

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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September 3, 2026

Chloe Chen, Principal Planner
Community Development Department
City of Beverly Hills
455 North Rexford Drive
Beverly Hills, CA 90210

Dear Chloe Chen:

**RE: City of Beverly Hills – Enacted Senate Bill 79 Transit-Oriented Development
Alternative Plan – SB 79 Findings Letter and Letter of Technical Assistance**

Thank you for submitting the City of Beverly Hills' (City) revised Senate Bill (SB) 79 Transit-Oriented Development Alternative Plan (TODAP), adopted and enacted under Urgency Ordinance No. 26-O-2935, received for review on June 10, 2026, along with supplemental documentation on July 27, 2026. The California Department of Housing and Community Development (HCD) sent a first review letter on May 8, 2026.¹

While the enacted TODAP addresses many statutory requirements, HCD finds that the TODAP is **not in substantial compliance** with SB 79 (Government Code Chapter 4.1.5). The standards and provisions of Government Code section 65912.157 continue to apply in the City unless and until the City adopts a TODAP that has been approved by HCD.²

Findings

HCD reviewed the documents submitted by the City (see Attachment A - Table 1) and finds that revisions will be necessary to substantially comply with the requirements of Government Code section 65912.161. Specifically:

¹ HCD has not evaluated whether the City met the requirements for passing an urgency ordinance pursuant to Government Code section 65858. On July 17, 2023, the California Office of the Attorney General issued legal guidance for local governments regarding requirements under state law that apply to the enactment of urgency ordinances, available at: <https://oag.ca.gov/system/files/attachments/press-docs/7-17-23%20Letter%20Urgency%20Ordinances%20and%20Ministerial%20Approval%20of%20Housing%20Projects.pdf>

² Gov. Code, 65912.161, subd. (d).

Government Code section 65912.161, subdivision (a)(1), provides that: *“A local transit-oriented development alternative plan shall maintain at least the same total net zoned capacity, in terms of both total units and residential floor area, as provided for in this chapter across all transit-oriented development zones within the jurisdiction.”*

The City’s proposed TODAP does not *“maintain at least the same total net zoned capacity....”* (Emphasis added.) A city must first subtract the existing unit count from the gross zoned density across transit-oriented development zones provided for under Government Code section 65912.157, subdivisions (a)(3)-(6), (b), and (e)³ to determine the net zoned capacity that needs to be maintained. A city must then similarly calculate the gross zoned capacity for the TODAP and subtract the existing unit count from that gross TODAP capacity, and this will result in the TODAP’s net zoned capacity. If the TODAP’s net zoned capacity matches or exceeds SB 79’s net zoned capacity, then the TODAP complies with the statute.

However, the City of Beverly Hills does not subtract the existing unit count from the gross TODAP capacity; rather, the City’s TODAP has a *gross* zoned capacity that is equal to SB 79’s *net* zoned capacity. The City must; therefore, recalculate its TODAP based on the statutory requirements of a net-to-net comparison of the SB 79 zoned capacity.⁴

Technical Assistance

Obligations Under Other State Housing Laws

Additionally, the City is advised that because a TODAP is part of a local jurisdiction’s municipal code, other state housing laws apply that operate independently of the TODAP provisions, including the State Density Bonus Law (SDBL) pursuant to Government Code sections 65915-65918, not the modified version of SDBL in section 65912.157, subdivision (d). Therefore, pursuant to the SDBL, the City must remove language referencing and incorporating section 65912.157, subdivision (d) from Section 10-3-5102.8 (A) of its TODAP Ordinance.

Conclusion and Next steps

The City has until Monday, November 2, 2026 (60 days from this letter), to respond to the written finding and technical assistance.⁵ Pursuant to Government Code section 65912.160, subdivision (d)(5), the City must consider the findings provided here and must either amend the ordinance to comply with HCD’s findings or enact the ordinance without changes. If the City chooses to enact the ordinance without changes, it must

³ Gov. Code, § 65912.161, subd. (a)(1)(A).

⁴ The SB 79 gross zoned capacity is 22,484.5 units. The SB 79 net zoned capacity is 19,549.5 after the existing units (2,935) are subtracted from the SB 79 gross zoned capacity. The TODAP net zoned capacity is 16,614.5, after the existing units are subtracted from the TODAP gross capacity of 19,549.5. Therefore, the remaining capacity that needs to be made up in the TODAP is 2,935.

⁵ Gov. Code, § 65912.160, subd. (d)(4).

include findings in its resolution adopting the ordinance that explain the reasons the City believes the ordinance complies with Government Code section 65912.161 despite the findings provided by HCD.

Please be advised, if the City does not amend its ordinance in response to HCD's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing HCD's findings, HCD shall notify the City and may notify the Attorney General that the City is in violation of SB 79 pursuant to Government Code section 65912.160, subdivision (d)(6).

Failure by the City to allow the SDBL to be used for housing development projects proposed on a TODAP site would be a violation of the SDBL. Under Government Code section 65585, subdivision (j)(3), HCD must notify a local government when that local government takes actions that violate SDBL and may notify the California Office of the Attorney General of the violation.

HCD reserves the right to request additional information to ensure substantial compliance with SB 79 and may update its findings if new information comes to light. In addition, the Southern California Association of Governments' (SCAG) SB 79 map shall have rebuttable presumption of validity for use by project applicants and local governments.⁶

HCD appreciates the cooperation of the City of Beverly Hills staff during the course of this review. HCD is committed to assisting the City in addressing all statutory requirements of SB 79. If you have any questions or need additional technical assistance, please contact Xjivrr Thomas at Xjivrr.Thomas@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Zisser', with a long horizontal stroke extending to the right.

David Zisser
Deputy Director
Housing Policy Development

Enclosure

Attachment A – Table 1 City of Beverly Hills Submittal Documents

⁶ Gov. Code, § 65912.160, subd. (f).

Attachment A

Table 1 Submittal Documents

	Filename	Document Description	Received Date
1	Amended Adopted Transit-Oriented Development Sites Inventory	Description of the Transit-Oriented Development Alternative Plan and sites	June 10, 2026
2	Beverly Hills City Council Agenda Packet dated June 3, 2026	City Council/Planning Commission Staff Report and Exhibits	June 10, 2026
3	Amended TODAP Map	Identified TOD stops	June 10, 2026
4	Original and Amended TODAP Areas Comparison	Capacity Analysis of each TOD Zone	June 10, 2026
5	SB 79 Urgency Ordinance Amended TODAP	SB 79 Urgency Ordinance	June 10, 2026
6	Methodology for HCD	Capacity Analysis	July 27, 2026