

PLANNING COMMISSION MINUTES Regular Meeting October 20, 2016

West Hollywood Park Public Meeting Room – Council Chambers 625 N. San Vicente Boulevard, West Hollywood, California 90069

THE CITY OF WEST HOLLYWOOD HAS ADOPTED SUMMARY AND ACTION MEETING MINUTES; WHICH PROVIDE A SUMMARY OF THE ACTIONS TAKEN AND POINTS OF DISCUSSION ONLY. ADDITIONAL COMMENTS OR DISCUSSION REGARDING ANY ITEM SUMMARIZED IN THESE MINUTES MAY BE OBTAINED BY VIEWING THE ARCHIVED VIDEOS OF THE PLANNING COMMISSION MEETINGS AT www.weho.org/weho-tv/other-city-meetings

- **1. CALL TO ORDER:** Chair Aghaei called the meeting of the Planning Commission to order at 6:35 P.M.
- 2. PLEDGE OF ALLEGIANCE: Mayor Meister led the Pledge of Allegiance.

3. ROLL CALL:

Commissioners Present: Altschul, DeLuccio, Huebner, Jones, Lightfoot, Vice-

Chair Buckner, Chair Aghaei.

Commissioners Absent: None.

Staff Present: Rachel Dimond, Senior Planner, Garen Srapyan,

Associate Planner, Teresa Grimes, GPA Consulting, David DeGrazia, Current and Historic Preservation Planning Manager, Bianca Siegl, Long Range and Mobility Planning Manager, Lauren Langer, Acting Assistant City Attorney and David Gillig, Commission

Secretary.

4. APPROVAL OF AGENDA.

ACTION: Approve the Planning Commission Agenda of Thursday, October 20, 2016 as presented. **Moved by Vice-Chair Buckner, seconded by Commissioner Altschul and unanimously passes.**

5. APPROVAL OF MINUTES.

A. September 15, 2016

ACTION: Approve the Planning Commission regular meeting minutes of Thursday, September 15, 2016 as presented. **Moved by Commissioner DeLuccio, seconded by Commissioner Jones and unanimously passes.**

6. PUBLIC COMMENT.

SUSANA LAGUDIS, WEST HOLLYWOOD requested Consent Calendar Item 9.A. (8465 Holloway Drive – Palihouse) removed from the agenda. She opposes staff's recommendation of approval.

CYNTHIA BLATT, WEST HOLLYWOOD commented on Consent Calendar Item 9.A. (8465 Holloway Drive – Palihouse). She opposes staff's recommendation of approval.

7. DIRECTOR'S REPORT.

John Keho, Assistant Director, Community Development Director presented the Director's Report.

City Council Meeting – October 17, 2016:

He stated the City Council approved a team to work on the Sunset Spectacular Digital Billboard. The team will consist of Orange Bureau Media, Tom Whitscomb Architects, and MOCA. There will be time for public review.

He stated the Eastside Working Group will meet at City Hall, Community Conference Room on Tuesday, October 25, 2016 at 6:30 p.m.

The Annual Historic Preservation Event will take place at The Schindler House on Thursday, October 27, 2016, 6:00 p.m. – 8:00 p.m.

Commissioner Lightfoot requested clarification regarding the Hotel Survey.

8. ITEMS FROM COMMISSIONERS. None.

9. CONSENT CALENDAR.

A. 8465 Holloway Drive (Palihouse):

The Planning Commission directed staff to return with a final amended resolution approving the expansion of an existing restaurant into a hotel lobby and expand service to the existing roof area, with expanded hours of operation, alcohol service, and DJ operation.

Commissioner Altschul moved to: 1) re-notice another public hearing on the application; for further reconsideration and review of new evidence, and make a decision.

Seconded by Commissioner Lightfoot.

Commissioner DeLuccio questioned what needs further reconsideration.

Commissioner Altschul stated the supposed sound report was not done by a sound expert, but by an employee of the hotel, the sixteen entitled residences were discussed at the prior hearing, but he stated he did not know they were rented out as hotel rooms. He reiterated there is considerable new evidence to address with respect to the use of their entitlement.

Lauren Langer, Acting Assistant City Attorney, stated you cannot consider new evidence in order to make a decision at tonight's meeting. The commission's decision has to be based on what was heard at the original public hearing.

Chair Aghaei stated he recalls the applicant hired a third party sound engineer to conduct the study. He believes all the facts were addressed at the last public hearing.

Commissioner Huebner recalled from the last public hearing, the applicant talking about the use of the rooms. The applicants admitted they were in violation, but are now in compliance.

Vice-Chair Buckner recalled from the last public hearing, the applicant talking about the use of the rooms.

Commissioner DeLuccio stated he recalled it was a professional that came in to do the sound study; however, it wasn't done during special event periods.

Rachel Dimond, Senior Planner clarified for the record; there were residences that were previously rented out for less than thirty days. They are now currently only renting those residences for thirty-one days or more.

Commissioner Lightfoot commented the sound study was not addressed for residences along La Cienega Boulevard.

Rachel Dimond, Senior Planner clarified for the record; the sound study identified potential locations for issues. La Cienega Boulevard was not included; seeing it was not considered an issue.

Commissioner Altschul stated it should be verified those residences are actually being used as residences.

Rachel Dimond, Senior Planner clarified for the record; staff and commercial code compliance had verified, at the point of hearing, the use as residences.

MOTION FAILS.

AYES: Commissioners Altschul, Lightfoot.

NOES: Commissioners DeLuccio, Huebner, Jones, Vice-Chair

Bucker, Chair Aghaei.

Lauren Langer, Acting Assistant City Attorney, stated the action needs to be if the current draft resolution accurately reflects what was directed to staff at the last public hearing Commissioner Jones moved to: 1) approve Consent Calendar Item 9.A. – 8465 Holloway Drive, West Hollywood, California as presented by staff.

Seconded by Commissioner Huebner.

Commissioner Lightfoot stated for the record her NO vote on this original public hearing item.

ACTION: 1) Adopt Resolution No. PC 16-1169, as presented: "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, CONDITIONALLY APPROVING A CONDITIONAL USE PERMIT AMENDMENT, MINOR CONDITIONAL USE PERMIT AMENDMENT, DEVELOPMENT PERMIT, AND ADMINISTRATIVE PERMIT TO ALLOW THE EXPANSION OF AN EXISTING RESTAURANT WITH FULL ALCOHOL SERVICE INTO AN EXISTING LOBBY AND ROOFTOP, EXTENSION OF HOURS OF OPERATION, AND EXTENSION OF HOURS OF DJ OPERATION, AT A HOTEL, LOCATED AT 8465 HOLLOWAY DRIVE, WEST HOLLYWOOD, CALIFORNIA. (PALIHOUSE)." Moved by Commissioner Jones, seconded by Commissioner Huebner, and unanimously passes.

10. PUBLIC HEARINGS.

A. Zone Text Amendment (Corporate Rentals):

Garen Srapyan, Associate Planner provided a verbal and visual presentation and background information as presented in the staff report dated Thursday, October 20, 2016.

He stated this zone text amendment is a prohibition of the use of corporate rentals of dwelling units within the City of West Hollywood.

He provided background, stating on October 21, 2015, Ordinance No. 15-985 took effect, reaffirming the City's prohibition of short-term vacation rentals. The Ordinance expressly prohibits: (1) renting all or a portion of a dwelling unit for thirty (30) days or less to transient visitors, and (2) advertising dwelling units for short-term rental. The Ordinance applies to both existing units and any new proposed housing units in City of West Hollywood.

Following adoption of the Ordinance (on July 20, 2015), the City Council directed the City Attorney and staff to prepare an Ordinance prohibiting corporate rentals of dwelling units. Corporate rentals are a type of use that provides fully furnished living accommodations to persons travelling for business; which may involve rentals exceeding the thirty day limit.

The intent of the proposed zone text amendment is to further clarify the City's restrictions on the use of dwelling units to include all forms of short-term transient uses, which may disrupt the stability of residential communities, present public safety challenges, and reduce the availability of affordable and market-rate housing.

He stated the recommended amendments to the Zoning Code address the following concerns:

- Prevent corporations or businesses from leasing out and reserving one or more residential dwelling units for temporary occupancy (oftentimes these units are leased on a semi-permanent basis and remain largely unoccupied);
- Maintain a healthy supply of rent-stabilized and market-rate dwelling units; and
- Provide stability to the City's residential neighborhoods.

While the proposed changes could be more restrictive on corporations or businesses that encourage their employees to live and work in West Hollywood, it would not prohibit a corporation or business from providing housing for their employees by means of an employee stipend, for example.

Several recently-constructed buildings offer one- to six-month leases for those who need short-term housing on an on-demand basis, and these uses would continue to remain acceptable for employees who need short-term accommodations; the goal is to ensure that dwelling units are being consistently occupied and fully utilized rather than remaining empty.

The proposed zone text changes will prevent dwelling units from being reserved by a corporation or business and potentially sitting unoccupied for long periods of time when not in use by an employee.

He defined and summarized the following: 1) corporate housing; 2) adding a new land use for corporate housing; 3) conditions of approval for new development; 4) residential condominium projects (CC&R's); and 5) enforcement.

He provided an update from the Long Range Planning Projects Subcommittee; stating the commissioners requested a modification of the definition of corporate rentals. Some commissioners expressed concern that the proposed zone text amendment would be unfriendly to local businesses and would be difficult to enforce.

He explained staff has been unsuccessful providing hard data to actually prove to what extent dwelling units are being used for corporate rentals.

He reiterated the Ordinance and Resolution was a City Council directive. He stated there are pros and cons to this approach; and suggested alternatives would be included in the staff report to City Council.

Chair Aghaei opened the public hearing for Item 10.A.:

GENEVIEVE MORRIL, WEST HOLLYWOOD, President, CEO, West Hollywood Chamber of Commerce, opposes staff's recommendation to City Council regarding Corporate Housing. She commented on the lack of research, strongly opposes an outright ban, and confirmed this would be bad for business.

CYNTHIA BLATT, WEST HOLLYWOOD, stated her support of staff's recommendation to City Council regarding Corporate Housing, however she had concerns regarding adequate enforcement.

Commissioner DeLuccio questioned and requested clarification regarding code enforcement, and questioned if the city has studied other cities and their approach.

Garen Srapyan, Associate Planner, stated code enforcement has currently been more reactive; but they have proposed a more pro-active approach to the short term rentals. He confirmed with the research that has been done, no other cities are doing a similar ban.

Commissioner DeLuccio stated the intention is good; however it is a little cumulative on local businesses. He expressed his disappointment with the staff report and resolution; stating nothing was incorporated from the discussion that was held with the Long Range Planning Projects subcommittee.

Vice-Chair Buckner stated her concerns with the additional work load that will be placed on code enforcement officers.

Commissioner Jones requested clarification regarding the current buildings in the city which offer one to six month leases.

Garen Srapyan, Associate Planner stated staff was referencing The Dillon Apartments and The Huxley Apartments on the eastside.

ACTION: Close public hearing for Item 10.A. **Motion carried by consensus of the Commission.**

Commissioner Altschul stated this appears to be a solution in search of a problem. He commented it is detrimental to the rental market to keep things open and vacant; rather than rent them short term to businesses that are doing business in the City of West Hollywood. He believes it is unconstitutional to discriminate this way against landlords; and it would not withstand a legal challenge. He stated his opposition to this item.

Commissioner Lightfoot commented on density bonuses, permanent housing, and enforcement. She stated the draft Ordinance that was brought forward covers what the City Council originally directed. She would like to recommend to City Council that we have a particular zone that will allow corporate rentals and short term rentals. Those would be in the category between a hotel and residences. There needs to be a better definition of residential. She would like to see corporate rentals accommodated, while protecting the residential bonuses.

Vice-Chair Buckner stated she does not believe this would withstand a legal challenge. She finds it very restrictive; stating it would inhibit corporations from coming into West Hollywood and utilizing goods and services. She had concerns regarding enforcement and commented on density bonuses; noting possible conditions to hinder short term rentals. She stated the draft Ordinance that was brought forward covers what City Council directed; however she could not recommend approval to City Council.

Commissioner Huebner commented on the differences and inconveniences of hotel rooms versus an apartment. He stated there is a need for this and does not see it as a big problem. He could not support this item in its current form.

Commissioner Jones commented on density bonuses, and Airbnb's. She finds it is problematic to have empty hosing stock; and would rather have someone be able to utilize it. She stated her approval of the intent, but stated there needs to be more fact finding. She does not support an outright ban, without knowing what some of the unforeseen consequences may be.

Chair Aghaei spoke regarding affordable housing in the city, rent stabilized housing, and market rate units. He suggested the possibility of restricting corporate rentals regarding rent stabilized housing units or affordable housing units. If the unit is not rent stabilized and is on the open market as market rate housing, it should be treated as such.

Commissioner Altschul agreed the newer market rate units should have the option to rent units for corporate housing. He suggested a limit of perhaps sixty days. Commissioner Lightfoot reiterated this is City Council direction and this is what City Council had asked for. Perhaps an alternative could be suggested.

Commissioner DeLuccio could not support the current iteration, since it does not support the commissions concerns.

Commissioner DeLuccio motioned to: 1) continue the item to a date uncertain; and 2) re-notice the public hearing.

Discussion was held regarding the possible continuation.

Bianca Siegl, Long Range and Mobility Planning Manger stated for the Record, the commission has the ability to: 1) approve the recommendation; 2) deny the recommendation; or 3) approve the recommendation with modifications. She stated staff can always present a modified resolution at a later date.

Commissioner Huebner suggested this item be denied, and staff needs to return with a modified ordinance.

Commissioner DeLuccio could not support a denial of the item. He stated his support of a continuance.

MOTION DOES NOT PASS.

No second.

Chair Aghaei motioned to: 1) modify the recommendation to restrict such a ban to either rent stabilized units and or affordable units.

Seconded by Commissioner DeLuccio.

Discussion was held regarding maximum number of days, affordable housing units, rent stabilized units, market rate housing, City Council's intentions, inclusion and exclusion of insurance companies, validated research, and enforcement.

Lauren Langer, Acting Assistant City Attorney suggested we can forward the resolution to the City Council if the language is deemed appropriate; with the additional issues and concerns listed separately.

Chair Aghaei: 1) WITHDREW THE MOTIION ON THE FLOOR.

Commissioner Altschul suggested if that kind of motion is made, the language should include: 1) there shall be no expansion of the definition of who the 'corporation' could not put into the rental units.

Bianca Siegl, Long Range and Mobility Planning Manager reminded the commission they have the option to recommend denial of council's direction. This would be brought back in a resolution with the issues listed.

Commissioner Altschul motioned to: 1) deny the recommendation to Council's direction; and 2) forward the concerns to the Council.

Seconded by Vice-Chair Buckner.

Vice-Chair Buckner clarified: 1) only "new" CC&R's should be included.

Commissioner Altschul added: 1) a recommendation that prohibits owners to rent to corporate entities for new condominium projects.

Commissioner Huebner clarified: 1) it will not preclude corporations from buying a unit.

Commissioner Lightfoot MADE A SUBSTITUTE MOTION TO: 1) continue the item; 2) ask staff to put together from what they've heard, language for a reasonable alternative; and 3) make a recommendation with some of the other things that were voiced and concerned about regarding zoning, definition of residential, as something to present to Council along with this.

Seconded by Commissioner DeLuccio adding: 1) continue this item to a date uncertain; and 2) he would like staff to go back at this time to re-look at the item; and look at all the issues and concerns that were brought up.

Commissioner Lightfoot agreed to these amendments.

ORIGINAL MOTION WAS OFFICIALLY OVER RIDDEN.

Staff requested a consensus of exactly what the alternatives and direction is.

MOTION FAILS.

AYES: Commissioners DeLuccio, Lightfoot.

NOES: Commissioners Altschul, Huebner, Jones, Vice-Chair

Buckner, Chair Aghaei.

Vice-Chair Buckner motioned to: 1) deny the recommendation to Council's direction; and 2) forward the concerns to the Council.

Seconded by Commissioner Huebner.

Noting the additional requests: 1) only "new" CC&R's shall be included; 2) a recommendation for new condominium projects; not allowing owners to rent to corporate entities; and 3) it will not preclude corporations from buying a unit.

ACTION: 1) Bring back a resolution to deny the recommendation to City Council; listing the various concerns brought forward by the Planning Commission. Moved by Vice-Chair Buckner, seconded by Commissioner Huebner, and passes, noting Commissioner Lightfoot voting NO.

THE COMMISSION TOOK A TEN (10) MINUTE RECESS AT 7:50 P.M. AND RECONVENED AT 8:00 P.M.

11. NEW BUSINESS.

A. Draft Commercial Historic Resources Survey.

Antonio Castillo, Associate Planner provided a verbal and visual presentation and background information as presented in the staff report dated Thursday, October 20, 2016.

He provided background information, stating the project was completed over the last 11 months, including seven other public meetings, while working with the consulting team of GPA, and the Historic Preservation Commission subcommittee of three commissioners, and the general public. The survey effort consisted of three main components, including:

- a historic context statement of commercial and non-residential buildings;
- a reconnaissance level survey; and
- an intensive level evaluation.

In total, GPA surveyed 763 properties throughout the City constructed up to and including 1975 at the reconnaissance level. Throughout the process, staff received input from the public on individual properties and general areas.

The most recent general changes to the survey report, since the Planning Commission meeting on September 15, 2016, when the item was continued, include: a few minor changes to the context statement to correct typographical errors s and the addition of wayfinding pages to the DPR forms sections in the appendix. Additionally, GPA included several other property evaluations based on feedback from the public, which included several more DPR forms in Appendix 4.

The final draft of the Commercial Survey is scheduled to be presented to the City Council for adoption on Monday, December 5, 2016.

He stated staff has been working with GPA and Citrus Studios to create a new user-friendly historic preservation website, which will launch within the next few weeks.

The mobile-friendly auxiliary website is a comprehensive source for all historic preservation information in West Hollywood, including a searchable database of all surveyed properties and designated cultural resources using RuskinARC, a cloud-based system, making the information about the designated and surveyed properties readily available to the public online.

Teresa Grimes, GPA Consulting provided an overview of the Commercial Survey findings and recommendations. She also addressed the industries and institutions that helped shape the built environment.

She stated the report has been organized into four periods: 1985 (which includes the oldest known buildings in Sherman; 1965 (Sherman name was officially changed to West Hollywood); 1926-1945 (major growth period in West Hollywood); 1946 – 1965 (post-war period); and 1966-1984.

She provided an update and detailed additional outreach, research and organization, landmark designation properties, groupings, inventory forms, evaluations, revised context statement, and the website.

The website provides easy access to:

- Preservation Ordinance,
- Historic Preservation Chapter of the General Plan,
- Historic Context Statement,
- Relevant applications and forms for cultural resources, and
- Answers to frequently asked questions about the City's historic preservation process and programs.

The new website will launch in November at www.wehopreservation.org

Commissioner Lightfoot requested clarification regarding Code 5S2, and questioned if staff has ever prepared applications for the city, California or national designations.

Antonio Castillo, Associate Planner stated staff has initiated or processed designations at the direction of City Council.

Commissioner Lightfoot stated she would like to recommend the City Council consider having staff work on and prepare applications; at least on the properties that have been designated, to have them designated locally. She also stated the Environmental Impact Report for 1343 N. Laurel Avenue stated it was eligible for California and national designation, so staff should also apply for those designations.

B. Planning Commission Subcommittee Appointments.

Continued from Thursday, September 15, 2016.

The commission reviewed the following subcommittees and task forces with the following appointments:

Design Review Subcommittee:

ACTION: Appoint: 1) David Aghaei; 2) John Altschul; and 3) Roy Huebner to the Design Review Subcommittee, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

Long Range Planning Projects Subcommittee:

ACTION: Appoint: 1) Sue Buckner; 2) Donald DeLuccio; and 3) Sheila Lightfoot to the Long Range Planning Projects Subcommittee, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

1343 Laurel Avenue Visions Concept Committee:

ACTION: Appoint: 1) Donald DeLuccio; and 2) Sheila Lightfoot to the 1343 Laurel Avenue Visions Concept Committee, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

Development of Incentives for Designated Multi-Family Task Force:

ACTION: Appoint: 1) Stacey Jones to the Development of Incentives for Designated Multi-Family Task Force, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

Street Media Needs Assessment:

ACTION: Appoint: 1) Stacey Jones to the Street Media Needs Assessment, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

 Transportation Demand Management and Transit Overlay Zone Working Group:

ACTION: Appoint: 1) David Aghaei; and 2) Sue Buckner to the Transportation Demand Management and Transit Overlay Zone Working Group, for a term through June 30, 2017. **Moved by Chair Aghaei and unanimously carried.**

ACTION: 1) Defer the following appointments until as needed: a) Pedestrian and Bicycle Mobility Plan Task Force; and b) Shared Economy Task Force. **Moved by Chair Aghaei and unanimously carried.**

- 12. UNFINISHED BUSINESS. None.
- 13. EXCLUDED CONSENT CALENDAR. None.
- 14. ITEMS FROM STAFF.
 - A. Planning Manager's Update.

David DeGrazia, Current & Historic Preservation Planning Manager stated the Annual Historic Preservation Event will be held on Thursday, October 27, 2016, at the Schindler House, 6:00 p.m. to 8:00 p.m.

- **15. PUBLIC COMMENT.** None.
- 16. ITEMS FROM COMMISSIONERS.

Commissioner Jones stated the Annual Congress of Commissions and Boards will be held on Saturday, October 29, 2016. She encouraged the public to contact her for any issues or concerns. She officially sated she will be absent from the next regularly scheduled Planning Commission meeting on Thursday, November 3, 2016.

- Vice-Chair Buckner officially sated she will be absent from the next regularly scheduled Planning Commission meeting on Thursday, November 3, 2016
- 17. ADJOURNMENT: The Planning Commission adjourned at 8:20 P.M. to a regularly scheduled meeting on Thursday, November 3, 2016 beginning at 6:30 P.M. until completion at West Hollywood Park Public Meeting Room Council Chambers, 625 N. San Vicente Boulevard, West Hollywood, California. Motion carried by consensus of the Commission.

PASSED, APPROVED AND ADOPTED by the Planning Commission of the City of West Hollywood at a regular meeting held this 3rd day of November, 2016 by the following vote:

AYES:

Commissioner:

Altschul, DeLuccio, Huebner, Lightfoot, Chair

Aghaei.

NOES:

Commissioner:

None.

ABSENT:

Commissioner:

Jones, Vice-Chair Buckner.

ABSTAIN:

Commissioner:

None.

DAVID AGHAEI, CHAIRPERSON

ATTEST:

DAVID K. GILLIG, COMMISSION SECRETARY