

**City of Culver City, California
Agenda Item Report**

Meeting Date: 6/28/10	Item Number: PH-2
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING - Consideration of Directing Staff to Prepare a Resolution Approving (1) an Administrative Use Permit for Tandem Parking and (2) an Administrative Modification to Allow a Reduction of Parking Stall Widths and (3) Amending a Public Parking Covenant to Permit Tandem Parking and on an Existing Surface Parking Lot at 8511 Warner Drive.	
Contact Person/Dept.: Thomas Gorham, Sol Blumenfeld CDD	Phone Number: (310) 253-5727 (310) 253-5702
Fiscal Impact: Yes ☒ No ☐	General Fund: Yes ☐ No ☒
Public Hearing: ☒	Action Item: ☐ Attachments: ☒
Public Notification: (USPS) Notices to all property owners and occupants within a 500-foot radius of the project site (4/30/10); (E-Mail) Meetings and Agendas – City Council (05/05/10); Applicant and property owner.	
Department Approval: Sol Blumenfeld (06/22/10)	City Attorney Approval: Carol Schwab (by H. Baker) (06/23/10) Agency General Counsel: Murray Kane (05/05/10)
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (05/05/10)	City Manager Approval: P. Lamont Ewell (05/06/10)

RECOMMENDATION:

Staff recommends the City Council conduct a public hearing, direct staff to prepare resolutions based upon the City Council's discussion this evening, and continue the public hearing to July 12, 2010, at which time the Resolutions will be considered by the City Council related to a proposed amendment to the Public Parking Covenant, the Administrative Use Permit, and Administrative Modification for the property located at 8511 Warner Drive (the Warner Lot):

The City Council may wish to consider the following options this evening:

- A.** Direct staff to prepare a resolution for the City Council's consideration on July 12, 2010 which grants the approval in its entirety, by approving the Administrative Use Permit and Administrative Modification as proposed which allow tandem parking on the Warner Lot and approves an amendment to the existing Warner Lot Covenant to allow the tandem parking use;

OR

- B. (Staff Recommendation)** Direct staff to prepare a resolution for the City Council's consideration on July 12, 2010, which conditionally approves the Administrative Use Permit, the Administrative Modification subject to operational conditions, and an amendment to the existing Warner Lot

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Covenant which allows tandem parking at the property located at the Warner Lot)

OR

C. Direct staff to prepare a resolution which denies the application in its entirety.

PROCEDURE:

1. Mayor calls on staff for a brief staff report and the City Council poses questions to staff as desired.
2. Mayor declares the public hearing open, providing the applicant the first opportunity to speak, followed by the general public.
3. The City Council discusses the matter and provides direction to staff.
4. The Mayor declares the public hearing continued to July 12, 2010 to allow staff to prepare resolutions for consideration by the City Council once the public hearing has been concluded.

BACKGROUND:

This item was originally scheduled for consideration by the City Council on May 10, 2010. At that time, the City Council granted a request by the applicant to continue the public hearing to June 7, 2010. On June 7, 2010, the City Council further continued the public hearing to this evening. Based upon discussion between staff and the applicant, this report has been updated and the staff recommendation has changed from the one presented to the City Council on May 10, 2010. The updated paragraphs are denoted in ***BOLD ITALICS***.

On March 19, 2010, Samitaur Constructs submitted a complete application for an Administrative Use Permit (AUP) and an Administrative Modification (AM) to permit tandem parking with reduced stall widths at the Warner Lot. The complete application also includes using a portion of an abutting Rail Spur which is owned by the City. The proposed tandem parking is intended to provide additional parking for Hayden Tract businesses. The Hayden Tract historically contained industrial buildings with substantial lot coverage and little surface parking. Over the last fifteen years, many of the area buildings have been remodeled to accommodate service and creative office uses with heavier parking demand. However due to the nature of the recent building renovations, many have not supplied additional parking. Consequently, parking is undersupplied in the area. The proposed AUP for tandem parking is intended to

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help alleviate undersupplied parking in the area. In addition, the application references use of tandem parking and a shuttle bus service to access other Samitaur Constructs parking facilities, but there is inadequate information supplied to assess these proposals, and they are not being considered under this application. The project will be considered first, and then depending upon the direction received, staff will bring back the appropriate draft Resolution for consideration at the July 12, 2010 City Council meeting.

The matter was set for public hearing on May 10, 2010, however, the applicant submitted a letter requesting a continuance to allow additional time to present their views on staff's recommendations regarding the application.

The proposed sale or lease of the Rail Spur required a separate real estate transaction by the City Council and on May 26, 2010, the City Council considered the proposal and declined to provide negotiation instructions to staff. Consequently the City Council is considering tandem parking only on the Warner Lot tandem parking application.

Recent Discussions with Applicant:

Staff met with the applicant in May and June to find a mutually acceptable way to move forward on the project. The "last best offer" submitted by staff is summarized below. A copy of the applicant's comments are attached.

From staff's perspective, while the applicant is providing needed public parking, the proposed tandem parking used to increase the lot's capacity creates inconvenience because half of the spaces are no longer directly accessible. Those parking in the lot will be required to wait for parking lot operators to retrieve cars. To compensate for the inconvenience, staff is recommending that the covenant be amended as follows:

- The term of the covenant shall expire on 2016 (No change from original covenant);
- The rental rate for the tandem spaces shall be subject to the Fair Market Parking Rate requirements of the original covenant for the original 242 spaces and may be increased for the new tandem spaces to recover costs to the break even point;
- The tandem parking for the original 242 spaces shall be made available first to public users (including Willows School) that are not affiliates of Samitaur Constructs (No change from original covenant);

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- Reallocation of the original 242 spaces shall not commence for three years and the new tandem spaces (56 spaces) may be reallocated for all Hayden Tract property owners immediately on a pro rata basis (with confirmation of reallocation method by the City).
- After year three all spaces to be reallocated on pro rata basis.
- A specific management and operations plan shall be approved by the City.

The applicant has rejected the proposed changes involving deferral of the reallocation of the original 242 spaces and believes that Samitaur Constructs is entitled immediately to a pro rata share of all the tandem parking and feels the current allocation of parking is inequitable.¹ However, the applicant has also offered to defer the reallocation for an unspecified period until “the impacts of tandem parking are known.” The applicant has offered to provide a \$130 per month cap on the price of parking so long as it is consistent with fair market pricing, but qualifies the offer with an exception where a parker wants to commit to a long term lease at a higher rate than proposed under the cap, which effectively means that the parking rate is whatever price the applicant can obtain for the parking. This violates the fair market rent definition as well as violating the “fair, equitable and reasonable” provisions of the original covenant.

Project Site:

The Warner Lot is located on a 75,800 sq. ft. surface parking lot that currently contains 242 parking spaces. It was originally owned by the City and sold to Samitaur Constructs in June 2006, for the purpose of constructing a public parking garage and other ancillary uses. Entitlements to construct a 775 space parking structure, along with 51,520 square feet of commercial space, were received on August 3, 2009, for which the developer is currently pursuing project financing. In the interim, Samitaur Constructs is requesting approval to provide tandem parking on the Warner Lot and to relieve area parking demand.

Summary of Project Approvals requested by Applicant

- Modification of Warner Lot Covenant to Permit Tandem Parking
- Sale or Lease of Adjacent Railroad Spur (***The City Council determined not to provide any negotiating instructions to staff for the sale or lease of the property and this portion of the application is not being considered.***)
- AUP for Tandem Parking for the Warner Lot and Rail Spur (***Only the application relating to the Warner Lot is being considered at this***

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time as the City Council determined not to provide any negotiating instructions to staff for the sale or lease of the Rail Spur property.)

- Administrative Modification to Allow Less than 9'-0" for Stall Width

Project Request:

In 2006, the Warner Lot was sold to Samitaur Constructs with a ten year restrictive covenant (the covenant remains effective for approximately six more years ***and expires in 2016***). Among the covenant provisions are prohibitions on changes to the operation or use of the Warner Lot as a public parking facility without prior written authorization of the City Council. Therefore, in case the City Council wishes to permit changes to the operation of the Warner Lot (including the use of tandem parking), an amendment to the covenant is required. The applicant proposes two Options, both of which would require an amendment to the covenant.

The applicant has submitted two options for restriping the Warner Lot to accommodate tandem parking (Attachment No. 1). **Option 1** would restripe and provide other improvements to create 298 parking spaces, a net increase of 56 spaces from the existing 242 spaces. **Option 2** is not being considered since it involves use of the Rail Spur to create an additional 40 spaces (for a total of 338 spaces, or a net increase of 96 spaces from the existing 242 spaces).

California Environmental Quality Act (CEQA):

Section 15301 of the CEQA Guidelines exempts projects involving minor alterations to existing facilities from CEQA review. This project is categorically exempt from CEQA review since it involves a minor alteration to an existing structure, facility or topographical feature.

DISCUSSION:

Parking Covenant

The Proposed Covenant Amendments -- Attachment No. 3) include new provisions to allow tandem parking on the Warner Lot subject to approval of an "Operations Plan" (Attachment No. 2) which includes the requirements for parking lot attendants to be available at specified hours to assist with parking and orderly retrieval of tandem parked vehicles.

The Proposed Covenant Amendments specify the total number of tandem spaces in excess of the currently supplied 242 stalls and that all costs for

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implementing the tandem parking are borne by the buyer (applicant). The Proposed Covenant Amendments are consistent with the fair market rate requirements in the original covenant, and that the original 242 spaces shall first be reserved for non-Samitaur affiliates. Further, the Proposed Covenant Amendments include an extension of the Covenant for an additional three years in consideration for the inconvenience of tandem parking and that the term of the Covenant expires nine years after the date of its initial effective date.

Tandem Parking Layout

As noted above, the Warner Lot currently has 242 parking spaces. Access to the lot is provided from two driveways off of Warner Drive. The existing parking spaces are laid out in a 90 degree configuration with access off of 3 east-west and 2 north-south two-way drive aisles. There are currently 7 handicap parking spaces provided.

The proposed tandem parking layout would utilize the existing driveways and layout the tandem parking in a 90 degree configuration with access off of 2 east-west and 2 north-south two-way drive aisles. In **Option 1**, a total of 298 parking spaces are proposed (a net increase of 56 spaces). 248 of the spaces would be in double tandem configuration and 9 in triple tandem configuration for a total of 257 tandem spaces. 41 non-tandem spaces would remain (17 each along the west and east sides of the lot and 7 handicap spaces).

Culver City Municipal Code (CCMC) Section 17.320.035.C.1.b requires tandem parking spaces to be a minimum of 9' in width by 18' in depth and not more than 3 spaces deep. The tandem parking spaces are proposed to be 8'-4" in width by 18' in depth. . In order to permit the reduction in tandem stall width an Administrative Modification is required. Pursuant to CCMC Section 17.550.010 a 10% reduction in the required parking space dimensions is permitted. ***The 10 % reduction allows the required 9' stall width to be reduced to a minimum of 8'-1.2". Therefore, the proposed 8'-4" stall width is within the allowable 10% reduction as shown in the following calculation:***

9' = 108" and 108" x 10% = 10.8" and 108" – 10.8" = 97.2" or 8'-1.2"
which is < 8' – 4" and permissible under the Code provision).

Tandem Parking AUP

In order to approve the proposed tandem parking the existing parking covenant must be amended and specific findings for the AUP must be met. Among these findings is compatibility of the proposed use with the surrounding area and that

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the site is physically suitable to accommodate the proposed use. For several years, the City has pursued strategies to increase parking in the Hayden Tract. These strategies include: the development of surface parking along the Rail Spur through establishment of a parking association administered by adjacent property owners, the development of a parking district to supply parking in public parking facilities in lieu of providing all required parking on-site, and joint development of public parking. The proposed tandem parking is consistent with these measures and will help in providing needed parking for the area that will not have a detrimental impact since it is intended to satisfy existing parking demand and will be designed to be compatible with the surrounding area. In addition, as outlined above, the proposed site is physically suitable to accommodate the proposed tandem parking layout. Detailed findings for the AUP will be noted in the draft Resolution.

Administrative Modification -- Stall Width Reduction

In order to approve the proposed stall width reduction, specific findings for the Administrative Modification must be met. The project does meet the required finding for Administrative Modifications which states the purpose of the Administrative Modification is to allow for modifications to a proposed project when the development standards create an unnecessary, involuntarily created hardship or unreasonable regulation which makes it impractical to require compliance with the development standards.

An Administrative Modification, similar to a Variance from the zoning standards, does not authorize a use or activity which is not otherwise expressly authorized by the zoning regulations governing the property. An Administrative Modification only permits minor deviations from the regulations applicable to certain standards such as setbacks, height, and parking requirements. The zoning provisions are not being changed or ignored; rather, the property owner is provided with a form of relief from the strict terms of a comprehensive zoning ordinance in order to use the property in a manner that places him in parity with other uses in the same vicinity and zone and is basically consistent with the established regulations. In this case, the proposed tandem parking use is temporary and the slight reduction in stall width is intended to maximize the number of parking spaces available for public use.

The special circumstances related to the requested Administrative Modification (stall width reduced by 8 inches) and Administrative Use Permit (tandem parking) are related to the temporary nature of the use and the necessity to supply adequate public parking for the area. Detailed findings for the Administrative Modification will be noted in the draft Resolution.

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CONCLUSION:

Staff believes the project is compatible with the area and the purpose and standards of the IG zone. Staff further believes that the project meets all other zoning provisions and is consistent with the requirements to make the findings necessary to grant an Administrative Modification for parking as set forth in CCMC Chapter 17.550 (Variances and Administrative Modifications), and that it meets the standards for tandem parking set forth in CCMC Chapter 17.320 (Off-Street Parking and Loading).

FISCAL ANALYSIS:

This is a privately funded venture with no City or Agency funds reserved for the project. The added parking will help secure parking for area businesses which may ultimately result in added sales and tax revenues to the City. The use will not likely generate additional City service costs if it is improved pursuant to the conditions of approval.

ATTACHMENTS:

1. Proposed Tandem Parking Layout Plans
2. Plan for Implementation of Tandem Parking/Parking Attendant System
3. Draft Covenant Amendment
4. Applicant's Correspondence and Applicant's Draft Resolution.

MOTION:

That the City Council:

- A. Direct staff to prepare a resolution which (1) approves the amendment to the Warner Parking Lot Covenant to permit tandem parking and (2) grants the application by approving the Administrative Use Permit and Administrative Modification, in its entirety, and continue the Public Hearing to July 12, 2010.

OR

- B. **(Staff Recommendation)** Direct staff to prepare a resolution which (1) Approves the amendment to the Warner Lot Parking Covenant to permit tandem parking and (2) grants the application in part, by approving the

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Administrative Use Permit and Administrative Modification for the Warner Lot subject to conditions related to parking operations; and continue the Public Hearing to July 12, 2010.

OR

C. Direct staff to prepare a resolution which denies the Warner Lot Parking Covenant amendment and the Administrative Use Permit and the Administrative Modification application; and continue the Public Hearing to July 12, 2010.

NOTES:

1. Percentages of Occupancy Using 242 total parking spaces:

- Smashbox (44 spaces, 18%)
- Willows (52 spaces, 21%)
- Worldpac (20 spaces, 8%)
- Jason Natural Products – Organic Cosmetics (40 spaces, 17%)
- Jim Jacobsen/Dave Wilson Property Tenants (60 spaces, 25%)
- Classic Party Rentals (22 spaces, 9%)

Total Portion of 242 Spaces Used by Biggest Users: 238; which is 98%*

2. Samitaur Constructs indicates that without tandem parking they are required to reallocate the existing spaces pursuant to language in the covenant. To date, the spaces have not been reallocated due to the ongoing negotiations related to the proposed parking structure. The parking allocations have remained as they were prior to purchase of the Warner Lot. Reallocation of the spaces could be problematic because those businesses currently renting spacesⁱ will likely have their allocation reduced.

*Total Portion of 242 Spaces Used by Biggest Users: 238; which is 98%