

**CITY COUNCIL
CITY OF WEST HOLLYWOOD
MINUTES**

STUDY SESSION REGARDING BED AND BREAKFAST FACILITIES
MONDAY, JULY 20, 1998
WEST HOLLYWOOD PARK AUDITORIUM

1. **CALL TO ORDER:** Mayor Martin called the meeting to order at 5:28 p.m.

2. **ROLL CALL:**
PRESENT: Councilmembers - Guarriello, Koretz, Prang, Heilman and Mayor Martin.
ABSENT: Councilmembers - None.
ALSO PRESENT: City Manager Makinney, City Attorney Jenkins, City Clerk Thompson and Deputy Clerk Gillig.

Mayor Pro-Tempore Heilman arrived late at 5:32 p.m.

3. **REPORT ON THE FINDINGS AND RECOMMENDATIONS OF THE HOUSING CONVERSION TASK FORCE REGARDING BED AND BREAKFAST FACILITIES IN THE CITY OF WEST HOLLYWOOD:**

Jennifer Davis, Associate Planner, provided background information as outlined in the staff report dated July 20, 1998.

FRANCES L. DIAZ, WEST HOLLYWOOD, Neighborhood Watch Captain of the Norma Triangle, stated that she and the community have zero tolerance and oppose Bed and Breakfast facilities.

ROBERT FREEDMAN, WEST HOLLYWOOD, commended staff regarding the clean-up of Santa Monica Boulevard and brought to the attention the 'parking lot' of the current Bed & Breakfast on San Vicente Boulevard and opposes Bed & Breakfast facilities.

STEVE ROSE, WEST HOLLYWOOD, was very impressed with the Bed and Breakfast Staff Report. The concept of Bed and Breakfasts' is something that can make West Hollywood a better place.

JEANNE DOBRIN, WEST HOLLYWOOD, Bed and Breakfasts' should not be allowed in the City of West Hollywood. Bed and Breakfasts' are an encroachment that would lead to displacing tenants.

KEN SAVAGE, WEST HOLLYWOOD, stated he finds it very disheartening to have staff say you will be displacing only a few renters. He opposes Bed and Breakfast facilities in the City of West Hollywood.

TODD BIANCO, WEST HOLLYWOOD, commented that the San Vicente Inn has made considerable improvements to the area since acquiring the property on San Vicente Boulevard. He is in favor of Bed and Breakfast facilities.

MICHAEL POBER, WEST HOLLYWOOD, stated he experiences 17 cans of garbage right across the street due to the San Vicente Inn. He also addressed safety and parking. He opposes Bed and Breakfast facilities.

ROGER LA GRANGE, WEST HOLLYWOOD, stated that there are several reports on file with Gloria Buitrago in the Code Compliance Division regarding the San Vicente Inn. He stated the owners have been progressing rapidly since the Moratorium on Bed and Breakfasts' and would like to know what the properties are actually being converted into.

JAMES BALLARD, WEST HOLLYWOOD, stated he is not opposed to the expansion of Bed and Breakfasts' in the City of West Hollywood. He has many concerns regarding the San Vicente Inn and has spoken to the owners hoping to resolve those problems.

GLENN ERVIN, LOS ANGELES, stated that despite the Moratorium, he commended work on the property at the San Vicente Inn.

JOHN O'CONNOR, WEST HOLLYWOOD, indicated his concerns about tenants being displaced. He opposes Bed and Breakfast facilities.

DAWN SANDOR, WEST HOLLYWOOD, stated that the entire character of the street is being destroyed. She stated no need for additional Bed and Breakfast facilities in West Hollywood.

PETER KREYSA, WEST HOLLYWOOD, stated his fear of declining property values. He asked Council to review the report very carefully and take into consideration all the concerns of the neighbors.

JUDSON GREENE, WEST HOLLYWOOD, stated his neighborhood is turning more and more into a hotel/commercial area. He opposes Bed and Breakfast facilities.

NORMA SANDLER, WEST HOLLYWOOD, stated that the neighborhood currently does have problems and we do not need Bed and Breakfasts in the neighborhood. She opposes Bed and Breakfast facilities.

JAMES LITZ, WEST HOLLYWOOD, representing the San Vicente Inn supports the proposed Ordinance.

TERRY SNYMAN, WEST HOLLYWOOD, owner of the San Vicente Inn. Believes he has improved the properties on Hilldale. He stated there are hundreds of people that enjoy the San Vicente Inn and is open to everybody to see and experience. He responded to the concerns stated earlier and reiterated how he has improved the neighborhood.

ARLEN KRANTZ, WEST HOLLYWOOD, stated she loves Bed and Breakfasts. However, she has a problem, with the San Vicente Inn and does not look forward to more 'yellow walls'. She is very concerned about her property values declining because of this. She opposes Bed and Breakfast facilities.

MARCY MILLER, WEST HOLLYWOOD, homeowner in the Norma Triangle. She stated there will be zero tolerance for Bed and Breakfast facilities in residential areas. She opposes Bed and Breakfast facilities.

TASK FORCE MEMBER COMMENTS:

Tom Jones, representing the Planning Commission commented on the definition of Bed and Breakfasts and that the Task Force went through hours of debate on this subject. He stated that before any action could be taken, it would have to go before the Planning Commission for approval.

Ann Erenthal, representing the West Hollywood Community Housing Corporation, indicated that this was not an easy task. She stated the Task Force investigated several issues including: economic downsides, tenant displacements, parking issues, zoning, architectural and everyone agreed, that it was a positive economic piece to the City.

Wendy Krueger, owner of a historical landmark building in West Hollywood, pointed out that the entire group was a very diverse group and that they all tried to look at the tasks given to them from many points of view. She reiterated that their focus was not necessarily on the San Vicente Inn which they defined as an 'Urban Inn'. They believe they have made it very restrictive on homeowners, etc in order to convert to Bed and Breakfast facilities.

Amy Anderson, member of the Cultural Heritage Commission, wanted to reinforce that Bed and Breakfasts' brings the sort of environment that the City promotes as a 'Village' and emphasized that it would be financially beneficial to the City as well as to the businesses in the area. She stated the way the guidelines are written, it is unavoidable for displacing tenants and tried to limit that in the restrictions. She commented on historical and non-historic buildings which would encouraged the owners of historical properties to convert their buildings for preservation and to maintain them.

Kevin Notre, Rent Stabilization Chair, stated that it was unanimous that the Moratorium should be lifted. He indicated that unfortunately any landlord in the City has an absolute right to displace all tenants and get out of the rental business and convert their properties into something else. The Task Force tried to limit the scope, size and number of applications approved per year, because we could not really protect the tenants.

Gary Grossman historical property owner, commented that there is some flexibility for historical properties and that the Task Force did not get into the specifics regarding making money versus rent control because they were not charged with that responsibility.

Councilmember Guarriello voiced his concerns about the displacement of tenants.

Mayor Martin suggested that historical building owners be given some incentive simply due to the fact that these buildings are more expensive to keep up and Bed and Breakfast facilities seem to be very lucrative.

Mayor Pro Tem Heilman suggested that staff meet with the neighbors and owners of the San Vicente Inn and facilitate some discussion about the issues to their existing operations and what their plans are for the future.

Councilmember Koretz agreed with Mayor Pro Tem Heilman and indicated that the problems could be worked out by meeting with the residents and owners.

Mayor Martin responded that many of the problems that is facing the San Vicente Inn is exactly what the City will be facing in the future. Basic problems are: 1) the preservation of the residential character of our neighborhoods, 2) the City's commitment to preserving our housing stock and coming up with some standards and dealing with historical designated properties.

Councilmember Prang pointed out that there are two specific issues at hand. One is the San Vicente Inn, and that he supports the residents and does not support any type of encroachment into the neighborhood. He stated that we need to address policy issues.

Mayor Martin indicated that they need to look at the adverse impact of the residential character of our neighborhood(s) and the lucrative incentives for getting out of the housing business.

ACTION: 1) Direct the City Attorney to draft an Ordinance which would ban zoning of Bed and Breakfast facilities in residential zones.

Motion by Mayor Martin. Failed for lack of second.

Councilmember Koretz indicated that they should have some more discussion on this matter and strongly stated his concerns about low income tenants being displaced.

Mayor Pro Tem Heilman made it clear that the Norma Triangle could never have Bed and Breakfasts' within it's boundaries due to the fact that it is not zoned for it.

Jennifer Davis, Associate Planner, stated in the last 12 years, there have only been two (2) applications for Bed and Breakfast facilities, due to the fact that it is so restricting.

Mayor Pro Tem Heilman brought forth the question if this would apply to only new construction or existing buildings.

Jennifer Davis, Associate Planner, responded that it includes new construction only, but at Council's direction they could draft an Ordinance that would include conversions.

Mayor Pro Temp Heilman suggested drafting an Ordinance that would allow Bed and Breakfasts' in certain limited areas, on certain streets only for new construction. It wouldn't address the other concern of preserving historic buildings.

Councilmember Prang would never support a Bed and Breakfast in a residential block and would want it to be very restrictive and on a case by case basis.

Mayor Pro Tem Heilman would like to see staff come back with additional information about what protections there are for the neighborhoods. Is also concerned about parking restrictions and what additional protection for tenants could be put in place?

City Attorney Jenkins asked staff to verify that the Moratorium expires by the next meeting and reverts back to previous current rules, which will be in effect. The Moratorium has been extended as long as possible under the law, and at this point there is no clear sense what Council wants done.

Councilmember Prang would like to see severe limitations on the number of applications that are brought forward, more restrictions on locations and more discussion on economic incentives.

Councilmember Koretz would like to severely limit the number of units citywide, number of units to a particular building, see it limited to historic structures only and limit the total number to just a handful in the city to a total number of five (5) or ten (10) in the city to be approved and severely limit the number that are approved in the year, maybe two (2).

Mayor Pro Tem Heilman is not prepared to adopt an Ordinance until he sees additional information from staff. Only limited circumstances should be taken into consideration. Has some concern regarding conversion(s) and displacement attempts and is willing to listen to applicants on a case by case basis.

Mayor Martin commented that he has a real problem with new construction. It is an open invitation for people to build more hotels in our neighborhoods. The focus should be on historical buildings. He does not want to commercialize our residential area(s).

Councilmember Prang wanted to move ahead with an Ordinance, but would like to see an Ordinance that is more restrictive in terms of where a Bed and Breakfast can be, would like to see them abutting a major commercial street and not in the middle of residential blocks, would like to see Councilmember Koretz' concerns regarding the number per year and the total number approved over the lifetime of the City, much more limited; five (5) to ten (10), but no more than one (1) or two (2) approved on an annual basis. Would also like to see additional discussion on how they can create economic incentives to keep existing housing (in particular historic housing) to invest in those facilities.

ACTION: 1) Direct staff to arrange and facilitate meetings with the residents and the owners/operators of the San Vicente Inn to discuss current problems and for the San Vicente Inn to brief residents on future plans of the facility; and 2) Direct staff to return to the City Council on September 22, 1998, with an Ordinance which would restrict the use of Bed and Breakfast facilities in the City. The Ordinance shall allow for Bed and Breakfast facilities in residential zones that are adjacent to commercial zones or streets, restrict or limit the number of applications for Bed and Breakfast facilities to one or two per year. Limit the total number of Bed and Breakfast facilities to five to ten, create economic incentives to retain historical properties and low income housing at the current use. Direct staff to consider neighborhood protections such as property values, noise issues, parking issues, limiting the number of tenants which could be displaced, and provide analysis on new construction and/or conversions of existing buildings.

Motion Councilmember Prang, second by Mayor Pro Tem Heilman and carried on a Roll Call vote:


AYES: Councilmembers - Koretz, Prang and Heilman.

NOES: Councilmembers - Guarriello and Mayor Martin.


4. **ADJOURNMENT:** City Clerk Thompson stated that an Item came to the attention to the City after the Agenda was posted and there is a need for the City Council to immediately hear the Item which needed to be added to the Closed Session Agenda. Under Conference with Labor Negotiator, Government Code Section 54957.6 City Negotiator Hal Cronkite and Employee Organizations WeHOME, AFSCME, ACD, ACE, ACES, WHMA. **ACTION: Add Conference with Labor Negotiator to the July 20, 1998 Closed Session Agenda. Motion by Mayor Pro Tem Heilman, seconded by Mayor Martin and unanimously carried.**

The City Council adjourned at 7:32 p.m. to a brief Closed Session to be immediately followed by its Regular Meeting.

APPROVED BY A MOTION OF THE WEST HOLLYWOOD CITY COUNCIL THIS 3RD DAY OF AUGUST, 1998.


MAYOR

ATTEST:


City Clerk