



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Extension of Interim Urgency Ordinance No. 5977 Prohibiting Issuance of Entitlement and/or Permits for Hotels in the Downtown Specific Plan Area of the City

1. Introduction of Ordinance Extending, for an Additional 10 Months and 15 Days, Interim Urgency Ordinance No. 5977 Prohibiting Issuance of Entitlements and/or Permits for Hotel Development Projects in the Downtown Specific Plan Area

COUNCIL ACTION

Item Type: Public Hearing

Approved for November 16, 2021 **calendar**

EXECUTIVE SUMMARY

On October 19, 2021, Council adopted an interim urgency ordinance imposing a 45-day moratorium on the approval of any new hotel development project in the DSP, with certain specific exemptions for projects that had an approved statutory development agreement prior to the effective date of the ordinance, or that had received at least a Stage I design review approval by the City prior to the effective date of the ordinance, and for any subsequent approvals or project modifications to a project previously approved by the City. Previously, on October 5, 2021, Council adopted a motion directing staff to conduct a study of the demand for hotel rooms/uses in the DSP, and of how hotels are entitled, in order to determine if code amendments are warranted with respect to zoning, design and permitting standards and requirements. The moratorium on new hotel development projects was necessary in order to put a pause on such applications to allow time for the City to undertake and complete such a study and make recommendations to Council for potential amendments to the DSP. A report is attached as an exhibit to this staff report detailing the actions that have been taken thus far to alleviate conditions leading to imposition of the moratorium, as required by law. The ordinance adopted on October 19 expires on December 3, 2021, unless extended by Council following a noticed public hearing. Such hearing was noticed for November 16, 2021; after the hearing is conducted, Council may introduce the ordinance to extend the moratorium for an additional 10 months and 15 days beyond its initial expiration. If introduced, Council must vote on whether to adopt the ordinance at the next meeting of November 30, 2021. Council may thereafter extend the moratorium for one additional year. Any extension of an interim ordinance also requires a 4/5^{ths} vote of Council.

COUNCIL PRIORITIES

Economic Vibrancy: The moratorium extension is consistent with the Council's desire to ensure that the growth and economic vibrancy of the DSP is befitting of the Council and community's vision of a vibrant downtown, and is necessary to better understand whether any DSP hotel development standards should be amended, as well as the need and demand for new hotel rooms, without encouraging over-development.

RECOMMENDATION

That the City Council adopt the ordinance, extending, for 10 months and 15 days, Interim Urgency Ordinance No. 5977 adopted on October 19, 2021, related to a moratorium on new hotel development projects in the DSP.

BACKGROUND

On October 5, 2021, Council directed staff to undertake a study sometime in 2022 (pending the return of business and leisure travel to pre-pandemic levels) to analyze and seek to understand hotel demand, if hotel development standards in the DSP are necessary to achieve economic development and DSP objectives, and if development standards should be modified to improve compatibility with the vision and built environment of the DSP. As a result of initiating such a study, which may lead to amended DSP hotel use development standards in the future, on October 5, 2021, the Council introduced and subsequently, on October 19, 2021, adopted, an interim urgency ordinance to prohibit new hotel development projects in the DSP. Council elected to exempt certain pipeline projects from the effects of the ordinance – those with an approved statutory development agreement or those with at least a Stage I design review approval by the City prior to the effective date of the ordinance. The interim ordinance adopted on October 19 is only effective for 45 days by law, and automatically expires on December 3, 2021, but can be extended twice after notice and public hearing – once for an additional 10 months and 15 days, and once more for an additional year.

If Council extends the moratorium for an additional 10 months and 15 days, during the extended moratorium period, Planning and Economic Development staff will continue to take all necessary steps to commence the hotel study, and return to Council with a report and findings once the study is completed, for Council consideration. It is important to note that even if Council does not vote to extend the moratorium, staff will nonetheless continue to undertake the Council's directive to undertake the study regarding DSP hotel demand and use/development standards.

ANALYSIS

Under California Government Code section 65858, a city may adopt an interim ordinance to temporarily prohibit certain land uses that may be in conflict with a contemplated general plan, specific plan, or zoning proposal that the city council is considering or intends to study within a reasonable time. The purpose of such an interim ordinance is to give the City time to maintain the status quo and prohibit the issuance of entitlements or permits that would be in conflict with new contemplated standards. The rationale for an urgency ordinance that takes immediate effect is to prevent a "rush to the counter" of applications to establish new uses before standards

can be put in place. The delay in permits allows the city to subject all new uses to the new standards.

Urgency interim ordinances under Government Code section 65858 require adoption by 4/5th vote of the Council and expire within 45 days, unless extended in the manner described below. An urgency ordinance may only be adopted if the Council finds that there is a current and immediate threat to the public health, safety and welfare, and that the approval of additional entitlements, permits and other approvals would result in a threat to that public health, safety or welfare. On October 19, 2021, the Council adopted Interim Urgency Ordinance No. 5977, with the required findings, that imposed a 45-day moratorium on new hotel development projects in the DSP. This ordinance automatically expires on December 3, 2021, unless extended prior to that date. At least ten days prior to the expiration of the ordinance or any extension thereof (by November 23, 2021), the City must prepare and issue a written report describing the measures taken to alleviate the condition which led to the adoption of the ordinance. As required by law, this ten-day report has been prepared and is attached as an exhibit to this staff report for Council's review, consideration and comment.

Ordinance No. 5977 may be extended for a period not to exceed 10 months and 15 days following a noticed public hearing. A public hearing has been noticed for November 16, 2021, and after the hearing is conducted, Council may introduce the ordinance to extend the moratorium. If introduced, the Council must vote on whether to adopt the ordinance at the next Council meeting of November 30, 2021. The Council may thereafter extend the moratorium for one additional year. Any extension of an interim ordinance also requires a 4/5th vote of the Council.

An ordinance extending Interim Urgency Ordinance No. 5977 an additional 10 months and 15 days has been included for introduction, which may occur following the public hearing. The ordinance contains the same "pipeline provision" as Interim Urgency Ordinance No. 5977; if they choose, Council may modify the "pipeline provisions" in the extension ordinance.

STAKEHOLDERS/OUTREACH

Stakeholder and public outreach would be conducted during any studies regarding demand and process.

FISCAL IMPACT

The action of placing a moratorium on land use entitlements/future hotel developments has no direct costs or financial benefits associated with it. Indirectly, the City would not gain the transient occupancy tax (TOT) and associated permit fees that would flow from future hotel developments. A moratorium would avoid any potential costs associated with extra City services.

ENVIRONMENTAL REVIEW

Community Development Department staff have evaluated the potential environmental effects of adoption of the proposed Ordinance extending for an additional 10 months and

15 days Interim Urgency Ordinance No. 5977 temporarily barring hotel development projects in the DSP within the City of Glendale within the meaning of and pursuant to CEQA, and have concluded that this action is consistent with classes of projects that do not have a significant effect on the environment, and thereby qualify for a Categorical Exemption pursuant to CEQA Guidelines Sections 15061(b)(3), 15307, and 15308; the action is therefore exempt from further environmental review or the preparation of an environmental document.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES

1. Introduce an ordinance extending, for 10 months and 15 days, a moratorium on all DSP hotel development projects.
2. Decline to introduce an ordinance extending, for 10 months and 15 days, a moratorium on all DSP hotel development projects. In this case, the moratorium on all DSP hotel development projects will expire of its own terms on December 3, 2021.
3. Choose any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

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Prepared by:

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Reviewed by:

Michele Flynn, Director of Finance
Michael J. Garcia, City Attorney

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS / ATTACHMENTS

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| Exhibit 1 | Interim Urgency Ordinance No. 5977 Prohibiting Issuance of Entitlements and/or Permits for Hotels in the Downtown Specific Plan Area of the City and Declaring the Urgency Thereof; |
| Exhibit 2 | Report on Actions Taken to Alleviate Conditions Leading to Imposition of |

Moratorium;
Exhibit 3 October 5 & 19, 2021 Reports re: Hotel Use/Development Moratorium.