

PLANNING COMMISSION SUMMARY ACTION MINUTES Regular Meeting September 5, 2024

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

THE CITY OF WEST HOLLYWOOD HAS ADOPTED BRIEF SUMMARY AND ACTION MEETING MINUTES, WHICH PROVIDE A SUMMARY OF THE ACTIONS TAKEN AND POINTS OF DISCUSSION ONLY. ADDITIONAL COMMENTS OR INDIVIDUAL DISCUSSIONS 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

Land Acknowledgment: "The West Hollywood Planning Commission acknowledges that the land on which we gather and that is currently known as the City of West Hollywood is the occupied, unceded, seized territory of the Gabrieleño Tongva and Gabrieleño Kizh peoples."

- **1. CALL TO ORDER:** Chair Lombardi called the meeting of the Planning Commission to order at 6:31 p.m.
- **2. PLEDGE OF ALLEGIANCE.** Commissioner Hoopingarner led the Pledge of Allegiance.

3. ROLL CALL:

Commissioners Present: Carvalheiro, Hoopingarner, Jones, Matos, Solomon,

Vice-Chair Gregoire, Chair Lombardi.

Commissioners Absent: None.

Staff Present: Doug Vu, Senior Planner, Jennifer Alkire, Current and

Historic Preservation Commission Manager, Isaac Rosen, Deputy Legal Counsel, and David Gillig,

Commission Secretary.

4. APPROVAL OF AGENDA.

ACTION: Approve the Planning Commission agenda of Thursday, September 5, 2024, as presented. **Moved by Commissioner Matos, seconded by Vice Chair Gregoire and unanimously passes.**

5. APPROVAL OF MINUTES.

Secretary Gillig read into the record the following changes:

Page 1 of 87 -Commissioners Present ... Commissioner Jones (absent) Commissioner Solomon

A. August 15, 2024

ACTION: Approve the verbatim minutes of Thursday, August 15, 2024, as presented. **Moved by Vice Chair Gregoire, seconded by Commissioner Carvalheiro and unanimously passes.**

6. PUBLIC COMMENT. None.

7. DIRECTOR'S REPORT.

Nick Maricich, Community Development Director, stated on Monday, August 26, 2024, the City Council held a public hearing on the proposed mixed-use project located at 8850 Sunset Boulevard. The City Council approved the entitlements on a 3/2 vote.

He updated the commission on the launch of the City of West Hollywood's new online permitting system for the Planning Division and the Building and Safety Department. He thanked everyone for their patience regarding the challenges and the transfer of previous projects from the other system.

On Monday, September 9, 2024, 9:00 a.m. – 2:00 p.m., the sustainability team from the Long Range Planning Division will have a booth at the Farmer's Market at Plummer Park. They will be engaging members of the public regarding energy upgrades in their homes. Further information can be found at engage@weho.org/buildingperformance

On Thursday, September 12, 2024, at West Hollywood Park Community Meeting Room, 625 N. San Vicente Boulevard, 1:00 p.m. – 3:00 p.m. there will be an inperson applicant's workshop to help commercial applicants better understand and navigate the process to apply for planning and building permits in the new permitting system. The workshop will include participation from the Los Angeles County Fire Department, Los Angeles County Health Department, Southern California Edison, and staff from the planning, building and safety, engineering and facilities division.

Commissioner Hoopingarner questioned the best way to navigate the city's website to access the new on-line permitting system, and if there is any preregistration required for the workshop.

Nick Maricich, Community Development Director, stated further information and instructions regarding the portal can be found at www.weho.org on the Community Development Department main page. He stated there is no registration required.

Commissioner Solomon questioned if any portion of the workshop will be available on-line.

Nick Maricich, Community Development Director stated staff is looking into having the proceedings recorded to be available on the website.

CONSENT CALENDAR. None.

9. PUBLIC HEARINGS SECTION I: PROJECTS SUBJECT TO THE HOUSING ACCOUNTABILTY ACT. None.

10. PUBLIC HEARINGS, SECTION II: OTHER ITEMS THAT REQUIRE A PUBLIC HEARING UNDER THE LAW.

A. 8920 SUNSET BOULEVARD:

Doug Vu, Senior Planner, provided a verbal presentation and background information, as presented in the staff report dated Thursday, September 5, 2024.

He stated the proposal is a request to enter into a development agreement that would extend the implementation and construction timeline for a previously approved new nine-story commercial development containing a private membership club (with lounges, dining rooms, outdoor terraces, and a rooftop deck), creative office, retail, and restaurant with outdoor dining uses over a subterranean garage with 279 parking spaces.

He provided history timelines of the project and entitlements, stating the original Arts Club was approved by the City Council on August 20, 2018.

He confirmed there have been two amendments since the original approval. The currently approved project still includes the private club, however, inlieu of the ten guestrooms that were previously approved, that space will now include additional creative office space. The project will still include ground floor retail and restaurant uses with outdoor dining over a full valet operated parking garage.

The project has also received two extension requests of the permit expiration date. The latest on February 15, 2024, the Planning Commission approved the second and final extension of the permit expiration date and recommended City Council approval of an ordinance authorizing additional extensions of time for entitlements seeking development agreements.

On March 18, 2024, the City Council adopted Ordinance 24-06 granting additional time for projects seeking Development Agreements to extend the overall project timeline, including the approved project.

The project is now returning to request the recommendation for the approval of a development agreement. He confirmed the primary purpose is to establish a seven-year term to ensure the development will be constructed in a timely manner by imposing penalties on specific dates if construction does not begin, and if construction is suspended for more than six months after commencement.

The other primary component of the development agreement consists of the public benefits package, which was part of the 2018 original approval.

The proposed findings which consist of determining the proposed agreement is in the interest of the city; that it is consistent with the General Plan and other applicable plans and ordinances, including the Sunset Specific Plan, that is does not adversely affect the public, and that it complies with the required contents of the development agreement.

Staff recommends approval.

Chair Lombardi requested disclosures.

Commissioner Matos disclosed for the record he spoke to the applicants representative and members of the public. They discussed matters contained in the staff report.

Commissioner Solomon disclosed for the record he spoke to the applicant's representative. They discussed matters contained in the staff report.

Commissioner Jones disclosed for the record she spoke to the applicant's representative. They discussed matters contained in the staff report.

Chair Lombardi disclosed for the record he spoke to the applicant's representative. They discussed matters contained in the staff report.

Commissioner Carvalheiro disclosed for the record he spoke to the applicant's representative. They discussed matters contained in the staff report.

Commissioner Hoopingarner disclosed for the record she made a site visit.

Chair Lombardi opened public comments for Item 10.A.

D.J. MOORE, LOS ANGELES, Latham & Watkins, presented the applicant's report. He made a request for an additional two minutes to his presentation. The Commission granted the additional time. He provided a history of the approved project and spoke regarding the development agreement and highlighted the public benefits package. The project includes several significant public benefits that were approved to compensate the city for the residual land value increase resulting from the projects land use entitlements that included a Sunset Specific Plan amendment. He detailed the monetary value of individual benefits, public access, project support, rising construction costs, spiking interest rates, challenging financial markets, timelines, additional public benefits, site activation, lack of current on-site electricity, art mural. He stated they are in support of staff's recommendation and requested approval of the recommendations.

AARON GREEN, LOS ANGELES, Afriat Consulting Group, read into the record a letter from the owners, who were unable to attend in person.

The Commission requested clarification and a history of the ballot referendum, the original public benefits and the additional benefits regarding penalties of non-construction and construction delays, coterminous documents, discrepancy in length of terms, rational of the payment schedules, purpose of the incentives, 30-day termination notice, survivability clause, public spaces and times of usage, and valuation of the public benefits,

SARAH WHITE, WEST HOLLYWOOD spoke in support of staff's recommendation of approval to the City Council. She had concerns regarding the public benefit monetary value and questioned the distribution to the public schools.

DONALD D. SEARLE, WEST HOLLYWOOD spoke in support of staff's recommendation of approval to the City Council.

VICTOR OMELCZENKO, WEST HOLLYWOOD has concerns regarding this item. He commented on the public benefits package, monetary values and affordable housing.

DANNY LEVI, WEST HOLLYWOOD has concerns regarding this item. He commented on the public benefits package, affordable housing and green buildings.

D.J. MOORE, LOS ANGELES, Latham & Watkins, presented the applicants rebuttal. He stated the Arts Club trademark (intellectual property) will no longer be branded in the United States. He spoke regarding residential use and the public benefits package.

The commission [hypothetically] asked the applicant if this recommendation was denied, how long would it take to start a project of this size from the beginning. They requested clarification regarding the public benefits package and the West Hollywood Elementary School.

The commission commented on empty development lots and questioned the feasibility for a community garden. They asked if the applicant would be amenable to hosting a community garden at this location.

D.J. MOORE, LOS ANGELES, Latham & Watkins, affirmed it would take approximately seven years to start an entitlement application from the beginning. He stated it has been common practice not to include individual recipients in a development agreement for monetary compensations.

He did state they would support FOWHE (Friends of West Hollywood Elementary) to be identified in the development agreement. He confirmed, subject to working out appropriate terms, he believes the owners would be amenable to a community garden at this site.

Discussion was held regarding the force majeure clause. It was stated and suggested it would not only cover the post construction phase, but the phase starting upon approval of the development agreement.

Isaac Rose, Deputy Legal Counsel, stated Section 822.1 would cover the force majeure applicability.

The commission questioned the applicant regarding the financial mechanisms of this current iteration. They asked for clarification regarding the size and location of the mural, and questioned which provisions ensure the project is implemented in a timely manner. They inquired what the new branding or name of the project would be.

Staff was asked to define "meaningful construction" and where the defined term is located at in the code and requested clarification regarding the penalty payments provision.

The applicant was asked if they have any intent to demolish the current building and leave the site empty, or will the building remain, so the art componant can be integrated.

D.J. MOORE, LOS ANGELES, Latham & Watkins, affirmed they do not expect to demolish the site and leave it vacant for any amount of time.

The commission questioned and asked for clarifications regarding the valuation terms of the agreement.

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

The commission has concerns but supports the recommendation. They stated the condition of the current site is serving no purpose while sitting empty, it is a public safety risk, it is a blight on the Sunset Strip, and it is a disservice to the Sunset Strip residents and neighborhood who have supported this project. They specified this is one of the most comprehensive public benefits packages and penalty structures that has been brought forward for a recommendation. They specified there are several neighborhood groups in support of this project, and the project was voted on and approved by the residents to move forward. The applicant appears to have done due diligence and brought forward a package that is in the best interest of the city.

They discussed the lack of clarification regarding the valuation benefit regarding the West Hollywood Elementary School and spoke in support of the community gardens proposal. They commented on the vacant building, the art mural, and issues that may arise.

They suggested formalizing the contribution to the West Hollywood Elementary School amending Section 4.1.3 by adding language regarding education. The delay process was discussed and clarified. Logistical and utility issues were brought up regarding the proposed community garden. Regarding the art mural, they spoke regarding giving the Art Commission a maximum parameter to activate that space.

It was indicated "meaningful construction" as written in Section 4.1.5, needs further clarification. A minority of the commission stated they couldn't make the findings, and this is not in the best interest of the city. It was suggested some of the public benefit could be weighed towards affordable housing. Further discussion was held, and staff clarified the construction and plan check timelines. The commission stated the original \$250,000 payment was based on a RHNA number of 75. Currently the RHNA number is at 4,000. Therefore, the city is not getting affordable housing, and this is a possibility of having that written off.

Commissioner Matos moved to: 1) approve staff's recommendation of approval to the City Council as amended by staff, and forward the additional recommendations to City Council.

Seconded by Vice Chair Gregoire.

Isaac Rosen Deputy Legal Counsel stated the "Term" in Section 2.6 will be changed to seven (7) years for consistency amongst all documents. He stated the recommendation to City Council can include Section 4.1.5. regarding Penalty Payments, that those provisions survive the expiration of the development agreement. The recommendation could be consistent with the other terms, that it survives like City's Remedies and Indemnification under the current terms of the development agreement.

Discussion was held regarding the possibility of adding a recommendation to the City Council regarding education (West Hollywood Elementary School) and the proposed community garden plots.

Isaac Rosen, Deputy Legal Counsel stated the following recommendations could be forwarded: a) funds in Section 4.1.3 are recommended to be set aside for education, and b) the potential feasibility of community garden beds for the public benefit.

Commissioner Matos agreed to these inclusions to the motion.

Vice Chair Gregoire agreed to these inclusions to the motion.

Further discussion and clarifications were held regarding the penalty payment, which happens on the last day of the term. It was suggested the final payment could be tied to the Certificate of Occupancy.

It was noted staff does not recommend a change to the last penalty provision, but it can be open for further discussion by the commission. Staff clarified payments must be made if construction does not begin, and there is survivability language.

Isaac Rosen, Deputy Legal Counsel stated the recommended term for the City Council to consider would be an eight (8) year term under Section 2.6.

Commissioner Matos agreed to these inclusions to the motion.

Vice Chair Gregoire agreed to these inclusions to the motion.

ACTION: 1) Adopt Resolution No. PC 24-1565 as presented: "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL APPROVE A DEVELOPMENT AGREEMENT TO EXTEND THE IMPLEMENTATION TIMELINE FOR THE PROJECT LOCATED AT 8920 SUNSET BOULEVARD, AND FINDING THE ACTION EXEMPT FROM CEQA.", 2) Adopt Resolution No. PC 24-1569 as presented: "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL AMEND THE ZONING MAP IN CONJUNCTION WITH THE DEVELOPMENT AGREEMENT TO EXTEND THE IMPLEMENTATION FOR THE PROJECT LOCATED AT 8920 SUNSET TIMELINE HOLLYWOOD, CALIFORNIA."; BOULEVARD. WEST 3) Resolution No. PC 24-1570 as presented: "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, CALIFORNIA. RECOMMENDING THAT THE CITY COUNCIL APPROVE AN AMENDMENT TO EXTEND THE PERMIT EXPIRATION DATE TO BE COTERMINOUS WITH THE DEVELOMPENT AGREEMENT FOR THE PROJECT LOCATED AT 8920 SUNSET BOULEVARD, AND FINDING THE ACTION EXEMPT FROM CEQA."; 4) forward the following recommendations to the City Council for their consideration: a) Section 4.1.5. regarding Penalty Payments, that those provisions survive the expiration of the development agreement; b) funds in Section 4.1.3 are recommended to be set aside for education, and c) the potential feasibility of community garden beds for the public benefit; and d) consider an eight (8) year term under Section 2.6. and 5) Close the Public Hearing for Item 10.A. Moved by Commissioner Matos, seconded by Vice Chair Gregoire and passes, noting Commissioner Hoopingarner voting NO.

- **11. NEW BUSINESS.** None.
- 12. UNFINISHED BUSINESS. None.
- 13. EXCLUDED CONSENT CALENDAR. None.

14. ITEMS FROM STAFF.

A. Planning Manager's Update.

Jennifer Alkire, Current and Historic Preservation Planning Manager, provided an update of tentative items scheduled for upcoming Planning Commission meetings.

She confirmed the meeting on Thursday, October 3,2024 will be cancelled due to a religious holiday.

Nick Maricich, Community Development Director, stated the shortcut URL to the new on-line permitting system is: www.weho.org/permit

B. Subcommittee Management.

Jennifer Alkire, Current and Historic Preservation Planning Manager, provided an update of tentative items scheduled for Design Review Subcommittee, Sunset Arts and Advertising Subcommittee and Long-Range Planning Projects Subcommittee meetings.

She stated the next regularly scheduled Design Review Subcommittee will be officially cancelled on Thursday, September 12, 2024.

15. PUBLIC COMMENT.

VICTOR OMELCZENKO, WEST HOLLYWOOD commented on how to protect residentially zoned parcels from development. He suggested accountability of approving new development permits from the same developer company and commented on the Melrose Triangle Project regarding excess water drainage and commented on the upcoming elections and candidates.

16. ITEMS FROM COMMISSIONERS.

Commissioner Jones stated for the record she will be absent from the meeting on Thursday, October 17, 2024.

Chair Lombardi requested the commission work together to make the Planning Commission meetings more productive in the future.

Vice Chair Gregoire spoke about collaboratively working together and hopes everyone's desires can be accommodated.

Planning Commission Minutes September 5, 2024 Page 10 of 11

Commissioner Matos commented on the differing viewpoints from the commission and stated this is invaluable. He spoke regarding consensus and making decisions as a body. Everybody needs to be heard, and decisions need to be made as a body.

Commissioner Hoopingarner stated her goal is to make everything best as possible and her obligation is to make the findings. She commented on the deciding factors for her voting, and affirmed she would like to contribute her knowledge to that process.

ADJOURMENT. The Planning Commission adjourned at 9:10 p.m. to a regularly scheduled meeting on Thursday, September 19, 2024, 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 19th day of September 2024 by the following vote:

AYES:

Commissioner:

Carvalheiro, Hoopingarner, Jones, Matos,

Solomon, Vice Chair Gregoire, Chair Lombardi.

NOES:

Commissioner:

None.

ABSENT:

Commissioner:

None.

ABSTAIN:

Commissioner:

None.

MICHAEL A. LOMBARDI, MIES LC LEED AP BD+C

CHAIRPERSON

ATTEST:

DAVID K! GILLIG, COMMISSION SECRETARY