

ADDENDUM
TO
MITIGATED NEGATIVE DECLARATION
State Clearing House No. 2021090102

Project Title

City of Beverly Hills 2021-2029 Housing Element

Lead Agency and Address

City of Beverly Hills
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Project Location

The Project encompasses the entire City of Beverly Hills.

Background

This document is an Addendum to the Initial Study/Mitigated Negative Declaration (IS/MND) prepared for the update of the Housing Element of the General Plan for the 2021-2029 planning period (6th Cycle), which was adopted by the City of Beverly Hills on October 12, 2021(the “original Project”) per City Council Resolution No. 21-R-13370 (State Clearinghouse No. 2021090102). The IS/MND document, inclusive of exhibits, is hereby incorporated by reference, .

The IS/MND for the original Project studied the potential environmental effects on aesthetics, agriculture and forest resources, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, recreation, public services, transportation, tribal cultural resources, utilities and service systems, wildfire, and mandatory findings of significance. The IS/MND found that the original Project would not result in significant impacts to agriculture and forest resources, and mineral resources, and less than significant impacts, with certain mitigations, related to aesthetics, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, population and housing,

transportation, public services, recreation, tribal cultural resources, utilities and service systems, and wildfire.

Since the adoption of the IS/MND, the City has made revisions to the original Project, in order to address the comments provided by the State Department of Housing and Community Development (HCD). This addendum to the adopted IS/MND addresses the minor technical changes or additions made to the adopted 2021-2029 Housing Element (the “Amendments”), which will be considered for by the City Council.

Statutory Requirements

Section 15164 of the California Environmental Quality Act (CEQA) Guidelines allows for a lead agency to prepare an addendum to an adopted negative declaration or environmental impact report (EIR) if only minor technical changes or additions are necessary or if none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred. Pursuant to CEQA Section 15162, no subsequent negative declaration shall be prepared for the project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- (1) Substantial changes are proposed in the project that will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or,
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant

effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

This Addendum evaluates the Amendments and demonstrates that these revisions consist of the addition of information and minor technical changes, and therefore, do not meet any of the requirements set forth in Section 15162. This Addendum will be considered by the decision making body in conjunction with consideration of the Amendments to the adopted 2021-2029 Housing Element.

Project Description

The State of California requires every jurisdiction to include a Housing Element in its General Plan. The Housing Element must contain an analysis of the housing needs of all economic segments of the community, including persons with special needs, as well as goals, policies, programs and objectives to address those needs. It is a guide for providing housing opportunities and services for all household types and income groups in the City. State law requires that the City update its Housing Element every eight years, with this update to cover the 2021-2029 planning period, also known as the 6th Cycle of Housing Elements.

As required by State law, the Housing Element includes a Housing Plan, which establishes goals, policies, programs and quantified objectives for addressing the City's housing needs during the 8-year Housing Element planning period. The Housing Plan is based upon the City's analysis of a variety of issues that affect current and future residents of Beverly Hills, and contains policies and programs to address and guide the future development of housing in the City. The Housing Element data and analysis is presented in five appendices to the Housing Element:

- Appendix A includes analysis of the City's demographic characteristics and housing needs
- Appendix B includes analysis of potential constraints to meeting the City's housing needs
- Appendix C includes an evaluation of resources and opportunities available to address housing needs
- Appendix D provides a review of the City's accomplishments during the previous planning period and the effectiveness of current policies and programs in meeting housing needs
- Appendix E describes the public participation process for the Housing Element update

A summary of the changes included in the Amendments to the adopted Housing Element is provided below:

Revisions to the Housing Plan

The majority of revisions made to the 2021-2029 Housing Element since it was adopted on October 12, 2021 consist of amending the policies and programs in the Housing Plan by providing a greater level of detail regarding the policy commitments, adding more information about actions the City has taken (or is currently undertaking) in relation to such policies and programs, and adding more specific timelines for when the City shall implement and accomplish certain actions in the policies and programs. In addition, the Housing Plan was revised with more robust information and

policies/programs related to the Affirmatively Furthering Fair Housing (AFFH) discussion, which is contained in Appendix A of the Housing Element. These changes include, but are not limited to the following:

- Policy H 1.5 has been revised to add that the City shall monitor the potential loss of existing residential units due to redevelopment, which is in line with the City's goal to preserve existing housing stock and enact renters' protections.
- Policy H 2.1 has been revised to state that incentives to promote the construction of affordable housing shall include the reduction of fees for projects that include a certain percentage of affordable housing units.
- Policy H 2.4 has been revised to state that regulatory incentives shall be provided to promote the construction of accessory dwelling units ("ADUs").
- Policy H 4.3 has been revised to state the City shall conduct a housing development fee study in order to provide fee waivers for entitlement and permitting costs for affordable, senior, and workforce housing.
- Implementation Program ("Imp") 9.3 has been updated with a more details regarding the Handyworker Program and the goal to re-establish this program by 2025, and a commitment to provide alternative programs by 2026 if such program is not re-established;
- Imp. 9.5 has been revised to include additional action items such as a study session with the Planning Commission by 2025, and to discuss a potential in-lieu fee with the Planning Commission for commercial and residential developments by 2026. Additional background information about studies the City has previously conducted is also included.
- Imp. 9.6 has been revised to include more extensive background information regarding the City's Rent Stabilization Division, and the services provided by this team to the community. This program has also been updated with additional actions that the City will complete, and specific timeframes for completion.
- Imp. 9.7 has been revised to provide further information about existing housing units for seniors that are built on City-owned land, the existing agreement terms for these units, and more information regarding the City's affordable housing program and the number of affordable units proposed in the pipeline. In addition, this program now includes commitments to monitor and discourage the displacement of residential units, and specific actions that the City shall take to achieve this. It also includes a specific commitment to maintain affordable housing at the Menorah Housing Foundation senior housing project, even after the affordability covenant expires;
- Imp. 10.1 has been revised to update the timeframe to a specific date.
- Imp. 10.3 has been revised to include additional action items and a specific timeframe, as well as an update to the responsible staff who will work on this item.
- Imp. 10.4 has been revised to include specific timeframes for amending the City's regulations related to ADUs as follows:

- The City shall adopt an ordinance to revise ADU regulations by 2024 in single-family residential zones to exceed state required minimums;
 - The City will provide pre-checked ADU plans for use by the public by 2025, and will revisit the ADU regulations in 2025 if production falls below the target set in the sites inventory analysis (in Appendix C); and
 - The City shall adopt regulatory incentives by 2026 to further encourage ADU production if the City does not permit 20 or more new ADUs each year;
- Imp. 10.6 has been revised to include a reference to Imp. 9.7, with additional information regarding an action item and timeframe.
- Imp. 11.1 has been revised to include numerous new policies related to the AFFH discussion, including programs and actions to target: Housing Mobility Strategies, New Housing Choices and Affordability in Areas of Opportunity, Place-based Strategies to Encourage Community Conservation and Revitalization, and Protecting Existing Residents from Displacement. This information is also included in Appendix A of the Housing Element, in the AFFH discussion section.
- Imp. 11.5 has been revised to include a commitment to assess potential barriers in existing regulations to persons with disabilities, and consider amending the definition of “family” in the zoning code and change the zoning standards as may be necessary to continue allowing group homes in a manner consistent with state law by 2024. It also includes a commitment to implement and educate the public regarding the reasonable accommodation option when appropriate;
- Imp. 12.1 has been revised with minor language changes, and the addition of action items with timelines to achieve the stated program goals, such as a review of the mixed use overlay zone regulations. It also specifically includes a commitment to adopt changes to the mixed use overlay regulations by 2024 if there are not five or more pending or approved mixed use projects by such time;
- Imp. 12.2 has been revised to include more specific language and timeframes; and
- Imp. 12.3 has been revised to include additional background information regarding recently approved housing projects in the City and the proposed versus maximum density allowed on each site and action items.

The policies and programs have been revised based on the comments provided by HCD, which are intended to help address potential constraints to and further incentivize the development of housing in the City. As detailed above, the changes mostly consist of adding further background information and context, and new action items and timeframes for such actions to be completed. None of the minor changes to programs will result in the modification of development patterns or change the pattern of land uses established in the General Plan Land Use Element. Therefore, the changes to the Housing Plan will not result in changes to the significance findings in all of the environmental issue areas studied in the IS/MND.

Revisions to the Affirmatively Furthering Fair Housing (AFFH) Discussion and Assessment of Fair Housing (Appendix A of the Housing Element)

The AFFH discussion section of the Housing Element in Appendix A is a new requirement for this cycle of the Housing Element Update, per Assembly Bill (AB) 686. This bill requires that the Assessment of Fair Housing includes the following:

- Include a program that affirmatively furthers fair housing and promotes housing opportunities throughout the community;
- Conduct an assessment of fair housing including a summary of fair housing issues and analysis using available federal, state, and local knowledge and data; and
- Link the Housing Element Land Inventory and Identification of Sites to the evaluation resulting from the AFH and AFFH analysis.

The AFFH section revisions has incorporated the following information:

- A discussion and identification of fair housing issues, which involves research and outreach to stakeholders and community groups involved in housing issues (i.e. “local knowledge and data”);
- An assessment of fair housing in the City, including issues identified from the outreach efforts and the historical development of the City, that informs policies and programs specifically designed to address such issues and AFFH topics;
- Additional information regarding the City’s efforts to address fair housing issues.
- A historical overview of the development of the City;
- The identification of three major factors that may have contributed to historical patterns of unequal access;
- An explanation of the outreach design methodology and interview questions, and synopsis of interviews conducted with stakeholder groups;
- Maps with information related to fair housing issues;
- A summary of fair housing issues and local conditions, including themes and issues identified from the outreach efforts; and
- A list of new and/or revised policies and programs specifically designed to address the fair housing issues identified, which has been included in Appendix A and copied into the Housing Plan.

Since this discussion only intends to provide greater background information and context, and also includes new action items to be completed by the City, none of these changes will result in the modification of development patterns or change the pattern of land uses established in the General Plan Land Use Element. Therefore, the changes to the AFFH will not result in changes to the significance findings in all the environmental issue areas studied in the IS/MND.

Revisions to the Discussion of Potential Constraints on Housing Production and Conservation (Appendix B of the Housing Element)

Appendix B discusses all of the potential constraints that may affect the production and conservation of housing in the City. In response to HCD's comments, this discussion has been revised to include more information and explanation about current development trends, and cross references to information included elsewhere in the Housing Element. These revisions have been made to include the following information:

- Additional information regarding the City's inclusionary housing requirement, and how this interacts with the implementation of existing state law requirements and with current development trends;
- Additional information regarding the City's current ADU permitting trends, and a cross reference regarding a commitment to further encourage ADU construction through regulatory incentives;
- Additional information regarding recent state laws affecting parking requirements for projects;
- Revisions to development trend information, such as the addition of data for newer multi-family residential development projects;
- Further information and analysis related to longer-term development trends in the City and whether existing regulations act as constraints to development/redevelopment;
- Additional information related to the Mixed Use Overlay Zone regulations, and proposed projects that include housing and are currently being processed by the City; and
- Cross references to changes in the Housing Plan that relate to topics in this Appendix, such as ADU incentives and changes to remove regulations that may act as barriers for persons with disabilities.

Revisions to the Sites Inventory (Appendix C of the Housing Element)

State Housing Element law requires each city and county to identify and analyze existing and projected housing needs in its jurisdiction and prepare goals, policies, and programs to encourage the development, improvement and preservation of housing (Government Code 65580-65589). The programs developed are meant to help the city meet its "fair share" of housing needs, as determined by the State and allocated by the Southern California Association of Governments (SCAG) through the Regional Housing Needs Assessment (RHNA) Allocation. The City's RHNA for the 2021-2029 planning period is a total of 3,104 units.

The sites inventory, also known as the "land inventory", is a list of parcels that the City has identified as land that is suitable and available for residential development. The sites inventory must include enough parcels that can accommodate the City's RHNA allocation of a total 3,104 units, which is further divided into unit allocations at different levels of affordability, including units that are affordable to very low, low, moderate, and above moderate rate units. State law

pertaining to Housing Elements has added more requirements for the sites inventory for the 6th Cycle than in previous housing cycles, including a requirement to provide substantial evidence that the level of housing development anticipated by the sites inventory will reasonably occur during the upcoming planning period (2021 to 2029) and that the calculation of the residential unit capacity on each site is realistic, based on market conditions and similar types of developments that have been completed. As a result of these requirements, the sites inventory has been revised after an individualized review of the parcels that included a windshield survey and online research. These changes include removing parcels that meet the criteria listed below, reviewing and revising the description of existing land uses for each parcel, and noting whether any on-site conditions or research warranted keeping certain parcels in the sites inventory, even if such parcels met some of the criteria for removal. The criteria for keeping certain parcels in the sites inventory is also shown below.

Criteria for removal of parcels from the sites inventory:

- Parcels with existing commercial buildings that were more than three stories tall (not including parking levels that are above-ground);
- Parcels with existing commercial buildings that were recently renovated or looked more modern (indicating they were constructed or significantly remodeled more recently);
- Parcels with existing commercial buildings that contained medical uses, especially larger buildings and those containing surgery centers or are occupied by prominent medical groups (i.e., Cedars-Sinai, UCLA Health, etc);
- Parcels with existing commercial buildings that contained uses unlikely to be discontinued due to their rarity or the restrictions related to establishing this type of use, such as certain types of car dealerships and vehicle service centers, schools or educational institutions, gas stations, religious uses, etc.; and
- Parcels for which entitlements were recently approved or are under review.

Criteria for keeping parcels in the sites inventory:

- Evidence of a lack of investment in the property, such as lack of maintenance, or lack of recent upgrades and improvements on the property;
- For lease or for sale signs or advertisements online that indicate a higher rate of vacancies and/or turnover of spaces;
- Parcels with underutilized improvements, such as those with one- or two-story buildings (not including any above-ground parking levels) that do not cover the entire lot, and may include surface parking lots;
- Large parcels that would not require lot assemblage in order for a developer to convert or redevelop the site, even if these parcels contain buildings that are greater than three stories because the adaptive reuse regulations in the mixed use overlay zone that allows existing commercial buildings to be converted to residential uses without complying with otherwise applicable multi-family zoning standards;

- Parcels with existing commercial buildings that are higher than three stories, but have the potential to be converted to residential uses as a result of their regular floor plan development, and regular window patterns; and
- Parcels that are narrow but located adjacent to other underutilized parcels that could be reasonably combined for one unified development.

As a result of these revisions to the sites inventory, the total number of units has decreased from 7,930 units to 5,758 units that could be constructed on the parcels listed in the inventory. However, the City is still able to accommodate for the RHNA numbers and quantified objectives through programs included in the Housing Element. Since no changes have been made to the sites inventory that have increased development potential, none of these changes will result in the modification of development patterns or change the pattern of land uses established in the General Plan Land Use Element. Therefore, the changes to the sites inventory will not result in changes to the significance findings in all the environmental issue areas studied in the IS/MND.

Other Minor Revisions and Addition of Information

Other minor changes to the Housing Element appendices are briefly described below.

Appendix A: Other minor changes include the addition of further information related to existing senior housing units on City-owned land and the existing agreement terms for these units.

Appendix B: Additional background and clarifying information related to the topics of the Architectural Review process, and biological resources in the City has been included. Other minor changes to language, and revisions to ensure consistency with changes to the Housing Plan policies and programs (including cross references to specific programs) have been made.

Appendix C: Information related to the sites inventory has been revised in the text of this Appendix, and updates to summary tables related to the sites inventory have been updated to ensure consistency with the changes to the sites inventory. Additional information was also included related to past and current multi-family residential entitlement and development activity in the City, as well as cross references to updated programs related to the discussion in this Appendix (such as regulatory incentives for ADU development).

Appendix D: Minor revisions to ensure consistency with information presented in the Housing Plan have been made, such as the addition of background information related to the City's Rent Stabilization Division program activities.

Appendix E: Additional information has been included to ensure consistency with the AFFH discussion in Appendix A, as the outreach section now also includes information regarding the interviews with community representatives. Other revisions include the addition of background information regarding community meetings that were performed during the outreach process.

As detailed in the above sections, the Amendments to the adopted 2021-2029 Housing Element consist of minor changes and revisions, as well as the addition of new information.

Review of Environmental Impacts and Determination

An analysis of the Amendments, changes in circumstances, and any new information since the certification of the previous IS/MND has been completed to determine if any new environmental impacts could occur. The environmental analysis and conclusions provided in the IS/MND remain current and applicable to the Amendments. All potential impacts in the CEQA Environmental Checklist were considered during the preparation of this Addendum, and it has been determined that no new or substantial increase in impacts would result from the minor revisions made to the 2021-2029 Housing Element. Nothing in the Amendments will result in greater impacts to the aesthetics, agriculture and forestry resources, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, transportation and traffic, utilities and service systems or mandatory findings of significance topic areas studied in the project's IS/MND.

Further, the modifications proposed for the Housing Element are minor and none of the conditions outlined in CEQA Section 15162 have occurred as explained below, specifically:

- (1) No substantial changes are proposed in the project that will require major revisions of the previous negative declaration due to the involvement of new, significant environmental effects or a substantial increase in the severity of previously identified significant effects.

The Amendments include only minor technical changes and the addition of further information to the adopted Housing Element. The vast majority of these changes reflect revisions to the policies and programs in the Housing Plan, an expanded discussion related to Affirmatively Furthering Fair Housing (AFFH) and an Assessment of Fair Housing, and the removal of parcels from the sites inventory. The Amendments do not include modifications to development patterns or changes in the pattern of land uses established in the General Plan, and do not include changes that affect where housing is allowed to be constructed in the City. The previous version of the sites inventory included all of the parcels in the mixed use overlay zone, which was adopted in 2020, and a small number of multi-family residentially zoned parcels. The current version of the sites inventory has been updated to remove sites that were previously identified to accommodate housing units, and the total number of units accommodated in the sites inventory has been revised from 7,930 to 5,758 units. The Amendments do not propose or contemplate specific development projects. Although goals and policies in the plan may result in future actions that could have environmental effects, there is not any information available to allow for meaningful environmental analysis at this time. Environmental review of any implementing actions would occur at that time when project details are known. The adoption of the Amendments to the adopted Housing Element will not result in any direct changes to the physical environment.

- (2) No substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous negative declaration due to

the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

It has been determined that no substantial changes have occurred with respect to the circumstances under which the project is undertaken, and thus no major revisions of the previous negative declaration are necessary. The Amendments include only minor technical changes and the addition of information to the adopted Housing Element, and will not cause any significant effects to the environment. Since both the adopted Housing Element and the Amendments result in a sites inventory that includes a surplus of housing units to accommodate the City's RHNA allocation, and do not require any changes in land use designations or zoning, they are therefore within the scope of the current General Plan development scenario. Thus, no significant changes have occurred since adoption of the IS/MND for the adopted 2021-2029 Housing Element.

- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the negative declaration was adopted, shows any of the following:

- a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

Analysis of the Amendments indicates that there is no new information of substantial importance, which was not known at the time the IS/MND was adopted in October 2021 that shows the project will have significant effects on the environment, or effects that will be substantially more severe than shown in the IS/MND.

- b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;

No significant effects were previously identified and no EIR was previously prepared.

- c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

No significant or potentially significant effects were identified for the previously adopted IS/MND. The Amendments do not include changes to the development potential, but rather consist of a reduction in the number of sites included in the inventory. The development potential analyzed in the adopted IS/MND was for the maximum potential development of all of the sites included in the sites inventory, which has not changed as a result of removing parcels from the sites inventory. As a result, no additional mitigation measures or alternatives were necessary.

- d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

No significant effects were identified for the adopted IS/MND, however, the IS/MND concluded that less than significant impacts, with certain mitigations, would result for aesthetics, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, population and housing, transportation, public services, recreation, tribal cultural resources, utilities and service systems, and wildfire. The Amendments do not include changes to the development potential, but rather consist of a reduction in the number of sites included in the inventory. The development potential analyzed in the adopted IS/MND was for the maximum potential development of all of the sites included in the sites inventory, which has not changed as a result of removing parcels from the sites inventory. As a result, no additional mitigation measures or alternatives were necessary.

Conclusion

Given the analysis presented in this Addendum, it is therefore found 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 IS/MND for the adopted 2021-2029 Housing Element. There are no changes with respect to the circumstances under which the project is undertaken that will require revisions to the previous IS/MND. Therefore, pursuant to CEQA Guidelines Section 15164, an Addendum to the IS/MND is appropriate and has been prepared to document the 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.

CHLOE CHEN, SENIOR PLANNER

February 22, 2023