

SUBJECT: **STATUS REPORT REGARDING GENERAL PUBLIC ACCESS TO AMENITIES IN HOTELS IN RESIDENTIAL NEIGHBORHOODS AND EVALUATING HEIGHT RESTRICTIONS ON NEW STRUCTURES AND USES TO EXISTING HOTEL ROOFTOPS**

INITIATED BY: **PLANNING & DEVELOPMENT SERVICES DEPARTMENT**
(John Keho, AICP, Director)
(Anne McIntosh, Long Range Planning & Sustainability Manager)

STATEMENT ON THE SUBJECT:

This is a status report on a City Council directive from August 3, 2020, regarding access by the general public to amenities in hotels in residential neighborhoods and possibly adding new structures and uses to existing hotel rooftops.

RECOMMENDATIONS:

Receive and file this report in acknowledgement of the continued progress on this Council directive.

BACKGROUND:

On August 3, 2020, the City Council gave direction to implement certain strategies and policies to assist the Hotel Industry as part of the City's Coronavirus business recovery effort. Most of these were economic development initiatives, but one strategy would require amending existing entitlements to eliminate restrictions on the use of hotel amenities by hotel guests only. Specifically, item number 5 stated: 5) Direct Staff to explore allowing hotel restaurants to provide service to non-hotel guests, if they are not already allowed to do so, past the period of the local emergency.

There are four existing hotels in residential neighborhoods:

- 8822 Cynthia St, West Hollywood, CA 90069 – Le Petit Hermitage (formerly Le Reve)
- 900 Hammond St, West Hollywood, CA 90069 – Le Montrose (formerly Le Valadon)
- 1000 Westmount Dr, West Hollywood, CA 90069 – Chamberlain (formerly Le Dufy)
- 733 N W Knoll Dr, West Hollywood, CA 90069 – Le Parc

These hotels were constructed and began operation in the 1970s and pre-dated cityhood. Due to their proximity to neighboring residents and potential impacts from noise, traffic, and safety, the City's first zoning ordinance contained a requirement that in order to continue operation as a hotel in a residential zone, they must obtain a city issued conditional use permit. In addition, no new hotels would be permitted in residential zones in the City.

After much controversy and debate, the City Council approved conditional use permits for the four hotels in 1989. Some of these have been amended/updated since that time, the last of which was for Le Parc in 2016 to allow for a renovation of facilities on the roof top.

The hotels have amenities – on-site parking, restaurants, alcohol service, pools, tennis courts, and rooftop gathering areas – that are strictly regulated by the Conditional Use Permits.

ANALYSIS:

Access to Amenities by the General Public

Section 19.36.150 provides guidance regarding the regulation of existing (non-conforming) hotels in residential zones. Specifically, Section 3 addresses “Intensification of Ancillary Facilities” as follows:

Ancillary facilities in existing hotels may be authorized through conditional use permit approval (Chapter 19.52) to be open to the general public, or to offer catering and food services to other than hotel guests, subject to the following standards.

- a. The proposed intensification shall not be detrimental to the residential environment in the immediate neighborhood.
- b. Off-street parking and loading facilities and public access to the hotel, in compliance with Chapter 19.28 (Off-Street Parking and Loading Standards), shall be provided to ensure that the intensification of use would not cause a serious adverse impact on adjacent on-street parking and traffic.
- c. The intensification of use shall be limited in hours of operation, or designed and operated to avoid disruption of neighboring residents' sleep.
- d. The location and design of the ancillary facility shall ensure that the intensification of use would not significantly impact neighboring residents, including measures to prohibit patrons queuing outside of the hotel or gathering in any outdoor areas which may affect any residential neighbors.

Staff communicated this option to hotel operators in the past, when they have asked about opening restaurants and other amenities to neighbors. CUP amendments were most recently granted to Le Parc in 2016 for a rooftop remodel, to Le Petit Ermitage in 2010 for extended hours of alcohol sales, and in 2008 to allow hotel guests' guests to use the facilities. No recent applications for CUP amendments have been submitted.

Staff reached out to the operator of several of the residentially zoned hotels to discuss the process of amending their CUP to allow on-going rooftop activity that would be open the public. Staff will reach out to the Chamber of Commerce, Visit West Hollywood

TBID, and the individual hotel operators to see if more assistance is needed and to answer any questions they may have. It is important that each request be considered on a case-by-case basis because there has historically been opposition to expansion of hotel use by neighbors. These are legally non-conforming uses in these residential zones and preserving residential character for residents is a high priority.

Rooftop Amenities and Additional Height Allowances

In addition to the Council directive of August 3, 2020, there have been repeated requests by hotel operators and informal discussion by City decision makers about amending the zoning code to allow additional height for hotels with rooftop amenities to allow the construction of additional facilities, such as restrooms, dining patios, service kitchens, etc. Rooftop uses on hotels have been controversial over the years. Certainly, the land constraints as well as scenic vistas afforded by rooftop use are appealing to guests and add value to a stay at a West Hollywood hotel. However, the City routinely receives complaints from neighbors when crowds gather and become noisy, especially in the evening. In fact, decision makers have also questioned whether the rules should be more restrictive to reduce the use of rooftops.

Staff believes that a good next step is to take this item to the Long Range Planning Subcommittee of the Planning Commission for discussion and recommendation. This will be scheduled for a meeting during the Fall, following a period of public outreach. An update will be given to the City Council after the meeting has taken place, which will include public comment and the subcommittee's recommendation.

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.
- PSG-1: Maintain the City's Unique Urban Balance with Emphasis on Residential Neighborhood Livability.

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:

N/A

OFFICE OF PRIMARY RESPONSIBILITY:

PLANNING & DEVELOPMENT SERVICES DEPARTMENT / CURRENT & HISTORIC
PRESERVATION PLANNING DIVISION

PLANNING & DEVELOPMENT SERVICES DEPARTMENT / LONG RANGE &
MOBILITY PLANNING DIVISION

FISCAL IMPACT:

None.

ATTACHMENT:

Attachment A: City Council Staff Report – August 3, 2020

SUBJECT: **HOTEL RECOVERY INCENTIVES**
INITIATED BY: **MAYOR PRO TEMPORE JOHN HEILMAN**
PREPARED BY: **CITY MANAGER'S DEPARTMENT**
Paul Arevalo, City Manager
Janet Jimenez, Assistant to the City Manager
Paolo Kespradit, Management Specialist

STATEMENT ON THE SUBJECT:

The City Council will consider approving direction to implement certain strategies and polices to assist the Hotel Industry as part of the City's Coronavirus business recovery effort.

RECOMMENDATIONS:

- 1) Direct Staff to engage film industry stakeholders - including location managers, Film Liaisons in California Statewide (FLICS), the Los Angeles County Film Office, FilmLA, the California Film Commission, and the Los Angeles County Department of Public Health, to confirm best practices for filming at hotels during reopening measures related to the film and television industry for coronavirus safety, based on the Los Angeles County Public Health Order Reopening Protocol for Music, Television and Film Production.
- 2) Direct Staff to promote City of West Hollywood for safe, on-location filming during the coronavirus pandemic, based on the Los Angeles County Public Health Order Reopening Protocol for Music, Television and Film Production.
- 3) Direct Staff to work with Visit West Hollywood to create a local staycation campaign.
- 4) Direct Staff to expand the allocated number of special events and streamline event permitting process for special events occurring at hotels to be implemented once special events are permitted.
- 5) Direct Staff to explore allowing hotel restaurants to provide service to non-hotel guests, if they are not already allowed to do so, past the period of the local emergency.
- 6) Direct Staff to partner with hotels to ensure hotels are implementing best practices for the safety of employees and guests of the hotels.

- 7) Direct staff to partner with hotels to provide training videos on COVID-19 to ensure the safety of employees and guests of the hotels.

BACKGROUND / ANALYSIS:

West Hollywood's hotel industry is one of the cornerstones of the City's economic strength. Transient occupancy tax (TOT) is consistently one of the largest segments of the City's revenue stream. In addition to TOT, business and leisure travelers contribute to the vitality of the city's restaurants and other businesses.

The coronavirus pandemic has been devastating to the travel industry ranging from hotel shutdowns to airlines halting flights in some regions. In addition, stay at home orders have created a shock to the tourism industry with consumers pulling back on discretionary spending and cancelling many large-scale events and conferences. As people return to everyday life—and even once COVID-19 is behind us—the hotel industry may not return to business as usual. Helping the hotel industry recover and return to its normal occupancy levels is essential for the hotels and their employees, but also for the City and for other businesses in the community.

During recent discussions with hotel industry representatives, a number of ideas were discussed to assist hotels recover from the Coronavirus crisis.

Filming

Continuing to cultivate West Hollywood's film and entertainment industry is more important than ever. Using the reopening protocols established by Los Angeles County, the City should allow for greater flexibility for filming taking place at hotels. Promoting and marketing hotels as great locations for filming and incentivizing such filming through reduced fees or reduced restrictions can assist hotels generate necessary revenue. Additionally, partnering with Visit West Hollywood to create online promotional material with visual depictions of local hotels and contact information at hotels will entice location scouts looking to film in West Hollywood.

Marketing

The coronavirus pandemic has been devastating to the travel industry ranging from hotel shutdowns to airlines halting flights in some regions. In addition, many large-scale events and conferences have been cancelled.

Partnering with the Visit West Hollywood to market to local residents who are looking to visit hotels either as “staycations” or as a location to work during the pandemic would allow for an influx of local visitors. Visit West Hollywood is already working to market our re-opened hotels to regional visitors and by encouraging locals to book travel in our

hotels. Many local residents may have canceled vacation plans due to travel restrictions. Some residents might not want to risk air travel, but might enjoy a weekend vacation at a local hotel. Additionally, with Work from Home continuing for the foreseeable future, residents might need a place to work away from their homes on occasion.

Special Events

Hotels have an opportunity to boost revenue when major events come to the city. Hotel operators are eager to partner with local restaurants. Allowing restaurants and hotels to partner so restaurant special events can occur in open air hotel spaces would enable venues for restaurants not typically possible and additional hotel revenue as a result of this partnership.

Once events can be safely held, the number of special events should be expanded. Offering a streamlined approach to special event permits for hotels will make it easier for hotels and event planners to host events at hotels.

Policy Adjustment

Some hotels, specifically those in residential neighborhoods, have conditions which prohibit the serving of food to non-hotel guests. During the period of local emergency, the City Manager issued Executive Order No. 2020-1 which implemented certain measures to support local businesses. In Section 2, hotels are temporarily permitted to serve food to non-hotel guests. Allowing the indefinite continuation of this use for non-hotel guests to be served at hotels will assist with the successful operation of restaurant establishments within hotel properties.

Workforce Development

The crisis has posed new challenges for the hospitality industry, especially hotel management and employees. Hotels need to adhere to higher levels of cleanliness. Hotel workers will need extra protections and additional training. Occasionally, hotels may have to assist guests who are quarantined or who experience symptoms related to COVID-19. Partnering with hotels to ensure that best practices are adopted and adhered to is essential to the safe operation of our hotels. City staff can partner with the hotel industry and employees to provide training videos for employees on proper protocols during COVID-19. This ensures the safety of hotel employees and it will ensure that our hotels comply with the latest guidelines on safety and cleanliness for hotel guests. The program can also be expanded to other business industries, depending on demand.

In the long term, when the hotel industry recovers, the City can partner with local hotels

on a job placement program for local residents interested in working in the hospitality industry.

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-4: Monitor and evaluate economic conditions affecting the City's economic climate.
- 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:

Staff will continue to meet with industry stakeholder to ensure the policy creation and direction meets the needs of the community.

OFFICE OF PRIMARY RESPONSIBILITY:

CITY MANAGER'S DEPARTMENT / CITY MANAGER OFFICE

COMMUNICATIONS DEPARTMENT / FILM SERVICES DIVISION

PUBLIC SAFETY DEPARTMENT / EVENT SERVICES DIVISION

PLANNING & DEVELOPMENT SERVICES DEPARTMENT / CURRENT & HISTORIC PRESERVATION PLANNING DIVISION

FISCAL IMPACT:

None at this time.

ATTACHMENTS:

N/A