



## MEMORANDUM RE: MINOR CORRECTIONS TO AMENDED 2021-2029 HOUSING ELEMENT

Date: February 17, 2023

To: Honorable Mayor and City Council

From: Timothea Tway, AICP, Director of Community Development & Chloe Chen, Senior Planner

Attachment: Revised Resolution

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The Amended 2021-2029 Housing Element was published on the City's Housing Element Update webpage ([www.beverlyhills.org/housingelementupdate](http://www.beverlyhills.org/housingelementupdate)) on Tuesday, February 14, 2023. Since this publication date, the City has become aware of minor corrections that are necessary for accuracy and consistency. These changes will be made to the Housing Element documents (the Housing Plan, and Appendices A through E) prior to the City's submittal of the adopted amended Housing Element to the State Department of Housing and Community Development (HCD), and staff recommends that the City Council review these changes, note them in the record, and move to adopt the amendments to the 2021-2029 Housing Element, with these additional revisions.

The minor corrections are warranted as a result of recent changes in the status of certain development projects that are in process, and the need to remove of a duplicate row on the sites inventory table.

These minor changes include:

- The removal of two parcels from the sites inventory table (Table C-3 in Appendix C of the Housing Element):
  - 4331001049, 9450 Wilshire Boulevard – this parcel was inadvertently duplicated in the sites inventory; and
  - 4335028081, 9111 Wilshire Boulevard (Gibraltar Square) – this parcel was previously approved for a hotel conversion project, and this approval was recently exercised in January 2023, so the City is now removing it as one of the potential sites for housing development.

As a result of removing these two parcels, the total number of units listed in the sites inventory has changed from 5,925 units to 5,758 units (9450 Wilshire Boulevard duplicated 88 units and 9111 Wilshire Boulevard accommodated 79 potential units). Table C-1, which is the residential sites summary, and Table C-3, which

is the sites inventory table, will both be updated to reflect the removal of these units. Table C-1 is on page C-2, and Table C-3 starts after page C-32 in Appendix C of the Housing Element.

In addition, the City has recently approved two multi-family residential projects that contain affordable housing units:

- 149-159 S. Maple Drive – a 29-unit project with 4 very-low income units and 2 low-income units; and
- 457 N. Oakhurst Drive – a 6-unit project with 1 low-income unit<sup>1</sup>.

Previous versions of the Housing Element have noted these projects as pending or under review, however, these are now part of the “approved project” unit category in Table C-1 (residential sites summary) and Table C-2 (approved projects). Table C-1 is on page C-2 and Table C-2 is on page C-3 of Appendix C of the Housing Element. As a result of these projects being approved, and the removal of the two parcels noted above, an updated version of Table C-1 is shown below.

**Table C-1**  
**Residential Sites Summary**

Site Category	Income Category				
	VL	Low	Mod	Above Mod	Total
Approved projects (Table C-2)	<del>1</del> 4	3	2	<del>487</del> 510	<del>490</del> 519
Underutilized sites (Table C-3)	<del>1,122</del> 982	<del>648</del> 621	1,579	2,576	<del>5,925</del> 5,758
Potential ADUs	25	63	8	54	150
<b>Total sites inventory</b>	<del>1,148</del> 1,011	<del>711</del> 687	1,589	3,117	<del>6,565</del> 6,427
<b>RHNA 2021-2029</b>	1,008	680	602	814	3,104
<b>Adequate Sites?</b>	Yes	Yes	Yes	Yes	Yes

<sup>1</sup> This project was previously approved in 2020, but the entitlements expired, and the project developer re-applied and received approval for the project again in 2023. The only change to the project was to include 1 very-low income unit, per the City’s inclusionary housing requirement, which did not apply to the project when it was previously approved in 2020.

**Table C-2  
Approved Projects**

Project / Location	Income Category				
	VL	Low	Mod	Above Mod	Total
250 North Crescent Drive	1			7	8
<b>149-159 S. Maple Drive</b>	<b>4</b>	<b>2</b>		<b>23</b>	<b>29</b>
154-158 North La Peer Drive				16	16
457 North Oakhurst Drive	<b>1</b>			<b>5</b>	6
425 North Palm Drive				20	20
340 South Rexford Drive				3	3
462 South Rexford Drive				7	7
9900-9908 South Santa Monica Boulevard				25	25
8600 Wilshire Boulevard			2	16	18
9200 Wilshire Boulevard				54	54
9876 Wilshire Boulevard				140	140
9900 Wilshire Boulevard				193	193
<b>Total Units</b>	<del>1</del> <b>6</b>	<del>0</del> <b>2</b>	<b>2</b>	<del>487</del> <b>510</b>	<del>490</del> <b>519</b>

In order to ensure internal consistency in the Housing Element document, if approved by the City Council, staff requests authority to review the Housing Element prior submittal to HCD and make non-substantive consistency changes, including but not limited to the following:

- Page C-7 and C-8: remove 149-159 S. Maple Drive from the “Projects with Multi-Family Housing Under Review” table and add to “Approved Projects with Housing Units (2019-2022)” table;
- Change the total number of units noted as follows:
  - Page 3 of 13 in the agenda report: from “5,925 units” to “5,758 units” for the total number in the sites inventory
  - Page 3 of 13 in the agenda report: from “2,821 units” to “2,654 units” for the total number of units in the sites inventory above the RHNA Allocation of 3,104 units
  - Page 9 of 13 in the agenda report: from “5,925 units” to “5,758 units” for the total number in the sites inventory
  - Page 9 and 10 of the draft Addendum to the Mitigated Negative Declaration: from “5,925 units” to “5,758 units” for the total number in the sites inventory

In addition, for consistency, staff recommends certain revisions to the draft resolution related to the number of units above the RHNA allocation, as shown in the attached redlined version of the draft Resolution (without exhibits).

[REVISED] RESOLUTION NO. 23-R-\_\_\_\_

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY  
HILLS ADOPTING AMENDMENTS TO THE 2021-2029  
HOUSING ELEMENT, MAKING FINDINGS RELATED  
THERETO, AND ADOPTING AN ADDENDUM TO AN  
ADOPTED MITIGATED NEGATIVE DECLARATION

The Council of the City of Beverly Hills does hereby find, resolve, and determine as follows:

Section 1. On October 12, 2021, the City Council conducted a duly noticed public hearing regarding the City's 2021-2029 Housing Element and, in advance of the October 31, 2021 statutory deadline for such adoptions in the Southern California Association of Governments region, adopted Resolution No. 21-R-13370 adopting the 2021-2029 Housing Element and finding, among other things, as follows:

A. The State of California requires every municipality to periodically update the Housing Element of its General Plan to review the housing needs of the community and revise its policies, programs and objectives to address those needs. Jurisdictions such as the City of Beverly Hills that are within the Southern California Association of Governments region are required to update their Housing Elements for the 6th planning cycle, which covers the 2021-2029 planning period.

B. On May 27, 2021, the Planning Commission reviewed a draft of the 2021-2029 Housing Element. The City Council on June 1, 2021, reviewed the draft 2021-2029 Housing Element. Thereafter, on June 2, 2021, the draft element was submitted to the State Department of Housing and Community Development (HCD) for review and comment pursuant to Section 65585 (b) of the Government Code.

C. On July 30, 2021, HCD provided written comments on the draft 2021-2029 Housing Element for the City's consideration. The City revised the Draft 2021-2029 Housing Element in response to the findings of HCD. The revisions and responses to HCD's comments are summarized in Exhibit B of Resolution No. 21-R-13370, which is hereby incorporated by this reference as though set forth in full.

D. On September 23, 2021 the Planning Commission conducted a duly noticed public hearing regarding the Draft 2021-2029 Housing Element, as revised in response to HCD's comments, reviewed the comments and responses as summarized in Exhibit B of Resolution No. 21-R-13370, and thereafter adopted Resolution No. 1958, recommending that the City Council adopt the revised 2021-2029 Housing Element and authorize and direct the City Manager and Community Development Director to make any technical or clerical revisions of clarifications to the Housing Element as may be required by HCD in order to obtain a finding of substantial compliance with State law, and to adopt a mitigated negative declaration for the project.

E. Consistent with Section 65585 of the Government Code, the City Council reviewed the findings of HCD, which were incorporated into Resolution No. 21-13370 as though set forth in full therein, and found that the 2021-2029 Housing Element as revised fully addressed each of the findings made by HCD and thus was in substantial compliance with Housing Element Law (Government Code Sections 65580 et seq.). The City Council also found that "additional analysis has been included regarding improvement-to-land (I/L) value ratio, which supports the City's finding that parcels in the mixed-use overlay zone provide adequate realistic capacity to accommodate the RHNA allocation during the planning period." Further, the City Council found that "[s]ince the element is relying on

nonvacant sites to accommodate 50% or more of lower-income needs households, the analysis supports the City’s findings based on substantial evidence that the existing uses do not constitute an impediment to additional residential development during the planning period and will likely discontinue in the planning period pursuant to Government Code § 65583.2(g)(2).”

F. Pursuant to the California Environmental Quality Act (CEQA) the City Council considered a mitigated negative declaration (MND) for the housing element update project, including all comments submitted to the City regarding the MND, and found, in its independent judgment and analysis, that there was no substantial evidence that the project will have a significant impact on the environment with the adoption of the identified mitigation measures, and adopted the MND for the housing element update project, and adopted the Mitigation Monitoring and Reporting Program for the project.

Section 2. The City Council, in adopting the 2021-2029 Housing Element, concluded that the Housing Element substantially complied with the requirements of California’s Housing Element Law, and submitted the adopted Housing Element to HCD pursuant to Government Code Section 65585(g) for HCD’s review pursuant to Government Code Section 65585(h).

Section 3. On January 14, 2022, HCD provided comments on the City’s adopted Housing Element, and asserted that the Housing Element needed certain revisions in order to fully comply with State Housing Element Law. HCD’s letter acknowledged that the Adopted Housing Element addressed many statutory requirements, and did not state that the Adopted Housing Element was not in substantial compliance with State Housing Element Law. While HCD’s letter suggested additional revisions to “fully comply” with Housing Element Law, Government Code Section

65585(d) requires a determination as to substantial compliance, not full compliance. Because of the benefits accruing from HCD's certification, City staff engaged with HCD staff in an effort to address the comments, and prepared a revised version of the Housing Element (the "September 2022 Housing Element"). A summary of HCD's January 14, 2022 comments and information regarding how the comments were addressed in the September 2022 Housing Element is attached hereto as Exhibit A, which is incorporated herein by reference.

Section 4. Staff presented the September 2022 Housing Element to the Planning Commission on August 25, 2022, and City Council on September 20, 2022. Thereafter, on September 28, 2022, staff submitted the September 2022 Housing Element to HCD for further review, seeking HCD's concurrence that the September 2022 Housing Element substantially complied with Housing Element Law.

Section 5. On November 28, 2022, HCD provided comments on the September 2022 Housing Element, again asserting that further revisions were necessary in order to fully comply with State Housing Element Law. HCD's letter again acknowledged that the September 2022 Housing Element addressed many statutory requirements, and did not state that the September 2022 Housing Element was not in substantial compliance with State Housing Element Law. Because of the benefits accruing from HCD's certification, City staff have reviewed the further comments, prepared responses to each of the comments as set forth in the matrix attached hereto as Exhibit B, and made further revisions to the September 2022 Housing Element, which are shown in the February 2023 Amended Housing Element (the "Amended Housing Element"), which includes the cumulative revisions in response to HCD's January 2022 and November 2022 comment letters. The Amended Housing Element is attached hereto as Exhibit C.

Section 6. Consistent with Section 65585(e) of the Government Code, the City Council has reviewed the findings of HCD, in the July 30, 2021, January 14, 2022, and November 28, 2022 letters, staff's responses to the letters as set forth in Exhibit B to Resolution No. 21-O-~~13370s~~13370, and Exhibits A and B, attached hereto and incorporated herein by reference, and the revisions made in response that are included in the Amended Housing Element. Based on the foregoing information and other information in the record, the City Council finds that the Amended 2021-2029 Housing Element fully addresses each of the findings made by HCD.

Section 7. The City Council hereby finds, based on substantial evidence in the record, including but not limited to the staff reports, and written and oral testimony, as follows:

A. The commercial properties listed in the Sites Inventory are located along the City's commercial corridors across the City's entire land area and generally within proximity to high quality transit. The potential mixed-use residential development of these properties represents new housing opportunities that did not exist prior to the City's adoption of its mixed use overlay zone ordinance, Ordinance No. 20-O-2825, on November 17, 2020. The fact that mixed-use entitlements for projects with similar development envelopes as now permitted under the mixed use overlay zone ordinance were previously sought by property owners and approved by the City demonstrates developer interest in these types of projects. In adopting the mixed-use overlay ordinance, the City Council found and determined that it "would expand the type of development and variety of housing units that are available in the City, act as a catalyst to revitalize commercial corridors, and create an opportunity to provide housing units without displacing existing residents." The mixed-use overlay zone was crafted to create up to a conservative estimate of 7,920 units. Further, the City vigorously defended a lawsuit challenging the ordinance, which was filed on behalf of local residents, and the City prevailed in that litigation.



B. The City of Beverly Hills is a built out city, and thus it is impossible to develop a Sites Inventory that has more than 50 percent vacant sites. To preserve existing housing stock and to maximize the potential for development, however, the City sought to identify vacant or near-vacant sites, wherever possible. As such, the sites contained in the Sites Inventory include a significant number of vacant sites, sites used only as surface parking lots, and parcels that are partially occupied by surface parking lots. In the previous Housing Element planning period (2014-2021), there were a total of 190 multi-family units approved, and the City exceeded its RHNA allocation for such planning period by a significant margin. Already since the beginning of this current Housing Element planning period (2021-2029), there are a total of 444 multi-family units either currently under review in the entitlement process, or in concept review (260 units currently under review and 184 units in concept review). This demonstrates that there is significant interest in the current market in multi-family housing development, and that the City's regulations are not precluding this type of development, but are encouraging such projects. In addition, there are already more multi-family residential projects under review now than during the entire past planning period.

C. For the foregoing reasons, and based on the additional evidence in the record, the City Council hereby finds, as it did for the timely adopted Housing Element, that the existing uses on the non-vacant sites identified in the site inventory to accommodate the RHNA are likely to be discontinued during the planning period and therefore do not constitute an impediment to planned residential development on the sites during the planning period. The information included in Appendix B, and Table C-3 of Appendix C of the Amended Housing Element, along with other evidence in the record, provides substantial evidence to support the finding that existing uses are likely to be discontinued during the planning period, and is hereby incorporated by reference. The

City Council finds that even if some of the existing uses on the sites included in the Sites Inventory are not discontinued, based on the incentives created by the mixed-use overlay zone and the number of residential sites included in the Sites Inventory, in conjunction with the various programs included in the Housing Element and Housing Plan, the Housing Element, taking into account approved projects, underutilized sites, and accessory dwelling units, provides opportunities for ~~5,925 units on properties included in the Sites Inventory~~ 6,427 units, which includes 2,823,323 units in excess of the RHNA requirement of 3,104 units, and this provides ample opportunity for housing production during the 2021-2029 planning period sufficient to meet the City's RHNA allocations. Further, the City Council finds that there is an opportunity for an additional 2,005 units under the mixed-use overlay zone, ~~as well as an opportunity for 150 additional accessory dwelling units (ADUs), neither of which are~~ which are not explicitly identified in the Housing Element Sites Inventory even though they are allowed pursuant to the City's General Plan and Zoning Code.

Section 8. Staff prepared an Addendum to the Mitigated Negative Declaration (MND) prepared for and adopted in conjunction with initial approval of the Housing Element in October 2021. Given the analysis presented in the Addendum, the City Council hereby finds that the Amendments to the adopted 2021-2029 Housing Element would not result in a measurable increase in environmental impacts over what was previously analyzed in the adopted MND for the adopted 2021-2029 Housing Element; and, that there are no changes with respect to the circumstances under which the project is undertaken that will require revisions to the adopted MND. Therefore, pursuant to CEQA Guidelines Section 15164, the City Council hereby adopts the Addendum to the previously adopted MND setting forth minor technical changes and addition of information that have been included in the Amendments to the Housing Element of the City of

Beverly Hills General Plan. The City Council also finds that the previously adopted Mitigation Monitoring and Reporting Program, attached hereto as Exhibit D, shall be fully enforced and applicable to the adoption of the Amended Housing Element. The City Council hereby directs staff to file a Notice of Determination for the project, pursuant to the provisions of the State CEQA Guidelines, 14 Cal. Code Regs 15075(a). The records, documents, and other materials related to the environmental review are available at the City of Beverly Hills Community Development Department, 455 N. Rexford Drive, Beverly Hills, California 90210.

Section 9. Based on the foregoing the City Council hereby adopts the Amendments to the 2021-2029 Housing Element, as set forth in the Amended Housing Element attached hereto as Exhibit C.

Section 10. The City Council does hereby authorize and direct the City Manager and Community Development Director to make any technical or clerical revisions or clarifications to the Housing Element as may be required by HCD in order to obtain an HCD finding of substantial compliance with State law.

Section 11. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and this certification to be entered in the Book of Resolutions of the Council of the City.

Adopted:

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LILI BOSSE  
Mayor of the City of Beverly Hills,  
California

ATTEST:

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(SEAL)  
HUMA AHMED  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

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LAURENCE S. WIENER  
City Attorney

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NANCY HUNT-COFFEY  
City Manager

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TIMOTHEA TWAY, AICP  
Director of Community Development

EXHIBIT A: Matrix of Responses to HCD Letter of January 14, 2022 Letter  
EXHIBIT B: Matrix of Responses to HCD Letter of November 28, 2022 Letter  
EXHIBIT C: Amended 2021-2029 Housing Element  
EXHIBIT D: Mitigation Monitoring and Reporting Program