

SUBJECT: ZONE TEXT AMENDMENT, STREAMLINE REVIEW OF  
COMMERCIAL PROJECTS UNDER 30,000 SQUARE FEET

INITIATED BY: PLANNING AND DEVELOPMENT SERVICES DEPARTMENT  
(Bianca Siegl, Long Range Planning Manager)  
(Jerry Hittleman, Senior Contract Planner)

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## STATEMENT ON THE SUBJECT

The Planning Commission will hold a public hearing to consider a zone text amendment to streamline the review of commercial projects under 30,000 square feet in size.

## RECOMMENDATION

Staff recommends that the Planning Commission hold the public hearing, consider all pertinent testimony, and recommend approval to the City Council by adopting the following:

- 1) Draft Resolution No. PC 18-1293: **“A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, RECOMMENDING THAT THE CITY COUNCIL APPROVE A ZONE TEXT AMENDMENT TO ALLOW PLANNING AND DEVELOPMENT SERVICES DIRECTOR APPROVAL FOR ALL COMMERCIAL PROJECTS UNDER 30,000 SQUARE FEET IN SIZE, CITYWIDE, WEST HOLLYWOOD, CALIFORNIA.”** (EXHIBIT A)

## BACKGROUND/ANALYSIS

### Issue Background Information

On October 16, 2017, the City Council directed the Planning and Development Services Department to amend the Zoning Ordinance to allow streamlined (Director) review of Development Permits for commercial projects less than 30,000 square feet subject to certain limitations. The intention is to streamline the approval process for smaller, less impactful commercial projects that adhere to the Zoning Code, and to provide greater certainty and quickness with regard to these requests for development approval (see City Council Report and Minutes – Exhibits B and C).

Since 2014, the City has received applications for sixteen commercial projects under 30,000 square feet and five above 30,000 square feet in size (not including mixed-use projects). Thirteen of the 16 projects under 30,000 square feet were less than 10,000 square feet. Two of the commercial project applications under 30,000 square feet requested one or more variance, modification, conditional use permit (CUPs), concession, or waiver, which required Planning Commission approval.

### Current Municipal Code

The City's Zoning Code (Section 19.48.030) allows development permit applications for commercial projects of less than 10,000 sq. ft. of new or additional gross floor area to be reviewed, approved, modified or denied by the Community Development Director (now Planning and Development Services Director) if the project requires less than 49 parking spaces and does not require a CUP or Variance. Commercial projects are reviewed, approved, modified or denied by the Planning Commission if they are 10,000 sq. ft. or more of new or additional gross floor area, or if the project requires 49 or more parking spaces, or requires a CUP or Variance. The Sunset Specific Plan (SSP) Zoning District increases the threshold for Planning Commission review from "less than 10,000 sq. ft." to "less than 30,000 sq. ft."

### Proposed Commercial Project Streamlining Requirements

As directed by the City Council, revisions are proposed for Chapter 19.48 Development Permits, Section 19.48.030 Review Authority for projects requiring approval of a development permit. The zone text revisions would allow development permit applications for commercial projects less than 30,000 square feet, which do not require a CUP or Variance be reviewed, approved, modified, or denied at the Director level. The purpose of the revisions are to provide a streamlined approval process for small to medium size, less impactful commercial projects while still allowing community members to be involved through neighborhood meetings and the appeal process, if necessary.

The proposed ZTA includes retention of the existing Director decision-making process for commercial projects less than 10,000 square feet in size. Requests for bonuses and incentives beyond the baseline zoning requirements for this smallest category of projects would also be processed by the Director, as they are currently. Variances and CUPs associated with commercial projects under 10,000 square feet would continue to be heard by the Planning Commission. Without maintenance of the existing process, the approval process of many smaller buildings would instead of being streamlined, become lengthier with the need for a public hearing. Projects between 10,000 and 30,000 square feet would be approved by the Director unless a CUP, variance, concession, or modification is proposed whereupon the Planning Commission would be the decision-making authority.

Currently, Section 19.48.030 Review Authority for Commercial Projects (Exhibit A - Table 4-2), requires that commercial projects with 49 or more parking spaces be reviewed by the Planning Commission. The City Council directed staff to revise this standard from 49 to 150 parking spaces. Staff does not recommend that any parking space criteria should be used for determining the review authority for commercial projects. This benchmark is not viable because most commercial projects less than 30,000 square feet will not require more than 150 parking spaces. In addition, the existing commercial parking standards are anticipated to be significantly reduced pending Council consideration of the zone text amendment regarding commercial parking requirements recommended for approval by the Planning Commission on October 4, 2018.

The proposed ZTA includes a provision that commercial projects between 10,000 and 30,000 sq. ft. conduct a neighborhood meeting within 60-days of application submittal. This is similar to the requirement for projects in the Sunset Specific Plan area and would ensure that public notice and input would occur early in the process potentially resolving neighborhood issues and avoiding appeals to the Planning Commission. New neighborhood meeting guidelines have recently been instituted by staff to improve the effectiveness of neighborhood meetings. These revisions include guidelines for conducting the neighborhood meeting with oversight by the project planner who will also be responsible for taking notes. Other new provisions include conducting the meeting on or within 500 feet of the project site (if feasible), starting the meeting after 5:00 PM, and providing notice a minimum of 15 days prior to meeting.

Staff estimates that a change to Director approval for commercial projects under 30,000 sq. ft. without a variance, CUP or other modification request would reduce processing times by an average of 2-3 months. This is due to production of a streamlined staff report and elimination of the Design Review Subcommittee step in the process.

## **PUBLIC OUTREACH**

The staff team presented the proposed accessory dwelling unit ordinance to the West Hollywood Chamber of Commerce Government Affairs Committee (GAC) meeting on October 9, 2018. Staff also held a community meeting to discuss a number of currently proposed amendments to the Zoning Ordinance, which was attended by over 50 people.

## **PUBLIC NOTICE**

The City published a legal notice in the *Beverly Press* and *West Hollywood Independent* on October 4, 2018; and by a mailing to neighborhood watch groups and other neighborhood organizations.

## **ENVIRONMENTAL REVIEW**

The proposed 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. The implementation of a new provision to allow commercial developments of less than 30,000 square feet to be approved by the Director will in effect only streamline the decision-making process, but will not have a direct impact on the environment. Individual commercial projects that are subject to this approval process are subject to CEQA and will undergo environmental review, as appropriate.

## **PLANNING COMMISSION LONG-RANGE PLANNING SUBCOMMITTEE**

The Long-Range Planning Subcommittee discussed the proposed zone text amendment on August 16, 2018. The Commissioners and one public attendee were generally not supportive of the amendment and had the following questions and comments:

- Comment: How many commercial projects under 30,000 sq. ft. and under 10,000 sq. ft. that have not requested a variance or an accompanying CUP) have been processed in the last 4 years?

Response: A total of two commercial projects less than 30,000 square feet in size have requested a variance or CUP in the last four years.

- Comment: Allowing a greater number of commercial projects to be processed administratively will limit or hinder public participation. Although neighborhood meetings would be held for the majority of commercial projects under 30,000 sq. ft. the Committee members felt that the neighborhood meeting process is ineffective. The LRSC recommended that planning staff play a larger or more prominent role in these meetings.

Response: As described above, new neighborhood meeting guidelines have recently been instituted by staff to improve the effectiveness of neighborhood meetings, including guidelines for conducting the neighborhood meeting with oversight by the project planner who will also be responsible for taking notes. Other new provisions include conducting the meeting on or within 500 feet of the project site (if feasible), starting the meeting after 5:00 PM, and providing notice a minimum of 15 days prior to meeting.

- Comment: The public noticing process for administrative permits and Director Hearings as well as neighborhood meetings was not effective and needs to be improved.

Response: On June 4, 2018, the City Council adopted several changes to public notices policies including the following:

- Mailing List. On December 4, 2017, the City Council directed staff to create a voluntary email and mailing list at the initial neighborhood meeting for all residents and other stakeholders to stay informed on the project's progress. This directive has been implemented and staff also notifies persons on the list of future meetings as well as project updates.
- Construction Mitigation Plans. Construction mitigation plans are posted on the City's website to keep the most up-to-date plans posted online.
- Public Notice Format. The City Council directed staff to use a 5.5" x 8.5" size post card notice for public hearings, including Director Hearings. This larger size provides opportunity to include more text, if needed.

- Neighborhood Notice Format. Formerly neighborhood notices were prepared by the applicant. The City Council approved a new notice format to be used consistently for all neighborhood meetings. The new format would be in color and includes large headings and a rendering of the project.
- Infomap. In addition to the noticing improvements described above, the City's Planning and Development Services webpage has a feature known as InfoMap which went live in March of 2018. This is an interactive information map that allows anyone to easily find details about proposed or active projects in their neighborhood and across the City.
- Comment: There was not a definitive time savings for processing an administrative permit vs. Planning Commission review. No incentive for not requesting a variance has been shown.

Response: As described above staff estimated an application processing time savings of approximately 2-3 months per project, which would be significant for most commercial project developers and future commercial tenants.

## **EXHIBITS**

- A. Draft Resolution No. PC 18-1293
- B. City Council Staff Report – October 16, 2017
- C. City Council Minutes – October 16, 2017

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**RESOLUTION NO. PC 18-1293**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, RECOMMENDING THAT THE CITY COUNCIL APPROVE A ZONE TEXT AMENDMENT TO ALLOW PLANNING AND DEVELOPMENT SERVICES DIRECTOR APPROVAL FOR ALL COMMERCIAL PROJECTS UNDER 30,000 SQUARE FEET IN SIZE, CITYWIDE, WEST HOLLYWOOD, CALIFORNIA.**

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

SECTION 1. As directed by the City Council, the City of West Hollywood initiated amendments to the Zoning Ordinance, Article 19 of the Municipal Code, to allow development permit applications for commercial projects less than 30,000 square feet, which do not require a Conditional Use Permit or Variance, to be reviewed, approved, modified, or denied at the Director level to provide a more streamlined approval process for smaller, less impactful commercial projects while still allowing community members to be involved through neighborhood meetings and the appeal process, if necessary.

SECTION 2. A public hearing was duly noticed for the Planning Commission meeting of October 18, 2018 by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 by October 4, 2018.

SECTION 3. The proposed 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. The implementation of a new provision to allow staff approval of commercial developments of less than 30,000 square feet will in effect only streamline the decision-making process, but will not have a direct impact on the environment. Individual commercial projects that are subject to this approval process are subject to CEQA and will undergo environmental review, as appropriate.

SECTION 4. Based on the foregoing, the Planning Commission of the City of West Hollywood hereby recommends approval to the City Council of Zoning Text Amendment ZTA18-0015, which is attached hereto as Exhibit A.

**PASSED, APPROVED AND ADOPTED** by the Planning Commission of the City of West Hollywood at a regular meeting held this 18<sup>th</sup> day of October, 2018 by the following vote:

AYES:           Commissioner:

NOES:           Commissioner:

ABSENT:       Commissioner:

ABSTAIN:       Commissioner:

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STACEY E. JONES, CHAIRPERSON

ATTEST:

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BIANCA SIEGL, LONG RANGE PLANNING MANAGER

*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

## Draft Zone Text Amendment

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

**Section 5:** Chapter 19.48 Development Permits, Section 19.48.030 Review Authority of Title 19 of the West Hollywood Municipal Code is amended to read as follows:

Development permit applications shall be reviewed, approved, modified, or denied by the review authority identified in the following table. For review of amendments to already approved projects, see also Section 19.62.070, Amendments to Approved Projects.

Table 4-2  
Development Permit Review Authority

Type of Use or Project	Review Authority	
	Director	Commission
<b>Commercial Zoning Districts, except SSP</b>		
Project of <u>30,000</u> <del>40,000</del> gross sq. ft. or more of new or additional gross floor area, <del>or requires 49 or more parking spaces,</del> or requires a Conditional Use Permit or Variance, <u>or requests bonuses or incentives beyond the baseline zoning requirements, or is a mixed residential/commercial project</u>	■	■
Project of less than 30,000 gross sq. ft. of new or additional gross floor area that does not require a Conditional Use Permit or Variance, <u>or does not request any bonuses or incentives beyond the baseline zoning requirements.</u>	■ <u>(1), (2)</u>	
Project of less than 10,000 gross sq. ft. of new or additional gross floor area, that <del>requires less than 49 parking spaces,</del> and does not require a Conditional Use Permit or Variance	■ <u>(2)</u>	
Major changes (as determined by the Director) to any of the above permits approved by the Commission		■
Minor changes (as determined by the Director) to any of the above permits approved by the Commission	■	
<b>Sunset Specific Plan (SSP) Zoning District</b>		
Project of 30,000 sq. ft. or more, or requires a Conditional Use Permit or Variance		■
Project of less than 30,000 sq. ft., and does not require a Conditional Use Permit or Variance	■ <u>(34)</u>	

Major changes (as determined by the Director) to the above approved by the Commission		■
Minor changes (as determined by the Director) to the above approved by the Commission	■	

**Notes:**

(1) The following is required for commercial projects between 10,000 square feet and 30,000 square feet:

a. A Neighborhood Meeting must be conducted within 60 days of submission of a complete application.

~~(24) The Planning and Development Services Director may defer action and refer the application to the Planning Commission for review under Section 19.44.030, if the Director determines that the project meets the goals but not the requirements of the Sunset Specific Plan or if the project:~~

- ~~a. Requires significant additional environmental study;~~
- ~~b. Has unexpected traffic or parking projections;~~
- ~~c. Has unique uses, or uses with unusually high occupancy expectations;~~
- ~~d. Would have potential significant impacts which were unanticipated at the time the Sunset Specific Plan was written; or~~
- ~~e. Is of a unique design or contains an unusual new billboard structure.~~
- ~~f. Is a new ground-floor bank or financial services use in the Sunset Specific Plan area.~~

(3) The Planning and Development Services Director may defer action and refer the application to the Planning Commission for review if the Director determines that the project meets the goals but not the requirements of the Sunset Specific Plan or if the project:

- a. Requires significant additional environmental study;
- b. Has unexpected traffic or parking projections;
- c. Has unique uses, or uses with unusually high occupancy expectations;
- d. Would have potential significant impacts which were unanticipated at the time the Sunset Specific Plan was written; or
- e. Is of a unique design or contains an unusual new billboard structure.
- f. Is a new ground-floor bank or financial services use in the Sunset Specific Plan area.

All referrals to the Planning Commission shall be accompanied by a written explanation of the reason for the referral.

SUBJECT: **STREAMLINE REVIEW OF COMMERCIAL PROJECTS UNDER 30,000 SQUARE FEET IN COMMERCIAL ZONING DISTRICTS**

INITIATED BY: **COUNCILMEMBER LAUREN MEISTER  
COUNCILMEMBER LINDSEY HORVATH**

PREPARED BY: Andi Lovano, Senior Management Analyst



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**STATEMENT ON THE SUBJECT:**

The City Council will consider directing staff to amend the Zoning Ordinance to allow applications for new or additional floor area in commercial development projects of less than 30,000 square feet and requiring 150 parking spaces or less, to be reviewed, approved or denied by the Community Development Director if they do not require a conditional use permit or variance, and do not request any bonuses, incentives, parking reductions or "minor modifications" above the baseline zoning requirements. The intention is to streamline the approval process for smaller, less impactful commercial projects that fully adhere to the Zoning Code, and to provide greater certainty and quickness with regard to these requests for development approvals.

**RECOMMENDATION:**

- 1) Direct staff to amend the Zoning Ordinance (W.H.M.C. Section 19.48.030, Table 4-2) to allow development permit applications for commercial projects of less than 30,000 sq. ft. to be reviewed, approved, modified or denied by the Community Development Director, if the project:
  - a. Does not require a Conditional Use Permit or Variance,
  - b. Does not request any bonuses or incentives beyond the baseline zoning requirements,
  - c. Does not request "minor modifications" or reductions in development standards,
  - d. Allows for interactive, community input by way of a neighborhood meeting prior to Director review.

## **BACKGROUND / ANALYSIS:**

The City's Zoning Code (Section 19.48.030) allows development permit applications for commercial projects of less than 10,000 sq. ft. of new or additional gross floor area to be reviewed, approved, modified or denied by the Community Development Director if the project requires less than 49 parking spaces and does not require a Conditional Use Permit or Variance. Commercial projects are reviewed, approved, modified or denied by the Planning Commission if they are 10,000 sq. ft. or more of new or additional gross floor area, or if the project requires 49 or more parking spaces, or requires a Conditional Use Permit or Variance.

The Sunset Specific Plan (SSP) Zoning District increases the threshold for Planning Commission review from "less than 10,000 sq. ft." to "less than 30,000 sq. ft." The SSP Zoning District allows projects of less than 30,000 sq. ft., which do not require a Conditional Use Permit or Variance, to be reviewed, approved, modified, or denied at the Director level. Projects of 30,000 sq. ft. or more, or projects that require a Conditional Use Permit or Variance, are required to be reviewed by the full Planning Commission.

Over the years, the City has approved a number of new developments in our commercial zoning districts. While new development has provided the City many benefits, it has also raised some concerns among the development community as well as community members, particularly with regard to required design standards, how meaningful community input can be solicited, and how applications for these smaller sized commercial projects are being processed.

This item directs staff to amend the Zoning Ordinance to increase the threshold for Planning Commission review of commercial projects from "less than 10,000 sq. ft." to "less than 30,000 sq. ft." throughout the City, rather than only in the Sunset Specific Plan. This Zone Text Amendment ("ZTA") would allow commercial development projects with less than 30,000 sq. ft. of new or additional gross floor area to be reviewed, approved, modified or denied by the Community Development Director if the project does not require a Conditional Use Permit or Variance, does not request bonuses or incentives beyond the base zoning requirements, and does not request "minor modifications" or parking reductions.

The ZTA would only apply to "commercial only" projects, and not to mixed-use projects or residential projects in commercial zones. Projects that request any bonuses, incentives, etc. – including but not limited to mixed-use bonus, Avenues bonus, affordable housing density bonus, green building bonus – would still be required to go through the full Planning Commission process.

As outlined in the Sunset Specific Plan, the Director may defer action and refer a project to the Planning Commission for review under certain circumstances, such as, if the project requires significant additional environmental study, has unexpected traffic or parking projections, has unique or controversial uses, or uses with unusually high occupancy expectations.

### Process

Projects with gross floor area in the 10,000 sq. ft. to less than 30,000 sq. ft. range would be eligible for Director level review. Applicants shall be required to conduct a neighborhood meeting, and applications shall undergo review by the City's project planner, engineering and environmental public works staff, and urban designer or equivalent licensed design professional. Public feedback in the way of comment letters, phone calls and emails shall also be considered, as they are currently. City staff will make recommendations to the Director based on their findings. In addition, as currently stated in the Zoning Code, any decision rendered by the Director may be appealed to the Planning Commission.

### Proposed Streamlined Timeline

Once the application is submitted, the neighborhood meeting must be conducted within 45 days. Staff must take an action deeming the project complete no later than 60 days (assuming all the materials have been provided by the applicant), and then the Director must take action on the application within 90 days.

### Intention

The proposed Zone Text Amendment is intended to provide a more streamlined approval process for smaller, less impactful commercial projects while still allowing community members to be involved through neighborhood meetings and the appeal process, if necessary.

At a recent Council meeting, the City Council gave direction to amend the requirements for review for residential projects to allow projects that do not receive any variances, density bonuses, or incentives to be approved at the Director level rather than be required to go through the complete Planning Commission process. This item is in line with that direction by expanding by-right approval for smaller commercial project applications that do not request discretionary actions.

Lastly, this item supports the City's Small Business Initiative, which directed staff to research policies and planning tools that will help attract independent, small businesses to West Hollywood and keep our existing small business community intact by making operating small business in our City more economically feasible.

**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-1.6: As feasible, develop strategies for business recruitment that support the intended physical environment and land use vision for each commercial subarea, as described in the Land use and Urban Design Chapter.
- LU-1: Maintain an urban form and land use pattern that enhances quality of life and meets the community's vision for its future.
- LU-4: Provide for an urban environment oriented and scaled to the pedestrian.

**EVALUATION PROCESSES:**

Staff will report back to the City Council in 2 years with an analysis of development projects resulting from the new guidelines and ZTA, including the number of projects approved and community feedback (residents and businesses), to determine if the new guidelines and ZTA are meeting the goals of this item.

**ENVIRONMENTAL SUSTAINABILITY AND HEALTH:**

N/A

**COMMUNITY ENGAGEMENT:**

N/A

**OFFICE OF PRIMARY RESPONSIBILITY:**

COMMUNITY DEVELOPMENT DEPARTMENT / LONG RANGE & MOBILITY PLANNING DIVISION

**FISCAL IMPACT:**

None at this time. Staff will incorporate activities related to this item into currently budgeted work plans.

mentioned that for further study, staff should speak with former homeless individuals. She also suggested that staff look at other cities' success stories, and conduct this assessment every year. She commented on the public relations campaign that staff is working on for homeless education and reiterated her suggestion regarding a temporary homeless service center that provides non-shelter services. Finally, she mentioned that the City's app should include the capability for residents to report issues with homeless individuals.

Mr. Giugni responded to Councilmember Meister's concerns regarding the issuance of TAP cards to some homeless individuals and clarified that there is a way to track that the cards.

Councilmember Horvath commented on the additional funds and services provided since 2015 for homelessness. She inquired what the actionable items are at this point.

Social Services Supervisor Corri Planck further commented on the action item and next steps.

Mayor Heilman commented that the Council would like to receive the homeless initiative update report separate from the Social Services annual report.

**ACTIONS:** Receive and provide additional direction. **Motion by Mayor Pro Tempore Duran, seconded by Councilmember Horvath, and approved.**

**5. NEW BUSINESS:**

**5.A. STREAMLINE REVIEW OF COMMERCIAL PROJECTS UNDER 30,000 SQUARE FEET IN COMMERCIAL ZONING DISTRICTS [L. MEISTER, J. HORVATH, A. LOVANO]:**

**SUBJECT:** *The City Council will consider directing staff to amend the Zoning Ordinance to allow applications for new or additional floor area in commercial development projects of less than 30,000 square feet and requiring 150 parking spaces or less, to be reviewed, approved or denied by the Community Development Director if they do not require a conditional use permit or variance, and do not request any bonuses, incentives, parking reductions or "minor modifications" above the baseline zoning requirements. The intention is to streamline the approval process for smaller, less impactful commercial projects that fully adhere to the Zoning Code, and to provide greater certainty and quickness with regard to these requests for development approvals.*

**ACTION:** This Item was moved to the Consent Calendar.

**5.B. RUSSIAN ADVISORY BOARD APPOINTMENT – AT LARGE VACANCY [Y. QUARKER, M. CROWDER]:**

PREVIOUS GC MINUTES

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