



## CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

### **AGENDA ITEM**

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Report: Extension of Interim Urgency Ordinance No. 5978 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 One Year Period, Interim Urgency Ordinance No. 5978 Prohibiting Issuance of Entitlements and/or Permits for Hotel Development Projects in the Downtown Specific Plan Area

### **COUNCIL ACTION**

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**Item Type:** Public Hearing

**Approved for** September 27, 2022 **calendar**

### **EXECUTIVE SUMMARY**

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Following the completion of a market study and analysis of potential changes to the Downtown Specific Plan regarding hotel uses, Council requested additional study and analysis regarding modifications to the hotel use incentive and consideration of the use of a conditional use permit and/or development agreement for hotel development projects. As such, an extension to the moratorium is necessary while staff completes the analysis and provides recommended alternatives. The extension of the moratorium would be for a period of 12 months, but it can be terminated at the conclusion of any adopted changes to the Downtown Specific Plan.

## **COUNCIL PRIORITIES**

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**Economic Vibrancy:** The moratorium is consistent with the Council's desire to ensure that the growth and economic vibrancy of downtown is befitting of the Council and community's vision of a vibrant downtown, and to better understand the need and demand for new hotel rooms without encouraging over-development.

## **RECOMMENDATION**

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Staff recommends that the City Council receive this report regarding an extension of the moratorium and study of hotels in the Downtown Specific Plan area. If the City Council is inclined to adopt a one-year extension of the ordinance temporarily prohibiting the issuance of entitlements and/or permits for hotel projects using the hotel use incentive, a public hearing has been noticed; following such hearing, Council may introduce the ordinance and subsequently, at the next Council meeting of October 4, 2022, adopt the ordinance.

## **BACKGROUND**

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The City Council requested a report regarding the downtown hotel development and a moratorium on the development of hotels while studying the demand for hotels, the existing use incentive, and considerations for requiring a conditional use permit (CUP) or other regulations regarding hotel development.

Staff completed a market study of current and anticipated conditions of hotels in Glendale, as well as alternatives to modify the Downtown Specific Plan regarding hotel uses and the incentive system. As part of that report Council directed staff to continue studying and provide alternatives to the following:

- Modifying the Downtown Specific Plan Hotel Use Incentive so that it is focused on attracting hotel uses that were identified as deficient in the market study;
- Consider the possibility of requiring a CUP for hotel uses in the Downtown Specific Plan; and
- Considering incorporating a requirement for a Development Agreement for hotel uses in the Downtown Specific Plan.

Staff will continue to study alternatives, and will return to City Council in 2022 with proposed changes.

## **ANALYSIS**

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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 4/5 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. In this case, the findings in the included ordinance identify the consideration of proposed changes to the DSP, including revisions to the allowable incentives given to a hotel use or modifying how hotels are permitted within the DSP. These findings would be legislative in nature, and would be entitled to a presumption of conclusiveness if adopted by Council.

After notice and public hearing, Council originally enacted an urgency ordinance on October 19, 2021 (only effective for 45 days) and then extended such ordinance on November 30, 2021 for a period of ten (10) months and fifteen (15) days. Unless extended, this ordinance will expire on October 18, 2022.

The ordinance may be extended one more time for an additional year, following a noticed public hearing. A public hearing has been noticed for September 27, 2022, 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 October 4, 2022. Any extension of an interim ordinance also requires a 4/5 vote of the Council. An ordinance extending Interim Urgency Ordinance No. 5978 an additional 12 months 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 and 5978; if they choose, Council may modify the “pipeline provisions” in this extension ordinance.

## **STAKEHOLDERS/OUTREACH**

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N/A.

## **FISCAL IMPACT**

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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.

## **ENVIRONMENTAL REVIEW (CEQA/NEPA)**

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Community Development Department staff have evaluated the potential environmental effects of adoption of the proposed Ordinance extending for an additional one-year period Interim Urgency Ordinance No. 5978 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**

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This item is exempt from campaign disclosure requirements.

## **ALTERNATIVES**

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1. Introduce an extension to the ordinance imposing a moratorium on all downtown hotel development projects for twelve (12) months with the same “pipeline provision” as the previous ordinance; per previous Council direction, staff will develop alternatives related to the hotel use incentive and the use of a conditional use permit and/or development agreement for hotel projects, and return to Council to present such alternatives.
2. Decline to introduce an ordinance extending, for twelve (12) months, 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 October 18, 2022, but staff would continue to develop alternatives related to the hotel use incentive and the use of a conditional use permit and/or development agreement for hotel projects, and return to Council to present such alternatives.
3. Any other alternative not proposed by staff.

## **ADMINISTRATIVE ACTION**

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### **Prepared by:**

Bradley Calvert, Assistant Director of Community Development

### **Approved by:**

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

## **EXHIBITS/ATTACHMENTS**

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None.