

## IMPARTIAL ANALYSIS OF MEASURE C

Measure C asks whether the voters approve an ordinance, adopted by the Beverly Hills City Council, approving a development agreement (“Agreement”). Under the Agreement, the City would obtain certain public benefits in exchange for vesting the right to develop the Cheval Blanc Beverly Hills Specific Plan Project. Vesting is a legal term that means a project can be developed over time and the City generally may not change the development rules that were in effect when the project was approved. This Agreement vests development rights in accordance with the Cheval Blanc Beverly Hills Specific Plan for a 115 room luxury hotel, 500 member private club, restaurants and other retail uses (“Project”) on an approximately 1.28 acre site on South Santa Monica Boulevard between Rodeo Drive and Beverly Drive. The Project would be constructed with a maximum floor area ratio of 4.2:1 and building heights ranging from 51 feet on North Rodeo Drive to 115 feet along North Beverly Drive. In exchange for vesting certain rights to develop, the hotel developer will provide certain public benefits to the City, including (1) a Municipal Surcharge paid to the City of 5% of the gross room revenue (in addition to the 14% transient occupancy tax), (2) an arts and cultural contribution to the City of \$2 million, (3) a public benefit contribution to the City of \$26 million and (4) a contractual commitment to maintaining the Cheval Blanc Hotel at a minimum luxury standard. Additionally, pursuant to the Development Agreement, the hotel developer has guaranteed that the hotel will be built within five years of the Final Approval Date, subject to extensions of up to three years at an additional cost of \$250,000 per month.

The Zoning Ordinance adopting the Cheval Blanc Specific Plan, and the subject of Measure B, will only become effective if and when the Development Agreement that is the subject of this Measure C becomes effective.

### Environmental Impact

The City prepared an Environmental Impact Report for the Project. The Environmental Impact Report found no significant and unavoidable environmental impacts. The Environmental Impact Report found several potentially significant environmental impacts that were mitigated to a less than significant level. These included impacts to biological resources, cultural resources, including tribal cultural resources, geology and soils, construction noise, and construction traffic.

### Consequence of Votes

A “yes” vote on Measure C approves the Development Agreement for the Cheval Blanc Beverly Hills Specific Plan Project and consequently allows the Cheval Blanc Hotel to be constructed.

A “no” vote on Measure C disapproves the Development Agreement for the Cheval Blanc Beverly Hills Specific Plan Project and consequently prohibits the Cheval Blanc Hotel from being constructed.

This measure was placed on the ballot by a petition signed by the requisite number of voters.

Laurence S. Wiener  
Beverly Hills City Attorney

The above statement is an impartial analysis of Measure C. If you desire a copy of the ordinance, please call the Elections Official, the City Clerk at 310-285-2400 and a copy will be mailed at no cost to you.