

SUBJECT: UPDATE ON COMMERCIAL OFF-STREET PARKING
REQUIREMENTS

PREPARED BY: ECONOMIC DEVELOPMENT DEPARTMENT
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STATEMENT ON THE SUBJECT:

The Long Range Planning Project Subcommittee will hear a report on the City's update to commercial off-street parking requirements.

RECOMMENDATIONS:

1. Receive and file.

BACKGROUND / ANALYSIS

At its April 17, 2017 meeting, City Council directed staff to initiate an analysis of the feasibility of reducing commercial off-street parking requirements. This directive was informed by a combination of factors, including: a Business Development Division survey of small business owners; staff communication with real estate professionals; staff experience working with potential businesses interested in locating in West Hollywood; research of best practices; and evolving local and regional economic, demographic, land use and transportation conditions.

Parking is an ongoing concern for businesses in West Hollywood. The results of the Small Business Survey and discussions with commercial real estate brokers confirmed that reducing parking requirements for businesses is one policy that the City can change to benefit business owners. Current parking requirements can make it very difficult to open or operate a business in a built out environment like West Hollywood due to the lack of available parking options and associated costs of leasing off-site commercial parking. These requirements also make it challenging to change land uses for existing properties resulting in properties remaining vacant longer than desired.

The current parking requirements, outlined below, have not been substantially updated in at least 30 years and trace their origin to the Institute of Transportation Engineers (ITE) Parking Generation Handbook, which provides nation-wide parking rates for various land uses and/or other jurisdictions parking requirements. While the ITE handbook is a valuable tool in establishing a baseline for parking requirements, using a nation-wide standard to set local parking requirements results in standards that don't

align with the actual needs of businesses and the community. Rather, the standards are designed to fit the “average” community, not a unique urban, built-out environment such as West Hollywood.

CURRENT CONDITIONS

Commercial parking requirements are regulated by two sections of Title 19 (Zoning) of the City's Municipal Code. The first section is *Table 3-6 Parking Requirements by Land Use of Chapter 19.28 Off-Street Parking and Loading Standards*. The table establishes the minimum number of parking spaces required per specific land use, typically as a ratio of the number of spaces required per 1,000 square feet of floor area. For example, restaurants are currently required to provide 9 parking spaces per 1,000 square feet of floor area, while retail businesses are required to provide 3.5 parking spaces per 1,000 square feet of floor area. The requirements established in Table 3-6 apply to businesses opening in both new and existing buildings and lease spaces.

Due to the fact that physical buildings typically outlast the businesses that occupy the buildings, the zoning ordinance also contains regulations for a change in use that occurs when an existing business closes or relocates and a new business occupies the existing building. These regulations are found in *Section 19.28.040.B Expansion or Remodeling of Structure, or Change in Use*, which states:

- When the use of a structure changes to a use that is required by Table 3-6 to have the same number of parking spaces as the immediately previous use, no additional parking spaces shall be required for the new use, regardless of the number of spaces actually provided by the previous use; and
- When a change in use requires more off-street parking than the previous use, additional parking spaces shall be provided equivalent to the difference between the number of spaces required by this Zoning Ordinance for the immediately previous use and the total number of spaces required by the new use.

What this means in the practical application of the code is that when a “like for like” change in use occurs, either because the new business is the same type of business as the previous business, or the new business has a parking requirement that is equal to or less than the previous business, no additional parking is required. However, when a business with a higher parking requirement moves into a space that was previously occupied by a business with a lower parking requirement, the new business must find additional off-site parking to make up the difference between the higher new parking requirement and lower previous parking requirement. This is typically achieved through a Parking Use Permit (PUP) or through Parking Credits if the business is in one of the City's designated districts.

Finding available parking, either through a PUP or Parking Credits is increasingly difficult in a built-out urban environment with an economy that is driven more by services and entertainment and less by traditional retail business.

PROPOSED AMENDMENTS

The proposed amendments update *Table 3-6 Parking Requirements by Land Use* and *Section 19.28.040.B Expansion or Remodeling of Structure, or Change in Use*.

Table 3-6 Parking Requirements by Land Use

- The proposed amendments seek to right-size the existing requirements contained in Table 3-6 to align with the specific development pattern and transportation network of West Hollywood and the types and size of businesses that locate here. As mentioned previously, the requirements of Table 3-6 haven't been substantially updated in 30 years and are modeled from low-density, suburban parking requirements. The proposed amendments account for changes in the City's land use and transportation patterns and reflect the evolving local and regional economy. Additionally, the amendments are informed by a number of recent studies conducted in West Hollywood, including a study of parking utilization by business type, analysis of the City's on-street parking utilization, analysis of parking credit district data, and discussions with parking garage and valet operators. These amendments will remove the undue burden that requires businesses to provide excessive, yet underutilized off-street parking.

Section 19.28.040.B Expansion or Remodeling of Structure, or Change in Use

- Second, the amendments update the change in use provision to allow a change in use from a non-residential use to another non-residential use within an existing building 6,000 square feet or less without requiring additional parking, with the condition that the existing building was constructed prior to the adoption of the proposed amendments or the building or lease space was issued a certificate of occupancy at least 365 days prior to a proposed change in use. This amendment is particularly important in a compact, built-out city such as West Hollywood, where land is at a premium and off-street parking not tied to an existing business is virtually non-existent.

As summarized below, the recommendations support the City's economic development efforts by addressing outdated parking requirements that often prevent or restrict some businesses and support sustainability initiatives and preservation efforts.

Economic Development. Would-be businesses willing to invest in West Hollywood are being turned-away on a regular basis due solely to their inability to secure the necessary amount of code-required off-street parking spaces. Small businesses are often disproportionately impacted by the existing parking requirements as these are the types of would-be businesses that typically seek smaller, older buildings that lack abundant off-street parking. With the already high cost of entry for businesses into West Hollywood, the current parking requirement is commonly a deal breaker for would-be businesses. When a business doesn't locate in West Hollywood, not only are residents and visitors deprived of goods and services, the City loses valuable revenue that provides services to the community. The amendments would greatly reduce the occurrence of businesses being turned away based solely on a lack of available parking.

Sustainability. The flexibility provided by the proposed amendments encourages the on-going reuse of existing buildings. Building reuse (or the preservation of existing buildings for multiple purposes) is a very beneficial strategy for reducing the overall environmental impact of construction. Reusing or preserving existing buildings significantly reduces energy use associated with the demolition process as well as construction waste. Reuse strategies also reduce environmental impacts associated with raw material extraction, manufacturing, and transportation. Finally, the reuse of existing buildings maintains a vital link between neighborhoods of the past and present and maintains the unique character of West Hollywood's commercial corridors.

Preservation. In order to maintain and preserve the City's existing building stock, the zoning ordinance must evolve and create pathways for, rather than barriers to, the use and reuse of the City's buildings. The current off-street parking requirements limit the types of businesses that can occupy certain existing buildings, particularly older buildings constructed prior to modern parking requirements. When a building is not able to house in-demand or revenue generating businesses due to a lack of parking, the owner of the building is less likely to invest in improvements and maintenance that can be off-set by tenant rent. The result is buildings that are vacant or underutilized and often prime targets for demolition. The proposed amendments are intended to provide the flexibility and adaptability necessary to encourage the use and reuse of the City's existing commercial building stock.

Streamlined Review Process. The proposed amendments eliminate the Development Permit requirement for a change in use. Currently, a Development Permit is required when a new business moves into a space that was vacated by a business with a lower parking requirement than the new use. All things being equal, if the same new business were to move into a new building or a space that was vacated by a business with an equal or greater parking requirement, a Zone Clearance permit would be required (rather than a Development Permit). A Zone Clearance, which costs \$119 and can be approved "over the counter", is much less burdensome than the Development Permit, which costs \$1,633.25 and can take up to 3 months to be approved.

Finally concerning existing businesses, section 19.62.070 Amendments to an Approved Project allows businesses to request amendments to their approved project from the body that approved the project. Therefore, existing businesses that currently satisfy their parking through Parking Use Permits (PUPs) or through the parking credits program will have the ability to request a reduction in their parking requirement.

COMMUNITY VALUES

Additionally, the proposed amendments are consistent with and support the City's Core Values, Ongoing Strategic Programs, the General Plan and the Eastside Community Plan. A sampling of goals, policies and strategies from those documents is provided below.

Core Values 2020:

- **Economic Development.** We recognize that economic development is essential to maintaining quality of life for the entire community. We support an environment where our diverse and eclectic businesses can flourish, and seek to encourage mutually-beneficial and integrated relationships between them and our residents.

General Plan:

- **LU-1.6** As practical, encourage the retention of existing buildings for new uses by allowing for reductions or alternatives to the City's parking standards.
- **LU-A.1** Following the completion of the General Plan update the Zoning Ordinance. The following items, at minimum, should be explored/modified: Modify parking standards for existing buildings to allow new uses.
- **ED-3.2** Create parking strategies that support existing businesses and economic growth and provide opportunities for new business to locate in West Hollywood.
- **ED-4.1** Continue to monitor, evaluate, and adapt codes, policies, and processes to facilitate business attraction, retention and expansion.
- **M-8.10** Consider reductions in minimum parking requirements along commercial corridors, in Transit Overlay Zones, or for projects that provide dedicated parking spaces for car sharing programs.

Climate Action Plan:

- **T-4.3.a:** Assess and implement parking strategies in commercial corridors and in the Transit Overlay Zone. Amend the Zoning Code to reduce parking requirements for new development in the commercial corridors and the Transit Overlay Zone.

NEXT STEPS

Staff will present the draft text amendments to the full Planning Commission on October 4th and the City Council on November 5th.

ATTACHMENTS

- A. Draft Zone Text Amendments

ATTACHMENT A

19.28.040.B Expansion or Remodeling of Structure, or Change in Use

B. *Expansion or Remodeling of Structure, or Change in Use.*

1. When the use of a structure changes to a use that is required by Table 3-6 to have the same number of parking spaces as the immediately previous use, no additional parking spaces shall be required for the new use, regardless of the number of spaces actually provided by the previous use; provided that the previous use was legally established and the number of spaces has not decreased.

2. When the floor area of an existing structure is increased, additional parking spaces shall be provided on-site as required by this chapter for the additional floor area.

3. Change in Use

a. When a change in use requires more off-street parking than the previous use, additional parking spaces shall be provided equivalent to the difference between the number of spaces required by this Zoning Ordinance for the immediately previous use and the total number of spaces required by the new use.

b. Additional parking spaces shall not be required for a change in use that meets the following requirements.

1. The change in use is from a non-residential use to another non-residential use;

2. The change in use occurs in a structure or tenant space that is less than 6,000 square feet; and

3. The structure was constructed prior to the adoption of this ordinance or the original certificate of occupancy for the structure or tenant space was issued at least 365 days prior to the proposed change of use.

4. When more than 50 percent of the floor area of a structure (other than a single-family dwelling or duplex) is intentionally demolished, any new use or structure shall provide the number of parking spaces required by this chapter, except that if an unreinforced masonry building, constructed before 1933, is demolished, a new structure of equivalent size shall be required to provide only the number of parking spaces that existed before the demolition, if construction is begun within one year of demolition.

5. Additional parking spaces shall not be required for the following.

a. An addition to a structure solely to improve access for disabled persons.

b. Additions or increases in the floor area within a structure that was built before November 29, 1984, that are 10 percent or less of the existing gross floor area or 250 square feet, whichever is less. Larger additions shall provide additional parking for the entire addition. This exemption shall not apply to a parcel more than one time for

additions other than for increasing access for disabled persons. This exemption shall not apply to a bar, nightclub, or outdoor dining area.

c. Floor area within non-residential uses that is used for an on-site cafeteria, recreational facility, or a day care facility for exclusive use of employees and their children, when the review authority determines that the facilities will reduce or not increase traffic to and from the site, and thereby reduce the need for parking.

Chapter 19.28 OFF-STREET PARKING AND LOADING STANDARDS

TABLE 3-6.2 PARKING REQUIREMENTS BY LAND USE - NON-RESIDENTIAL LAND USES

| Non-Residential Land Use | Required Parking Spaces |
|---|--|
| Adult retail businesses | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Adult day care facilities | <u>1</u> space for each 7 clients for which the facility is licensed plus adequate drop-off area as approved by the Director. |
| Art galleries | <u>0.5</u> 2 spaces per 1,000 sq. ft. |
| Artisan/craft product manufacturing | <u>0.5</u> 2 spaces per 1,000 sq. ft. |
| Artisan shops | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Auto and vehicle maintenance and repair | <u>4</u> 4-5 spaces for each service bay, plus adequate queuing lanes for each bay. |
| Auto and vehicle sales/rental, auto parts sales | <u>2</u> 2-5 spaces per 1,000 sq. ft.; plus <u>2</u> 3 spaces per 1,000 sq. ft. of parts department. |
| Automated teller machines (ATMs), exterior; not associated with an on-site financial institution. | <u>2</u> 4 spaces for one or two machines plus <u>0.5</u> 2 spaces for each additional machine over 2; no parking requirement within 1,000 feet of the intersection of San Vicente Boulevard and Santa Monica Boulevard. |
| Banks and financial services (see also ATM, above) | <u>2</u> spaces per 1,000 sq. ft. |
| 1,200 sq. ft. or less, tenant space existing prior to May 2, 2001² | 3.5 spaces per 1,000 sq. ft. |
| All others | <u>5</u> spaces per 1,000 sq. ft. |
| Exterior ATM machines | <u>0</u> 1 space for each exterior ATM. |
| Bed and breakfast (B&Bs) and urban inns | In historic buildings: 0.5 spaces per guest unit. In non-historic buildings: 1 space per guest unit. All projects: Plus owner/operator parking as required for multi-family residential projects. |
| Broadcasting studios | <u>2</u> 3-5 spaces per 1,000 sq. ft., for the first 25,000 sq. ft., and 3 spaces for each 1,000 sq. ft. thereafter. |
| Building material stores | <u>1</u> 4-6 spaces per 1,000 sq. ft. |
| Business support services | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Cannabis uses — Adult use retail | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Cannabis uses — Consumption areas | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Cannabis uses — Medical-use dispensary | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Cardrooms | <u>3.5</u> 9 spaces per 1,000 sq. ft. |
| Child day care centers | <u>0.5</u> 4 space for each 10 children that the facility is licensed to accommodate, |

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| | plus adequate drop-off area as approved by the Director. |
| Clubs, lodges, and meeting halls | 1 space for each <u>5</u> 2.5 fixed seats, or <u>8</u> 28 spaces per 1,000 sq. ft. of assembly or viewing area where there are no fixed seats. ³ |
| Community centers | 1 space for each 5 seats, or <u>8</u> 14 spaces per 1,000 sq. ft. of assembly areas where there are no fixed seats. ³ |
| Convention centers | 1 space for each <u>5</u> 2.5 fixed seats, or <u>8</u> 28 spaces per 1,000 sq. ft. of assembly or viewing area where there are no fixed seats. ³ |
| General retail stores (see also the parking requirements for shopping centers) | <u>2</u> 3.5 spaces per 1,000 sq. ft. |
| Grocery stores | <u>2</u> 3.5 spaces per 1,000 sq. ft. |
| Health/fitness facilities | <u>3.5</u> 10 spaces per 1,000 sq. ft. |
| Health/fitness facilities, personal training | <u>2</u> 4 spaces per 1,000 sq. ft. |
| Hotels | <u>0.5</u> 1 space for each guest room; plus retail, restaurant, and conference uses calculated at 50% of the requirements of this table, and all other uses at 100% of the requirements of this table. |
| Indoor amusement/entertainment facilities | Determined by Conditional Use Permit. |
| Kiosks | No parking required. Outdoor dining related to kiosk must meet requirements of this table. |
| Laundries and dry cleaning plants | <u>0.5</u> 2 spaces per 1,000 sq. ft., including incidental office area comprising less than 20% of the total floor area. Parking requirements for additional office area shall be calculated separately as required by this table for offices. |
| Laundromats | <u>0.5</u> 1 space for each 3 washing machines. |
| Libraries and museums | <u>2</u> 3.5 spaces per 1,000 sq. ft. |
| Live/work units | <u>2</u> 3.5 spaces per 1,000 sq. ft. |
| Media production | <u>2</u> 3.5 spaces per 1,000 sq. ft. for the first 25,000 sq. ft., plus <u>1</u> 3 spaces for each additional 1,000 sq. ft. |
| Medical services | |
| Clinics, offices, labs, and other outpatient facilities of 1,200 sq. ft. or less, tenant space existing prior to May 2, 2001 ² | <u>3</u> 3.5 spaces per 1,000 sq. ft. |
| All others | <u>5</u> spaces per 1,000 sq. ft. |
| Extended care | 1 space for each 3 beds the facility is licensed to accommodate. |
| Hospitals | 2 spaces for each patient bed the facility is licensed to accommodate, plus |

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| | spaces for ancillary uses as required by the Review Authority. |
| Microbreweries in conjunction with on-site sales | <u>3.5</u> 9 spaces per 1,000 sq. ft. |
| Mortuaries and funeral homes | 1 space for each 5 seats, or <u>8</u> 14 spaces per 1,000 sq. ft. for areas without fixed seats. |
| Newsstands and flower stands | None required. |
| Night clubs and bars | <u>5</u> 15 spaces per 1,000 sq. ft. , plus 28 spaces per 1,000 sq. ft. for all dance floor areas. |
| Offices | <u>2</u> 3-5 spaces per 1,000 sq. ft. for the first 25,000 sq. ft. plus <u>1</u> 3 spaces for each additional 1,000 sq. ft. |
| Outdoor commercial recreation | <u>Spectator seat areas</u> : 1 space for each <u>5</u> 3 seats. ³ <u>Sport courts</u> : 2 spaces per court, plus 4 spaces per 1,000 sq. ft. of floor area other than courts. <u>Ancillary uses</u> : as required by this table for the specific use. |
| Palm readers, fortune tellers, psychics | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Pawn shops | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Personal services | <u>2</u> spaces per 1,000 sq. ft. |
| 1,200 sq. ft. or less, tenant space existing prior to May 2, 2001² | 3.5 spaces per 1,000 sq. ft. |
| All others | 5 spaces per 1,000 sq. ft. |
| Pet shops | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Pharmacies | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Plant nurseries and garden supply stores | <u>2</u> 3-5 spaces per 1,000 sq. ft. of indoor use area; <u>0.5</u> 1-5 spaces per 1,000 sq. ft. of outdoor use area. |
| Printing and publishing | <u>0.5</u> 2 spaces per 1,000 sq. ft., including incidental office area comprising less than 20% of the total floor area. Parking requirements for additional office area shall be calculated separately as required by this table for offices. |
| Public safety facilities | <u>2</u> 3 spaces per 1,000 sq. ft. |
| Recycling facilities | 0 spaces; see Section 19.36.260(C)(5). |
| Religious facilities/places of worship | 1 space per 5 fixed seats or <u>8</u> 14 spaces per 1,000 sq. ft. <u>of assembly or viewing area where there are no fixed seats.</u> ³ for areas without fixed seats. |
| Research and development (R&D) | <u>2</u> 3-5 spaces per 1,000 sq. ft. |
| Restaurants | <u>3.5</u> spaces per 1,000 sq. ft. |
| 1,200 sq. ft. or less, tenant space existing prior to May 2, 2001 | 3.5 spaces per 1,000 sq. ft. |
| All others | 9 spaces per 1,000 sq. ft. |

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| Outdoor dining | 3.5 9 spaces per 1,000 sq. ft. if outdoor dining area is 251 sq. ft. or more; none required otherwise. |
| Schools—Public and private | |
| Grade 9 and lower | 1 space per classroom; plus 14 spaces per 1,000 sq. ft. of auditorium assembly area. ³ |
| Grades 10 to 12 | 10 spaces per classroom; plus 14 spaces per 1,000 sq. ft. of auditorium assembly area. ³ |
| College/university | 3.5 spaces per 1,000 sq. ft.; plus 2 drop-off spaces per 1,000 sq. ft. |
| Schools—Specialized education and training | 5 spaces per 1,000 sq. ft. and 2 drop-off spaces per 1,000 sq. ft. |
| Service stations | 1 space per pump island; plus 1 space per service bay. |
| Shopping centers ⁴ | 2 5 spaces per 1,000 sq. ft. for new centers. |
| Smoking areas | No parking required for smoking areas that do not have food and/or alcoholic beverage service. Otherwise, 250 sq. ft. allowed without parking; 251 sq. ft. or more shall be provided parking at the ratio required for the underlying use. |
| Studios—Art, dance, music, photography | 2 5 spaces per 1,000 sq. ft. for facilities with classes of up to 10 students at a time or facilities that cater exclusively to children under 17 years of age. ³ 3.5 40 spaces per 1,000 sq. ft. for facilities with more than 10 students per class excluding classes only for children under 17 years of age. |
| Supper clubs | 3.5 9 spaces per 1,000 sq. ft. |
| Theaters | |
| Live performance facilities | 1 space per 5 2.5 fixed seats, or 8 28 spaces per 1,000 sq. ft. of assembly or viewing area without fixed seats. ³ |
| Cinemas—Single-screen | 1 space per 5 3 seats, plus 6 additional spaces. |
| Cinemas—Multi-screen | 1 space per 5 seats, plus 10 additional spaces. |
| Utility facilities | 0.5 2 spaces per 1,000 sq. ft. |
| Veterinarians, animal hospitals, kennels, boarding | 2 3.5 spaces per 1,000 sq. ft. |
| Warehousing, wholesaling and distribution, accessory | 0.5 2 spaces per 1,000 sq. ft., including incidental office area comprising less than 20% of the total floor area. Parking requirements for additional office area shall be calculated separately as required by this table for offices. |
| Wholesale design showrooms | 0.5 1.6 spaces per 1,000 sq. ft. |