 the City mailed a second unit survey to all single-family property owners in Beverly Hills (survey provided in the appendix). This mailing served to obtain information on the extent of second units in the City, their affordability and the populations they serve, and served the dual purpose of informing residents that second units are both legal and encouraged in Beverly Hills. The survey began with a clear definition of what qualifies as a bona fide second dwelling unit, and requested homeowners with a second unit on their property that met this definition to complete the survey. A comment section was provided for property owners to share any thoughts they had on second units, regardless of whether they currently had a second unit or not. The following section summarizes the results of the survey.

The City received 183 surveys back from the public. Of the returned surveys, 110 respondents indicated they had a second unit on their property, whereas the other 73 respondents did not currently have a second unit but included written comments for the City. The vast majority of the 110 second units captured by the survey were detached (87%). Forty-two of the second units surveyed (38%) were currently occupied, indicating that many units are not being used for full time occupancy, but may be made available for visiting guests or function as a pool house.

Table 5 Second Units Surveyed	
Surveys Returned	184
Surveys with 2nd Units	111
Unit Currently Occupied	43
<i>Offered Rent Free</i>	<i>31 (72%)</i>
<i>Units Occupants Related to Homeowner</i>	<i>19 (33%)</i>
Number of Occupants	56
<i>Occupant is a Caregiver</i>	<i>21 (38%)</i>

The 42 occupied second units in the survey housed a total of 54 residents. While most units had a single occupant, one-quarter of the units had two or three occupants. Nearly half the occupants were related to the primary homeowner (44%), and a majority were over the age of 55 (42%), indicative of the role second units play in providing housing for aging parents. Approximately one-third of second unit occupants were working age adults between the ages of 31-55 years old.

Table 6 People Living in Surveyed Second Units – Demographics	
Number of People living in 43 Occupied 2nd Units Surveyed	55
Occupant Related to Homeowner	45%
Occupant Over 55	48%
Occupant 31-55	33%
Occupant 16-30	19%

By occupation, most occupants were caretakers (37%), illustrating another role second units play in Beverly Hills. Over-one quarter of occupants were identified as professionals, followed by students and retirees.

Table 7 People Living in Surveyed Second Units – Occupation	
Caretaker	38%
Professional	26%
Student	14%
Retired	12%
Other	10%

An additional question posed in the survey asked if rent was charged on currently occupied second units and if so, the amount of rent. A series of rental ranges were provided from which to choose, with ranges selected that generally correspond to the level of rent considered affordable to very low, low, moderate and above moderate-income households. This question was posed to assess the affordability of existing second units, and to estimate the proportion of new second units that may contribute towards addressing the community’s regional housing needs (RHNA).

As indicated in the following table, 81 percent of occupied second units were provided rent free or for a rental amount affordable to very low income households. Another 3 percent of second units rented at levels affordable to low income households, and 12 percent at levels affordable to moderate income households. The survey also asked the age of the second unit to assess whether newer units tended to command higher rents; of the 4 units built 2006 or later, all were provided rent free to either family members or caretakers.

Table 8 Surveyed Second Units – Rent Ranges

Income Category	Rental Range	Percentage of Occupied 2 nd Units
Very Low	No Rent or Rent < \$400	81%
Low	\$401-\$700	3%
Moderate	\$701-\$1,100	12%
Above Moderate	Over \$1,100	4%

An inventory of second unit building permits issued between 2006 and 2013 indicated that a total of 20 second units were built during the period. The City estimates that at least 20 second units will be built during the 2014-2021 period. Based on the results of the City's second unit survey, it is estimated that 81%, or 16, of the total second units that may be approved in the planning cycle, will be offered at a nominal rent or rent free and therefore count towards meeting the "very low" income RHNA housing requirement. Further information will be provided on second units that do not require discretionary approval when that information is available. To further encourage the provision of second units, the Housing Element includes a program (Imp 10.4) for the City to evaluate certain modifications to its second unit ordinance. Ordinance revisions to be evaluated include:

- Greater flexibility in second unit standards in R-1 zones south of Santa Monica Boulevard.
- Allowing larger sized second units of up to 1,000 square feet by right, thereby eliminating the need for a second unit permit and reducing processing times.
- For second units built above a garage, allowing an increase in the permitted height up to the height of the primary residence.
- Allowing reduced setback requirements where privacy is not compromised.

It is anticipated that modifying the City's existing second unit ordinance will lead to additional second units being constructed during the current planning period.

RHNA Summary

The Regional Housing Needs Assessment (RHNA) is a state-mandated process that determines the amount of future housing growth that cities and counties must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that need to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate. More detailed information on the RHNA process can be found in Appendix A.

SCAG has adopted the RHNA for the 2014-2021 Housing Element cycle, and has allocated Beverly Hills the following share of the region’s housing needs:

Income Level	Percent of AMI*	Units	Percent
Extremely Low**	0-30%	0	0%
Very Low	31-50%	1	33%
Low	51-80%	1	33%
Moderate	81-120%	1	33%
Above Moderate	120%+	0	0%
Total		3	100%

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

* AMI – Area Median Income.

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

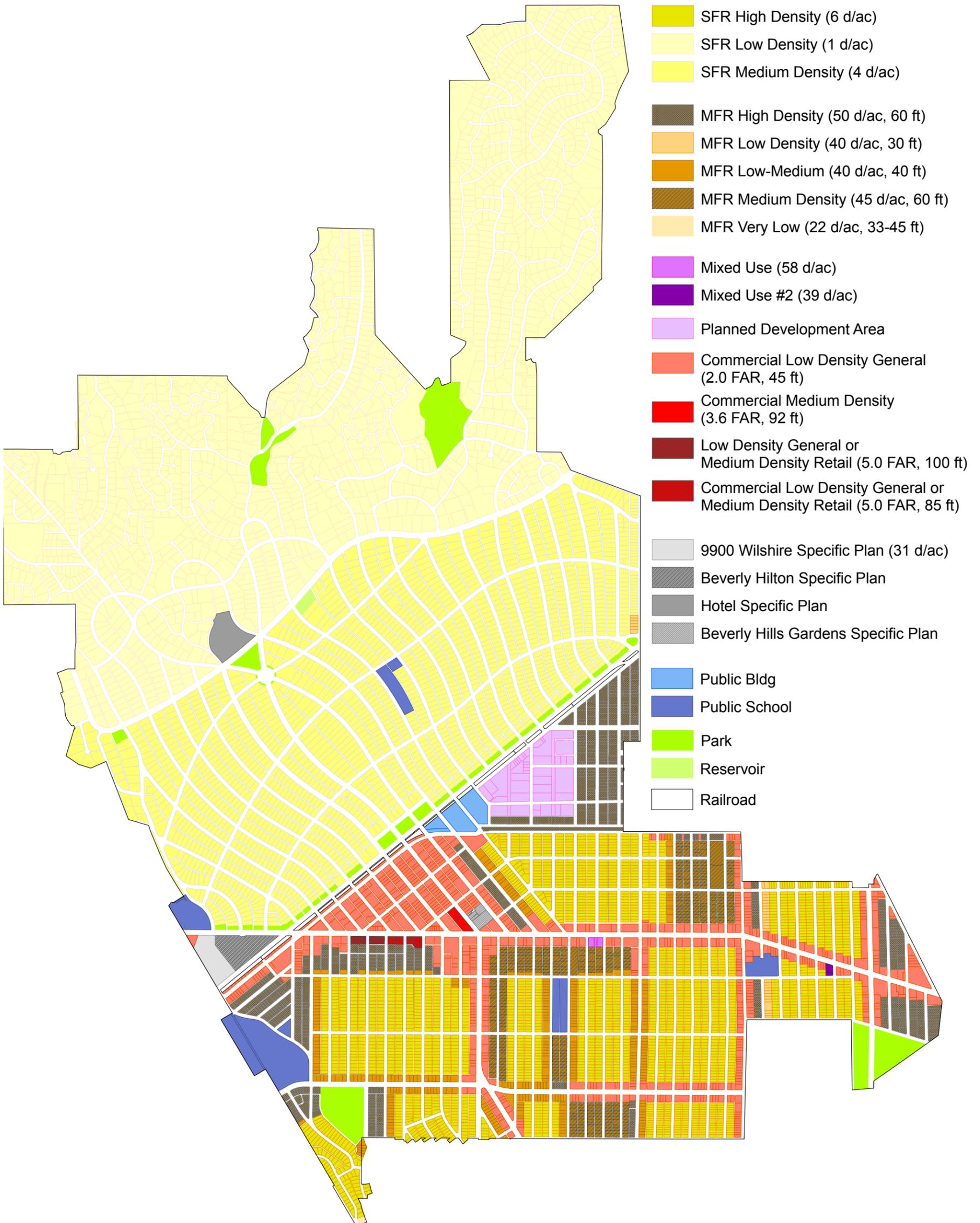
The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning, and is one of the primary threshold criteria necessary to achieve state approval of the Housing Element. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target in terms of units built. Beverly Hills will continue to provide sites for a mix of single-family, multi-family, and mixed use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the Southern California region.

...

City of Beverly Hills - Land Use Map

LAND USE DESIGNATION

d/ac = Dwellings per Acre



**GENERAL PLAN
LAND USE DESIGNATIONS**



0 0.05 0.1 0.2 0.3 0.4 Miles



City of Beverly Hills Zoning Map

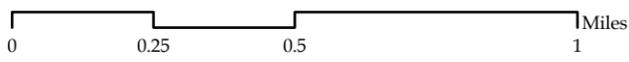
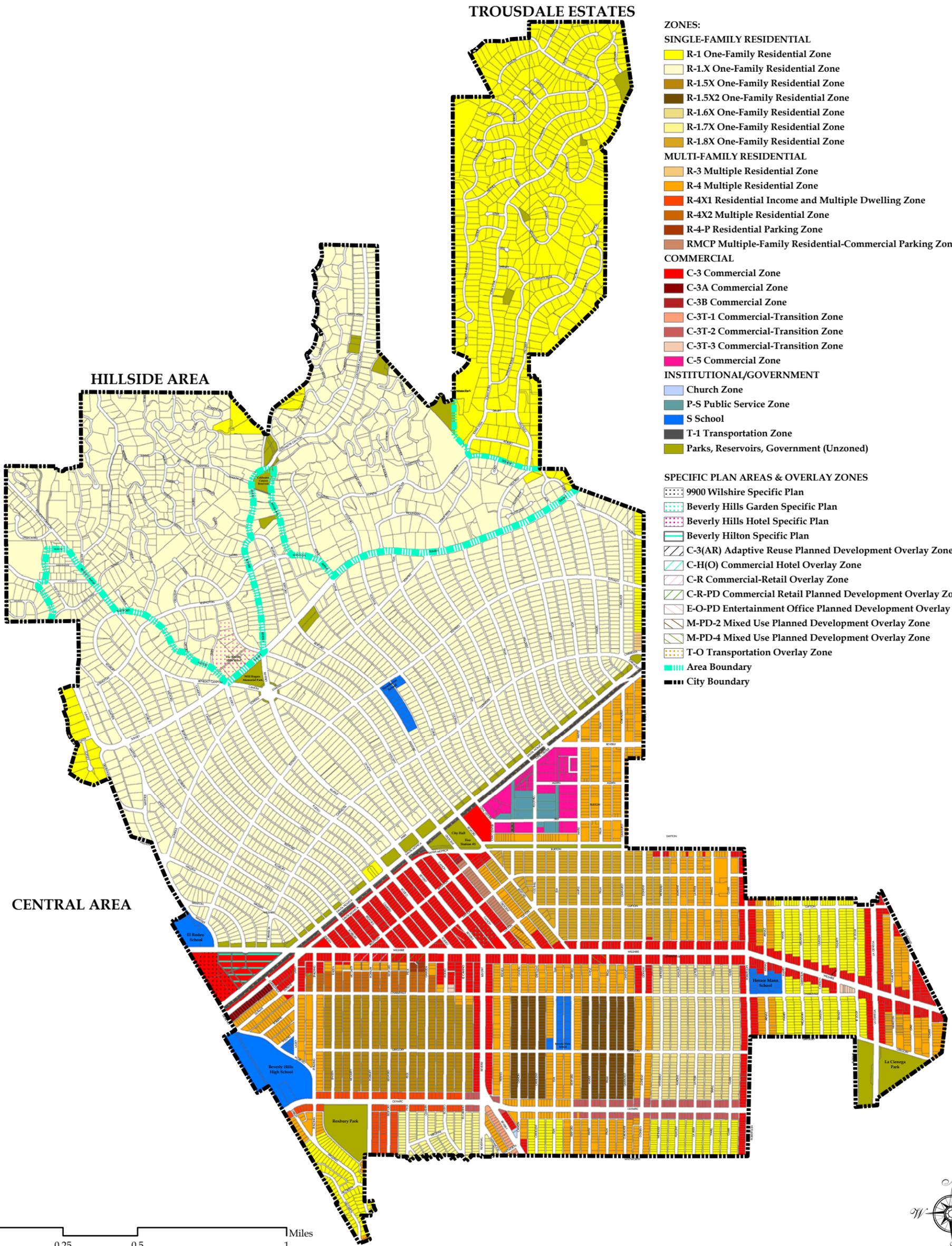
Planning Division, October 2008

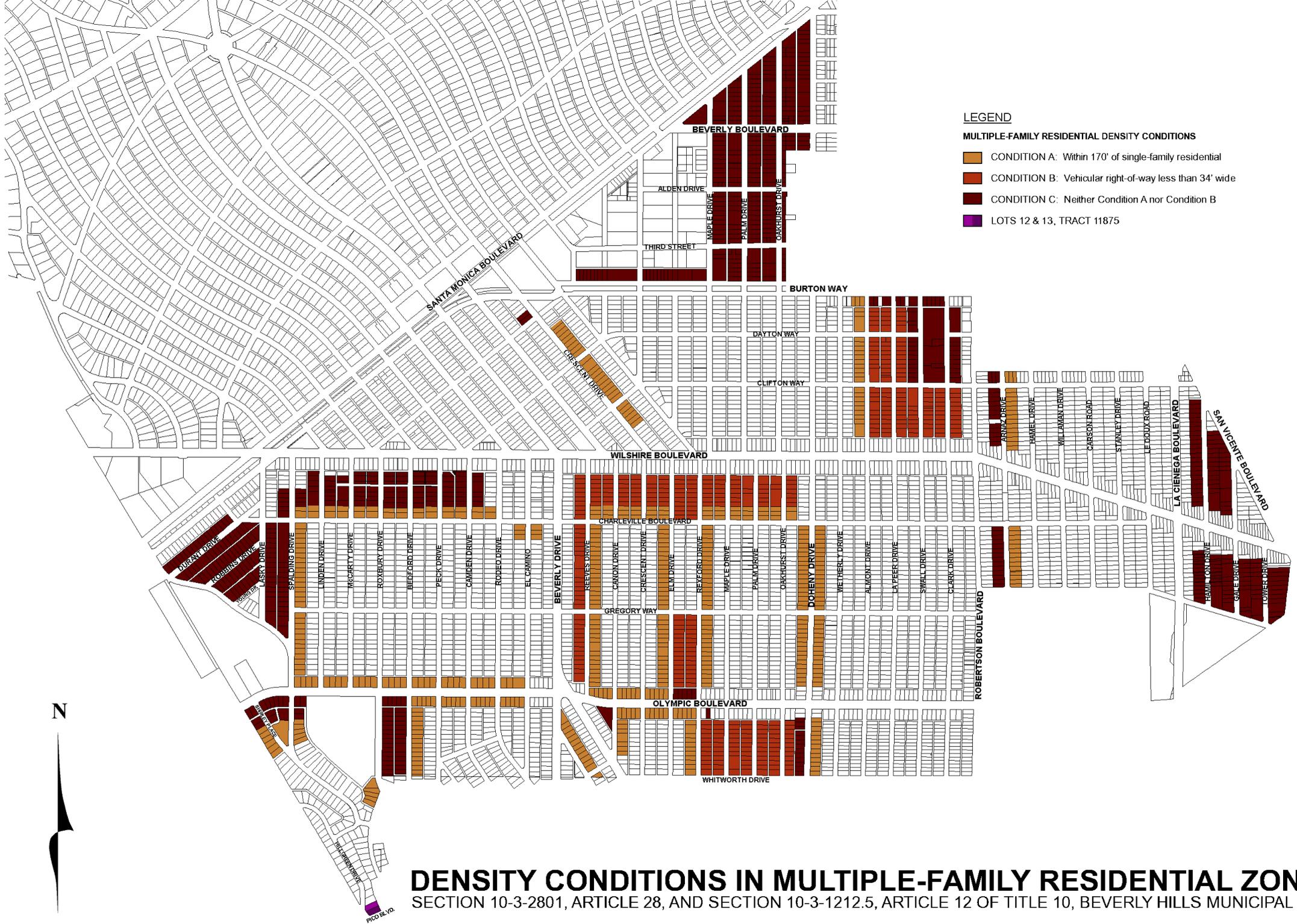
TROUSDALE ESTATES

HILLSIDE AREA

CENTRAL AREA

- ZONES:**
- SINGLE-FAMILY RESIDENTIAL**
- R-1 One-Family Residential Zone
 - R-1.X One-Family Residential Zone
 - R-1.5X One-Family Residential Zone
 - R-1.5X2 One-Family Residential Zone
 - R-1.6X One-Family Residential Zone
 - R-1.7X One-Family Residential Zone
 - R-1.8X One-Family Residential Zone
- MULTI-FAMILY RESIDENTIAL**
- R-3 Multiple Residential Zone
 - R-4 Multiple Residential Zone
 - R-4X1 Residential Income and Multiple Dwelling Zone
 - R-4X2 Multiple Residential Zone
 - R-4-P Residential Parking Zone
 - RMCP Multiple-Family Residential-Commercial Parking Zone
- COMMERCIAL**
- C-3 Commercial Zone
 - C-3A Commercial Zone
 - C-3B Commercial Zone
 - C-3T-1 Commercial-Transition Zone
 - C-3T-2 Commercial-Transition Zone
 - C-3T-3 Commercial-Transition Zone
 - C-5 Commercial Zone
- INSTITUTIONAL/GOVERNMENT**
- Church Zone
 - P-S Public Service Zone
 - S School
 - T-1 Transportation Zone
 - Parks, Reservoirs, Government (Unzoned)
- SPECIFIC PLAN AREAS & OVERLAY ZONES**
- 9900 Wilshire Specific Plan
 - Beverly Hills Garden Specific Plan
 - Beverly Hills Hotel Specific Plan
 - Beverly Hilton Specific Plan
 - C-3(AR) Adaptive Reuse Planned Development Overlay Zone
 - C-H(O) Commercial Hotel Overlay Zone
 - C-R Commercial-Retail Overlay Zone
 - C-R-PD Commercial Retail Planned Development Overlay Zone
 - E-O-PD Entertainment Office Planned Development Overlay Zone
 - M-PD-2 Mixed Use Planned Development Overlay Zone
 - M-PD-4 Mixed Use Planned Development Overlay Zone
 - T-O Transportation Overlay Zone
 - Area Boundary
 - City Boundary





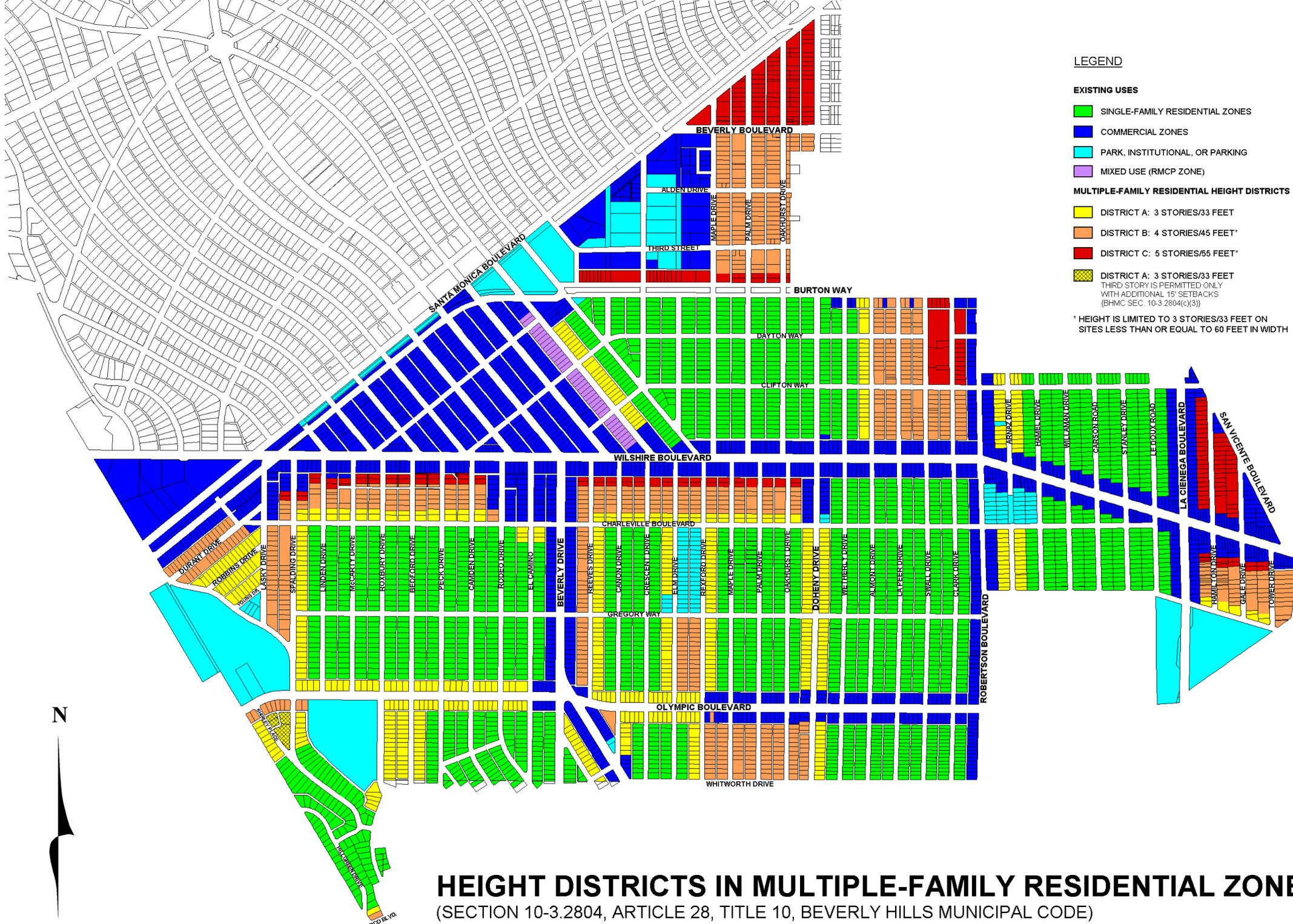
LEGEND

MULTIPLE-FAMILY RESIDENTIAL DENSITY CONDITIONS

- CONDITION A: Within 170' of single-family residential
- CONDITION B: Vehicular right-of-way less than 34' wide
- CONDITION C: Neither Condition A nor Condition B
- LOTS 12 & 13, TRACT 11875

DENSITY CONDITIONS IN MULTIPLE-FAMILY RESIDENTIAL ZONES
 SECTION 10-3-2801, ARTICLE 28, AND SECTION 10-3-1212.5, ARTICLE 12 OF TITLE 10, BEVERLY HILLS MUNICIPAL CODE

PREPARED BY THE BEVERLY HILLS DEPARTMENT OF COMMUNITY DEVELOPMENT
 NOVEMBER 10, 2009



HEIGHT DISTRICTS IN MULTIPLE-FAMILY RESIDENTIAL ZONES

(SECTION 10-3.2804, ARTICLE 28, TITLE 10, BEVERLY HILLS MUNICIPAL CODE)

PREPARED BY THE BEVERLY HILLS DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT
OCTOBER 3, 2002