

APPROVED
YQ 10/2/17

CITY COUNCIL
PUBLIC HEARING

OCTOBER 2, 2017

SUBJECT: **AMENDMENTS TO THE CITY'S MUNICIPAL CODE TO MODIFY THE REVIEW AUTHORITY FOR EXTENDED HOUR BUSINESSES AND AMENDMENT TO THE FEE RESOLUTION FOR FY2017-18 TO ADD A NEW BUSINESS LICENSE FEE**

PREPARED BY: **ECONOMIC DEVELOPMENT DEPARTMENT**
Maribel Louie, Director of Economic Development *ML*
Jackie Rocco, Business Development Manager *JR*
Brant Birkeland, Business Development Analyst *BB*

COMMUNITY DEVELOPMENT DEPARTMENT

Stephanie DeWolfe, AICP, Director *SD*
John Keho, AICP, Assistant Director *JK*
Bianca Siegl, Long Range and Mobility Planning Manager *BS*

STATEMENT ON THE SUBJECT:

The City Council will consider amendments to the City's Municipal code to amend the regulations that govern extended hour businesses and transfer review authority to the Business License Commission, and an amendment to the Fee Resolution for FY2017-18 to add a new business license fee.

RECOMMENDATION:

Staff recommends that the City Council hold the public hearing, consider all pertinent testimony and:

1. Introduce on first reading Ordinance No. 17-____ **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD AMENDING TITLE 19 OF THE WEST HOLLYWOOD MUNICIPAL CODE TO AMEND REGULATIONS THAT GOVERN EXTENDED HOUR BUSINESSES, CITYWIDE."** (ATTACHMENT A)
2. Adopt Resolution No. 17 - _____, **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD AMENDING THE MASTER FEE RESOLUTION (RESOLUTION NO. 17-4952) BY ADDING A NEW BUSINESS LICENSE FEE TO THE SCHEDULE OF FEES AND CHARGES FOR THE CODE COMPLIANCE DIVISION."** (ATTACHMENT B)

BACKGROUND / ANALYSIS:

Under the current Municipal Code, extended hour businesses are under the review authority of the Director of Community Development, and approved through a Minor Conditional Use Permit (MCUP). Once approved, the business is then granted an

extended hour business license by the Code Compliance Division. As part of a broader effort to review policies and procedures related to small businesses, the City Council directed staff to explore revisions to the Municipal Code to transition the review of extended hour business license applications from the Director of Community Development and the MCUP process to a regulatory business license that is granted following a public hearing before to the Business License Commission as part of “*Supporting Small Businesses in West Hollywood’s New Urbanism*” (Meister/D’Amico) 4/4/16 – Item 4.B.

The Business Development Division conducted a survey of small business owners in Spring 2017. Survey questions were developed based on previously introduced City Council directives and input from the West Hollywood Chamber of Commerce Small Business Task Force on policy proposals of importance to its members. The survey provided business owners with the opportunity to provide input on proposed policy changes and recommendations, and for business owners to add their own ideas for policies that can benefit their businesses.

Respondents were asked to rank the proposals in order of importance to their business from “Extremely Important” to “Not Important”. Nearly 60 percent of survey respondents ranked streamlining the review and approval process for extended hour businesses and reducing application fees as either “Extremely Important” or “Important”.

Proposed Text Amendments

The proposed text amendments will transition the review and approval authority for extended hour businesses from the Director of Community Development to the Business License Commission.

Current Process

The current process for businesses wishing to extend their hours of operation beyond 2:00 a.m. requires them to apply for a Minor Conditional Use Permit (MCUP) through the Community Development Department. The application is scheduled for a hearing with the Director of Community Development with associated fees for the application, hearing and permit totaling \$7,053. The MCUP permit is tied to the land rather than to the business.

Proposed Process

The existing public hearing associated with the MCUP will be replaced by a public hearing and granting of the license by the Business License Commission. This change will result in the reduction in application cost from current \$7,053 fee to \$1,700 (See Attachment C – Fee Justification).

The transition from the MCUP requirement to a license granted by the Business License Commission means that the extended hour business license will be granted to the business owner, subject to an annual renewal, rather than a permit granted to the property in perpetuity (as long as the business is operating in compliance with the conditions of the permit). During the annual renewal or when Code Compliance deems it necessary, the Commission will have the ability to modify, suspend or revoke the license through a public hearing process.

The specific standards regulating extended hour businesses currently found in section 19.36.130 will become operating requirements for the extended hour business and move nearly verbatim to section 5.52.030 Extended Hour Businesses, Operating Requirements. The Planning Commission's review authority is for Title 19. Changes to Title 5 will be reviewed by the Business License Commission and approved by the City Council (See Attachment D.)

Businesses with existing extended hour business licenses would be required to comply with the requirements of the new ordinance at the time that the existing business is up for annual renewal (See Attachment E). Once the extended business license renewal is granted in compliance with the new ordinance, the property owner may voluntarily relinquish the existing MCUP, as extended hour business will be permitted by right, subject to a valid extended hour business license. It is anticipated that the proposed text amendment would have limited, if any, impact on existing extended hour businesses, as the majority of the standards governing the use are maintained and relocated in Title 5.

Benefits of Proposed Process

As a City that seeks to support local businesses while also maintaining and enhancing the quality of life of residents, it is important that policy updates consider both residents and businesses, and are crafted in a way that does not create an undue hardship or impact on either group. This is particularly important considering the fact that the City's commercial corridors are often directly adjacent to residential neighborhoods. The transition of the extended hour business license from the current MCUP requirement to approval by the Business License Commission achieves this balance while also benefiting the City of West Hollywood. In summary, benefits include but are not limited to the following:

City of West Hollywood:

- Maintains the public hearing process.
- Ability to modify, suspend or revoke extended hour business license if a business is not complying with requirements of the license.
- Annual renewal of each business's extended hour business license.

- More business friendly policies help make the City more attractive in competitive nightlife environment.

Businesses:

- Reduction in application cost from current \$7,053 fee to approximately \$1,700.
- Streamlined review, hearing and approval process.
- Elimination of the licensed on-site manager requirement .
- License granted to the business not the property where the business is located.

Residents:

- Opportunity to participate in the initial application, review and hearing process as well as any future hearings considering the modification, suspension or revocation of the license.
- Maintains existing standards to ensure extended hour businesses do not negatively impact residential neighborhoods.

Business License Commission Input

Staff presented the proposed amendments to the City of West Hollywood Business License Commission on September 6, 2017. The Commission unanimously supported the recommendations presented by staff. A report on the presentation was provided in the staff presentation for this item to the Planning Commission on September 7, 2017.

Planning Commission Input

The Planning Commission reviewed the proposed zone text amendment during a public hearing on September 7, 2017 and unanimously supported the recommendations presented by staff.

Public Notice

The City published a legal notice in the *Beverly Press* and *West Hollywood Independent* on September 21, 2017. In addition to the noticing required by the Municipal Code, the Planning Division noticed all West Hollywood neighborhood groups on September 21, 2017.

California Environmental Quality Act (CEQA)

The zone text changes are Categorical Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment since the changes to the ordinance are procedural in nature thus would not change the physical environment and would affect only the procedures involved with reviewing and

approving extended hour business license applications and moving existing administrative responsibility from one city department to another.

CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-3: Promote Economic Development while Maintaining Business Vitality & Diversity.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- ED-1: Maintain a diverse and resilient economy.
- ED-7: Enhance the City as a regional, national and international destination for the entertainment, nightlife, dining and retail industries that are key to West Hollywood's fiscal health.

EVALUATION PROCESSES:

N/A

ENVIRONMENTAL SUSTAINABILITY AND HEALTH:

N/A

COMMUNITY ENGAGEMENT:

Public Comment & Correspondence

In addition to public noticing for both the Planning Commission and City Council meetings, additional public outreach included the small business survey conducted by the Business Development Division in spring 2017, participation in the West Hollywood Chamber of Commerce Small Business Task Force, and ongoing day to day communication with West Hollywood business owners and operators. The survey provided business owners with the opportunity to provide input on proposed policy changes and recommendations, and for business owners to add their own ideas for policies that can benefit their businesses.

West Hollywood Chamber of Commerce Government Affairs Committee

Staff presented the proposed changes to the West Hollywood Chamber of Commerce Government Affairs Committee at its August 8, 2017 meeting. The members were all supportive of the proposed amendments.

OFFICE OF PRIMARY RESPONSIBILITY:

ECONOMIC DEVELOPMENT DEPARTMENT / BUSINESS DEVELOPMENT DIVISION

FISCAL IMPACT:

None.

ATTACHMENTS:

- A. Ordinance 17- _____
- B. Resolution 17- _____
- C. New Business License Fee Justification
- D. Planning Commission Resolution 17-1217
- E. Existing Extended Hour Businesses

ORDINANCE NO. 17-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD AMENDING TITLE 19 OF THE WEST HOLLYWOOD MUNICIPAL CODE TO AMEND REGULATIONS THAT GOVERN EXTENDED HOUR BUSINESSES, CITYWIDE

THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. A public hearing was duly noticed for the Planning Commission meeting of September 7, 2017 by publication in the Beverly Press newspaper and the West Hollywood Independent Newspaper on August 24, 2017, required state and local agencies, the City website and by announcement on City Channel 6 by September 7, 2017.

SECTION 2. The West Hollywood City Council properly reviewed and considered this matter at a public hearing on October 2, 2017. Public Notice of the hearing was advertised by publication in the Beverly Press newspaper and the West Hollywood Independent Newspaper on September 21, 2017 and by announcement on City Channel 6, as well as the City website and City Hall on September 21, 2017. Notices were mailed to all West Hollywood Neighborhood Watch groups on September 21, 2017.

SECTION 3. This zone text amendment is Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment since the changes to the ordinance are procedural in nature thus would not change the physical environment and would affect only the procedures involved with reviewing and approving extended hour business license applications and moving existing administrative responsibility from one city department to another.

SECTION 4. The West Hollywood City Council hereby finds that Zone Text Amendment 17-1217 is consistent with the Goals and Policies of the General Plan, specifically policy LU-1.21, which states that the City should "provide for the expansion and recruitment of commercial uses that provide economic and fiscal benefits for the City, including entertainment businesses, music and entertainment venues, bars and night clubs, hotels and hospitality, and design and creative arts," Policy ED-1.5, which states "continue to support

strategies to maintain West Hollywood's competitive advantage as a regional entertainment destination" and Policy ED-4.1, which states "continue to monitor, evaluate, and adapt codes, policies, and processes to facilitate business attraction, retention and expansion." The proposed zone text amendment will help achieve these policies and does not impede the ability to meet other General Plan goals and policies.

SECTION 5. The footnote on subsection 11 of Section 5.08.010 of Chapter 5.08 of Title 5 of the West Hollywood Municipal Code is amended to read as follows:

11. Extended hour businesses³

SECTION 6. Section 5.52.030 of Chapter 5.52 of Title 5 of the West Hollywood Municipal Code is amended to read as follows:

1. *Number of Employees on Duty.* A minimum of two employees (in addition to the guard specified in subsection 5 of this section) shall be on duty at all times between the hours of 2:00 a.m. to 6:00 a.m. that the business is open or employees are present. The Commission may authorize one employee after determining that the employee will operate the business from an adequately secured facility.

2. *Light and Glare.* On-site screening shall be installed and maintained, to the satisfaction of the Director, to minimize light and glare on adjoining residential properties and dwelling units, in compliance with Section 19.20.100 (Outdoor Lighting).

3. *Noise.* Precautions shall be taken to minimize the noise impacts of entertainment, music sources, employees and patrons (both within and outside of motor vehicles) on adjoining residential properties in compliance with Municipal Code Chapter 9.08 (Noise). No deliveries shall occur during extended hours.

4. *Traffic Impacts.* The business shall be operated to minimize impacts on nearby residential neighborhoods resulting from late night or early morning vehicle or pedestrian traffic generated by the business.

5. *Crime Prevention.* The facility shall be designed, developed, and operated to provide the maximum feasible patron and employee security and crime prevention. Specifically, the design, installation, and maintenance of landscaping, fences, walls, hedges, outdoor displays and storage, security lighting, and solid waste storage areas shall promote customer, neighborhood, and employee security and minimize opportunities for crime to the greatest extent feasible. A minimum of one security guard, licensed and possessing a valid Department of Consumer Affairs "Security Guard Card" at all times, shall

remain on duty during all hours from 2:00 a.m. to 6:00 a.m. that the business is open. The business operator shall not employ security guards armed with firearms or tasers. The Commission may waive or modify the security guard requirement if an alternative method is determined to be acceptable in meeting the intent of this subsection or due to the nature or location of the business the Commission determines that the security guard requirement is not necessary

6. *Parking.* Existing on-site parking spaces adjoining residential properties and dwelling units shall not be used between the hours of 2:00 a.m. to 6:00 a.m., except for employee parking. This standard shall not be construed or interpreted so as to encourage on-street parking within or immediately adjacent to any adjoining residential neighborhoods. The design, installation, and maintenance of on-site parking areas shall comply with Chapter 19.28 (Off-Street Parking and Loading Standards).

7. *Other Conditions.* The Commission has the authority to add other conditions as necessary.

SECTION 7. Section 5.52.040 of Chapter 5.52 of Title 5 of the West Hollywood Municipal Code is amended to read as follows:

In order to approve an application for an extended hour business, the Commission must make the following findings:

1. The proposed business will provide sufficient off-street parking for its patrons to prevent cruising on neighborhood streets, looking for parking, or other traffic-related noise and disturbances during the hours between 10:00 p.m. and 6:00 a.m.;

2. The proposed business premises shall be maintained or refurbished to present a neat and clean appearance;

3. The applicant or licensee will discourage patrons from engaging in criminal or unlawful activity on or immediately adjacent to the business premises by providing diligent management, instituting security measures and making contact with the Sheriff's Department whenever such unlawful activity occurs; and

4. The applicant will discourage loitering in and immediately adjacent to the business premises.

SECTION 8. A new Section 5.52.060 is added to Chapter 5.52 of Title 5 of the West Hollywood Municipal Code to read as follows:

An applicant for a business license for an extended hour business shall make application on the forms furnished by the Director and shall provide all

information deemed necessary by the Director, including but not limited to the following:

1. Proposed hours of operation.
2. A security plan that describes the security features, including personnel and equipment, that the applicant will employ and how they will be utilized.
3. A description of how the applicant will maintain the orderly appearance and operation of the premises with respect to litter and noise.
4. A description of how the business will have people exit the establishment at closing time and during an emergency that requires all people to exit the establishment quickly.
5. Such other reasonable and pertinent information as the Business License Commission may require.
6. An applicant shall promptly notify the Director, in writing, of amendment to the submitted business plan.

SECTION 9. The alphabetical list of land use categories in Table 2-5 in Section 19.10.030 of Chapter 19.10 of Title 19 of the West Hollywood Municipal Code is amended to amend the following land use category for Extended Hour Businesses to read as follows:

Extended hour businesses	P	P	P	P	P ¹¹	P	5.52
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SECTION 10. Footnote (1) on the alphabetical list of land use categories in Table 2-5 in Section 19.10.030 of Chapter 19.10 of Title 19 of the West Hollywood Municipal Code is amended to read as follows:

(1) Zone clearance or development permit may be required; see Chapters 19.42 and 19.48 or regulated by another chapter of the municipal code as referenced.

SECTION 11. Section 19.36.130 of Chapter 19.36 of Title 19 of the West Hollywood Municipal Code is repealed.

SECTION 12. Section 19.36.330.13.e of Chapter 19.36 of Title 19 of the West Hollywood Municipal Code is amended to read as follows:

e. Extended Hours of Operation. The convenience store may operate as an extended hours business in compliance with Section 5.52 (Extended Hour Businesses).

SECTION 13. Any extended hour business in existence at the time this ordinance becomes effective that is operating legally with both an extended hour

business license and a Minor Conditional Use Permit (MCUP) shall be required to have a business license that complies with this ordinance at the time that the existing extended hour business license is renewed. At the time of the first renewal following the effective date of this ordinance, the Director may incorporate the operating conditions from the MCUP and/or this ordinance into the renewed business license without a public hearing for the purpose of implementing this ordinance. All other changes to the license shall be processed as set forth in Title 5. Once an extended hour business license or renewal has been granted in compliance with this ordinance, the property owner may voluntarily relinquish an existing MCUP, as the use will now be permitted by right under Title 19. The voluntary relinquishment of the MCUP may be accomplished by filing a written request with the Director of Community Development, or designee, and recording any documentation necessary, to the satisfaction of the City Attorney, to remove the MCUP from the title of the property.

PASSED, APPROVED AND ADOPTED THIS ____ day of _____, 20__.

MAYOR

ATTEST:

City Clerk

RESOLUTION NO. 17- _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD AMENDING THE MASTER FEE RESOLUTION (RESOLUTION NO. 17-4952) BY ADDING A NEW BUSINESS LICENSE FEE TO THE SCHEDULE OF FEES AND CHARGES FOR THE CODE COMPLIANCE DIVISION

The City Council of the City of West Hollywood does hereby resolve as follows:

Section 1. The City Council adopted Resolution 17-4952 establishing fees and charges for certain services provided by the City of West Hollywood on May 1, 2017.

Section 2. Section 9 of Resolution 17-4952, which incorporates the Schedule of Fees and Charges for the Code Compliance Division for FY 17-18 is hereby amended by adopting EXHIBIT A, which labels fees and charges exclusive to the Code Compliance Division's fees", attached hereto, and incorporated herein by reference. The provisions of this Resolution shall become effective immediately upon adoption.

Section 3. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and its certification into the Book of Resolutions of the Council of this City.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2017.

John Heilman, Mayor

ATTEST:

Yvonne Quarker, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF WEST HOLLYWOOD)

ATTACHMENT B

I, Yvonne Quarker, City Clerk of the City of West Hollywood, do hereby certify that Resolution No. 16 - _____, was duly passed, approved and adopted by the City Council of the City of West Hollywood at a regular meeting held the 19th day of September, 2016, by the following vote:

AYES: Councilmember -
NOES: Councilmember -
ABSENT: Councilmember -

Yvonne Quarker, City Clerk

ATTACHMENT B

EXHIBIT A

DEPARTMENT OF PUBLIC WORKS CODE COMPLIANCE FEE SCHEDULE FY 17-18	ADOPTED FEE FY 17-18	Increase Decrease Same or New	REVISED FEE FY 17-18
CODE COMPLIANCE			
Inspection Fees for Legalization of Units	\$100	Same	\$100
Re-Inspection Fee for Non-Compliance With Code	\$100	Same	\$100
Recovery Charges for Investigation (Per Hour)	\$200	Same	\$200
Monitoring Charges (Per Hour)	\$100	Same	\$100
BUSINESS LICENSE FEES			
New License -Bingo	\$150	Same	\$150
New License - No Hearing Required (for coin-op games, \$200 per 4 games)	\$300	Same	\$300
Renewals - Bingo	\$100	Same	\$100
Business License Renewals - No Hearing (for coin-op games, 100 per 4 games)	\$200	Same	\$200
Business License Renewals - Hearing Required	\$3,687	Same	\$3,687
Business License Appeals - Hearing Required	Half the Fee for a New License	Same	Half the Fee for a New License
Temporary Valet Businesses License Fee	\$105	Same	\$105
Temporary Business License Fee	\$105	Same	\$105
New License - Gun Dealer - Hearing Required	\$3,687	Same	\$3,687
Business License Renewal - Gun Dealers	\$200	Same	\$200
New License - Extended Hours - Hearing Required	n/a	New	\$1,700
New License - Marijuana Collective	\$2,726	Same	\$2,726
Business License Renewal - Marijuana Collective	\$2,726	Same	\$2,726
NEWSRACK PERMIT PROGRAM			
Newsrack Impoundment Fee (per unit)	\$120	Same	\$120
Newsrack Replacement Fee (per unit)	\$2	Same	\$2
Newsrack Violation/Enforcement Fee (per occurrence)	\$50	Same	\$50
Application Fee (per unit)	\$50	Same	\$50
Annual Renewal Fee (per unit)	\$50	Same	\$50
REAL ESTATE SIGNS			
Impoundment of Items Illegally Posted on Public Right-Of-Way	\$40	Same	\$40
MAILING COSTS			
Mailing Labels - 500' Radius (All Appeals Except Citywide)	\$476	Same	\$476
Mailing Fee	\$349	Same	\$349
Postage (All Appeals Except Citywide)	\$575	Same	\$575
NOTICING FEES			
Newspaper Noticing (Citywide Appeals Only)	\$120	Same	\$120
MISCELLANEOUS FEES			
Special Event Monitoring (Per Hour)	\$100	Same	\$100
Food Truck Encroachment Permit Fee	\$20	Same	\$20
Valet Sign Encroachment Fee	\$250	Same	\$250

EXHIBIT A

DEPARTMENT OF PUBLIC WORKS CODE COMPLIANCE FEE SCHEDULE FY 17-18	ADOPTED FEE FY 17-18	Increase Decrease Same or New	REVISED FEE FY 17-18
Drone Registration Fee	\$5	Same	\$5
EXTENDED HOURS CONSTRUCTION PERMIT FEE			
Extended Hours Construction Permit Fee - One Day	\$120	Same	\$120
Each Additional Day (Up to 30 days)	\$50	Same	\$50
Late Submittal Fee (Within 3 days of permit date)	\$240	Same	\$240
LA COUNTY ANIMAL LICENSING AND ENFORCEMENT FEES			
Altered Dog	\$15	Same	\$15
Unaltered Dog	\$60	Same	\$60
Senior-owned Dog (Senior defined as 60 years and over)	\$7.50	Same	\$7.50
Disabled Veteran-owned Dog	\$7.50	Same	\$7.50
Altered Cat	\$5	Same	\$5
Unaltered Cat	\$10	Same	\$10
Senior-owned Cat (Senior defined as 60 years and over)	\$2.50	Same	\$2.50
Field Enforcement Fee	\$40	Same	\$40
License Renewal Delinquency Fee	Equal to Amount of License	Same	Equal to Amount of License

**FEE JUSTIFICATION DOCUMENT
FY 2017-2018**

DEPARTMENT: Public Works

DIVISION: Code Compliance

Submitted by: Jeff Aubel

Ext: 6424

Name of fee: **New License – Extended Hours – Hearing Required**

This fee is: NEW

INCREASE

DECREASE

FY 2016-17: \$ 0

FY 2017-18: \$ 1,700

JUSTIFICATION:

New License – Extended Hours – Hearing Required

The new fee will cover the cost to process applications for extended hours business licenses. Currently, businesses that wish to obtain an extended hours operating permit must go through the conditional use permit process in the Community Development Department. It is proposed that the process to obtain an extended hours operating permit would be moved to the Code Compliance Division and that businesses would instead obtain an extended hours business license. Similar to the conditional use permit process, a public hearing will be required for new extended hours business licenses.

Staff is proposing that the new Extended Hours Business License be set at: **\$1,700**

The proposed fee consists of the following costs

Staffing Time and Administrative Costs	\$ 300
Mailing Costs: Mailing Labels – 500' Radius	\$ 476
Mailing Costs: Mailing Service Fee	\$ 349
Mailing Costs: Postage	<u>\$ 575</u>
TOTAL	\$ 1,700

The total cost of staffing time and administrative costs is equal to \$788.61. This amount includes two hours of time for the Code Compliance Manager and one hour of time for a Code Compliance Officer, as well as overhead and allocated costs; all figures are from the City's 2015 Comprehensive Fee Study and Cost Allocation Plan. Staff is recommending a reduced fee for staffing and administrative costs of \$300 (instead of the full amount of \$788.61), which is equal to the current amount of most other business licenses. Staff is requesting this reduced

amount in an effort to be business friendly and reduce costs for businesses that wish to have extended operating hours.

The mailing costs are based on the average actual costs for hearing mailings for the Business License Commission; the same mailing costs for appeals to the Business License Commission are already on the Division's fee sheet.

In total, the new fee represents a 76% reduction from the current MCUP hearing and business license fees of \$7,053, which a business would pay if they sought approval of extended operating hours. As shown previously, the majority of the proposed fee (\$1,400 or 82%) represent direct costs that will be incurred by the City to cover mailing costs.

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- A. Total Revised Revenue 2018: unknown
 - B. Total Current Revenue 2017: \$ 0
 - C. **Net Increase or (Decrease):** unknown

Due to the high cost of the MCUP hearing and business license fees (\$7,053), very few businesses currently seek approval for extended hours, thus it is difficult to know how the revised fees will impact revenues.

RESOLUTION NO. PC 17-1217

**A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF WEST HOLLYWOOD,
RECOMMENDING TO THE CITY COUNCIL
APPROVAL OF A ZONE TEXT AMENDMENT TO
AMEND REGULATIONS THAT GOVERN
EXTENDED HOUR BUSINESSES, CITYWIDE,
WEST HOLLYWOOD, CALIFORNIA.**

The Planning Commission for the City of West Hollywood hereby finds, resolves, and orders as follows:

SECTION 1. The City of West Hollywood initiated an amendment to the Zoning Ordinance, Article 19 of the Municipal Code to amend regulations that govern extended hour businesses operating in West Hollywood. The proposed amendments will streamline the review and approval process, will transfer review authority to the Business License Commission, and provide a significant reduction in the cost of an extended hour business license, while also improving the City's ability to monitor and enforce the standards regulating extended hour businesses to ensure that businesses are operating in a manner that does not place an undue impact on neighboring residents and impact the quality of life that West Hollywood residents expect in their community.

SECTION 2. A public hearing was duly noticed for the Planning Commission meeting of September 7, 2017 by publication in the Beverly Press newspaper and the West Hollywood Independent Newspaper on August 24, 2017, required state and local agencies, the City website and by announcement on City Channel 6 by September 7, 2017.

SECTION 3. This zone text amendment is Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment since the changes to the ordinance are procedural in nature thus would not change the physical environment and would affect only the procedures involved with reviewing and approving extended hour business license applications and moving existing administrative responsibility from one city department to another.

SECTION 4. The Planning Commission of the City of West Hollywood hereby finds that Zone Text Amendment 17-1217 is consistent with the Goals and Policies of the General Plan, specifically policy LU-1.21, which states that the City should "provide for the expansion and recruitment of commercial uses that provide economic and fiscal benefits for the City, including entertainment businesses, music and entertainment venues, bars and night clubs, hotels and

hospitality, and design and creative arts," Policy ED-1.5, which states "continue to support strategies to maintain West Hollywood's competitive advantage as a regional entertainment destination" and Policy ED-4.1, which states "continue to monitor, evaluate, and adapt codes, policies, and processes to facilitate business attraction, retention and expansion." The proposed zone text amendment will help achieve these policies and does not impede the ability to meet other General Plan goals and policies.

SECTION 5. Based on the foregoing, the Planning Commission of the City of West Hollywood hereby recommends approval to the City Council of Zoning Text Amendment 17-1217, which is attached hereto as Attachment A.

PASSED, APPROVED AND ADOPTED by the Planning Commission of the City of West Hollywood at a regular meeting held this 7th day of September, 2017 by the following vote:

AYES: Commissioner: Aghaei, Altschul, Bass, Carvalheiro, Hoopingarner, Vice-Chair Jones, Chair Buckner.

NOES: Commissioner: None.

ABSENT: Commissioner: None.

ABSTAIN: Commissioner: None.



SUE BUCKNER, CHAIRPERSON

ATTEST:



BIANCA SIEGL, PLANNING MANAGER
LONG RANGE AND MOBILITY PLANNING

Decisions of the Planning Commission are subject to appeal in accordance with the procedures set forth in West Hollywood Municipal Code Chapter 19.76. Any action to challenge the final decision of the City of West Hollywood made as a result of the public hearing on this application must be filed within the time limits set forth in Code of Civil Procedure Section §1094.6.

Attachment A

ZONE TEXT AMENDMENT 17-1217 WEST HOLLYWOOD MUNICIPAL CODE SECTIONS TO BE MODIFIED

(New text indicated with underlining, deleted text with strikethrough.)

Section 1. The alphabetical list of land use categories in Table 2-5 in Section 19.10.030 of Chapter 19.10 of Title 19 of the West Hollywood Municipal Code is amended to amend the following land use category for Extended Hour Businesses to read as follows:

Extended hour businesses	MCUP	MCUP	MCUP	MCUP	MCUP ⁴⁴	MCUP	19.36.130
	P	P	P	P	P	P	5.52

Section 2. Footnote (1) on the alphabetical list of land use categories in Table 2-5 in Section 19.10.030 of Chapter 19.10 of Title 19 of the West Hollywood Municipal Code is amended to read as follows:

(1) Zone clearance or development permit may be required; see Chapters 19.42 and 19.48 or regulated by another chapter of the municipal code as referenced.

Section 3. Section 19.36.130 of Chapter 19.36 of Title 19 of the West Hollywood Municipal Code is repealed:

~~**19.36.130 Extended Hour Businesses.**~~

~~— A. *Purpose.* The purpose of these standards is to minimize the impacts of the business on any nearby residential neighborhoods and to ensure the safety of the patrons and employees of the extended hour business.~~

~~— B. *Applicability.* The facility shall require a minor conditional use permit in compliance with Chapter 19.52, and as identified in Table 2-5 (Allowed Uses and Permit Requirements for Commercial and Public Zoning Districts).~~

~~— C. *Traffic Impacts.* The facility shall be designed, developed, and operated to minimize impacts on nearby residential neighborhoods resulting from late night or early morning vehicle or pedestrian traffic generated by the business.~~

~~— D. *Crime Prevention.* The facility shall be designed, developed, and operated to provide the maximum feasible patron and employee security and crime prevention. Specifically, the design, installation, and maintenance of landscaping, fences, walls, hedges, outdoor displays and storage, security lighting, and solid waste storage areas shall promote customer, neighborhood, and employee security and minimize opportunities for crime to the greatest~~

~~extent feasible. A minimum of one security guard, licensed and possessing a valid Department of Consumer Affairs "Security Guard Card" at all times, shall remain on duty during all hours from 2:00 a.m. to 6:00 a.m. that the business is open. The business operator shall not employ security guards armed with firearms or tasers. The Director may waive or modify the security guard requirement if an alternative method is determined to be acceptable in meeting the intent of this subsection.~~

~~— E. *Light and Glare.* On-site screening shall be installed and maintained, to the satisfaction of the Director, to minimize light and glare on adjoining residential properties and dwelling units, in compliance with Section 19.20.100 (Outdoor Lighting).~~

~~— F. *Noise.* Precautions shall be taken to minimize the noise impacts of entertainment, music sources, employees and patrons (both within and outside of motor vehicles) on adjoining residential properties in compliance with Municipal Code Chapter 9.08 (Noise). No deliveries shall occur during extended hours.~~

~~— G. *Number of Employees on Duty.* A minimum of two employees (in addition to the guard specified in subsection D of this section) shall be on duty at all times between the hours of 2:00 a.m. to 6:00 a.m. that the business is open or employees are present. The Director may authorize one employee after determining that the employee will operate the business from an adequately secured facility.~~

~~— H. *Parking.* Existing on-site parking spaces adjoining residential properties and dwelling units shall not be used between the hours of 2:00 a.m. to 6:00 a.m., except for employee parking. This standard shall not be construed or interpreted so as to encourage on-street parking within or immediately adjacent to any adjoining residential neighborhoods. The design, installation, and maintenance of on-site parking areas shall comply with Chapter 19.28 (Off-Street Parking and Loading Standards).~~

~~— I. *Regulatory Business License Required.* A regulatory business license for extended hours shall be obtained in compliance with Chapter 3.36 of this Code, for the extended hours.~~

~~— J. *On-Sale Alcohol Establishments.* Between the hours of 2:00 a.m. to 6:00 a.m. alcohol shall not be accessible to patrons, non-alcoholic beverages shall be served in containers (glasses, bottles, cans, etc.) that are distinguishable upon cursory inspection from those used to serve alcohol, and management shall not allow patrons to have alcoholic beverages from outside sources.~~

~~(Ord. 09-819 § 5, 2009; Ord. 01-594 § 2 (Exh. A), 2001)~~

Section 4. Section 19.36.330.13.e of Chapter 19.36 of Title 19 of the West Hollywood Municipal Code is amended to read as follows:

e. **Extended Hours of Operation.** The convenience store may operate as an extended hours business in compliance with Section 5.52 19.36.130 (Extended Hour Businesses).

EXISTING EXTENDED HOUR BUSINESSES

Name	Type of Business	Address
Flaming Saddles	Bar/Nightclub	8811 Santa Monica Blvd
Now Boarding	Restaurant	7746 Santa Monica Blvd
Santa Monica Oil	Gas Station	7960 Santa Monica Blvd
Ralph's Grocery Co. #293	Grocery Store	1233 N La Brea Ave
Mel's Drive - In #8	Restaurant	8585 Sunset Blvd
Greenwich Village Pizzeria	Restaurant	8937 Santa Monica Blvd
The Body Shop	Nightclub	8250 Sunset Blvd
Mc Donald's Restaurant	Restaurant	1133 N La Brea Ave
Micky's	Bar/Nightclub	8857 Santa Monica Blvd
Pavilions Store #2739	Grocery Store	8969 Santa Monica Blvd
Astro Burger	Restaurant	7475 Santa Monica Blvd
7-Eleven #24131	Retail	7609 Santa Monica Blvd
Sunset Oil Mini Mart	Gas Station/Retail	8906 Sunset Blvd
Tattoo Mania	Personal Services	8861 Sunset Blvd
Pink Dot	Retail	8495 Sunset Blvd
7 Eleven #18196E	Retail	7950 Santa Monica Blvd
24 Hour Fitness	Fitness Facility	8612 Santa Monica Blvd
Barry's Boot Camp, Llc	Fitness Facility	1106 N La Cienega Blvd #104
IHOP	Restaurant	8461 Santa Monica Blvd
La Cienega Chevron		1107 N La Cienega Blvd
Carney's	Restaurant	8351 Sunset Blvd
Pizza Rustica	Restaurant	8908 Santa Monica Blvd
The Factory	Nightclub	652 La Peer Dr
Bossa Nova Brazilian Cuisine	Restaurant	685 N Robertson Blvd
Kitchen 24	Restaurant	8575 Santa Monica Blvd
The Standard, West Hollywood	Hotel	8300 Sunset Blvd
Crystal Restaurant	Restaurant	7901 Santa Monica Blvd # 201
Studs Theatre	Theater	7734 Santa Monica Blvd
Guisados	Restaurant	8935 Santa Monica Blvd
7 Eleven #16187	Retail	1100 La Cienega Blvd
Laurel Pet Hospital	Animal Hospital	7970 Santa Monica Blvd