



City of Culver City

Staff Report

File #: 19-1222, Version: 1

Item #: PH-1.

CC - PUBLIC HEARING: Introduction of an Ordinance Establishing “Corporate Housing” as a New Permitted Land Use with New Definition, Use and Development Standards, Amending Culver City Municipal Code (CCMC) Title 17: Zoning Code; Section 17.220.015 - Commercial District Land Uses and Permit Requirements, 17.320.020 - Number of Parking Spaces Required, and 17.700.010 - Definitions, Zoning Code Amendment P2019-0058-ZCA.

Meeting Date: June 24, 2019

Contact Person/Dept: William Kavadas/Current Planning

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Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Planning Commission Action Required: Yes No **Date:** March 27, 2019

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/19/19); (Posted) City Website (06/06/19); Gov Delivery (06/06/19); (Published) in Culver City News (06/06/19).

Department Approval: Sol Blumenfeld, Community Development Director (06/14/19)

RECOMMENDATION

Staff recommends the City Council introduce an Ordinance (Attachment No. 1) approving Zoning Code Text Amendment P2019-0058-ZCA amending Culver City Municipal Code (CCMC) Title 17: Zoning Code; Section 17.220.015 - Commercial District Land Uses and Permit Requirements, 17.320.020 - Number of Parking Spaces Required, and 17.700.010 - Definitions, as it relates to establishing a new use definition and use standards for “corporate housing”.

PROCEDURES

1. Mayor calls on staff for a brief staff report and the City Council poses questions to staff as desired.

2. Mayor opens the public hearing and receives comments from the general public.
3. Mayor seeks a motion to close the public hearing after all testimony has been presented.
4. City Council discusses the matter and arrives at its decision.

BACKGROUND

On December 12, 2018, representatives from the proposed Mayumi Hotel met with city staff to discuss the conversion of an existing hotel/boarding house located at 5630 Sawtelle Boulevard into an extended use facility to accommodate stays of more than 30 days. The Mayumi Hotel is proposed to fill the emerging need for corporate housing created by new tech and creative office uses that require extended stay accommodations. The new Culver City employees of Amazon Studios, Apple, and HBO are likely to be users of the facility.

The Zoning Code currently prohibits stays of longer than 30 days at hotels. Typically, extended stay uses allow for stays of greater than 30 days. Standard hotels generally operate on the basis of short term stays for business and pleasure trips less than 30 days. However, extended stay accommodations, or Corporate Housing, fill the residential gap between leased housing which is typically a one year timeframe and hotel use which is typically 30 days. Corporate Housing provides accommodations for people on work assignments who need more time in a location than is generally allowed by a hotel. Corporate Housing is defined as a facility with guest rooms or suites, provided with or without kitchen facilities, rented to the general public for long-term lodging purposes of greater than 30 days but less than 365 days. Corporate housing typically includes a variety of services similar to a hotel in addition to lodging such as restaurants, meeting facilities, personal services, and may also include accessory guest facilities such as swimming pools, tennis courts, indoor athletic/fitness facilities, and accessory retail uses. While operated as a hotel, the use is subject to collection of transient occupancy tax.

Several nearby cities permit extended stay accommodations including Los Angeles, Anaheim, Hesperia, Huntington Beach, La Mirada, Monrovia, Torrance, and Victorville. All of the above cities were contacted and considered extended stay accommodations as a hotel use, zoned and parked in the same manner and subject to the requirement to collect transient occupancy tax for up to 30 days.

On March 27, 2019, the Planning Commission reviewed the proposed Zoning Code Amendment and recommended that it be approved by the City Council.

DISCUSSION

Corporate housing can be considered a hybrid of hotel and residential uses. The following table shows comparable development standards for typical mixed use residential, hotel, and corporate housing land uses.

	Mixed-Use - Residential	Corporate Housing	Hotel
Stay / Duration	N/A	31 Days to 1 Year	Less than 30 Days
Ground Floor Retail Use	Required Minimum depth of 30 Ft, and floor area of 10% gross floor area, or 30% lot area (whichever is greater)	No Standard	
Minimum Room Size (per CBC)	500 Sq. Ft	200 Sq. Ft	
Required Parking	Studio and 1 bedroom units less than 900 square feet: 1 space Studio and 1 bedroom greater than 900 square feet - 3 bedrooms units: 2 spaces 4 bedroom units: 3 spaces 1 space for every additional bedroom greater than 4 Guest Parking: 1 space for every 4 residential units	1 space per guest room plus 1 space for each 20 guest rooms; plus all additional floor area (retail, restaurant, conference center) at 1 per 100 square feet	

The City Council is being asked to consider approval of the following amendments to the Zoning Code:

C. Definitions, “C”

Corporate Housing. Facilities with guest rooms or suites, provided with or without kitchen facilities, rented to the general public for long term lodging purposes of greater than 30 days but less than 365 days; except that such facilities may be leased by businesses for corporate use for periods of 365 days or greater, so long as each guest room or suite is vacated by the guest within 365-days. Corporate housing typically includes a variety of services in addition to lodging; for example, restaurants, meeting facilities, personal services, etc. It also includes accessory guest facilities such as swimming pools, tennis courts, indoor athletic/fitness facilities, and accessory retail uses.

The definition has been further revised since the Planning Commission hearing to address a concern from a corporate housing developer that longer blocks of leased housing are typically demanded by corporations.

H. Definitions, “H”

Hotel or Motel. Facilities with guest rooms or suites, provided with or without kitchen facilities, rented to the general public for transient lodging (less than 30 days) and subject to Transient Occupancy Tax. Hotels provide access to most guest rooms from an interior walkway, and typically include a variety of services in addition to lodging; for example, restaurants, meeting facilities, personal services, etc. Motels provide access to most guest rooms from an exterior walkway. Also includes accessory guest facilities such as swimming pools, tennis courts, indoor athletic/fitness facilities, and accessory retail uses. For stays of longer than 30 days up

[to 365 days see "Corporate Housing"](#).

Project Review:

Corporate Housing would be considered an additional type of temporary lodging. The land use and parking requirements would be updated to include corporate housing in their tables.

Land use (1)	CN	CG	CC	CD	CRR	CRB
Hotels and motels Hotels/Motels/Corporate Housing	P	P	P	P(2)	P	P
Notes (1) See Article 7 for definitions of the land uses listed (2) Subject to ground floor restrictions; see Section 17.220.035 (CD District Requirements)						

Land Use Type: Commercial Uses	Vehicle Spaces Required
Hotels and Motels Hotels/Motels/Corporate Housing	1 Space for each guest room; plus 1 space for each 20 guest rooms; plus retail, restaurant and conference uses calculated at 1 space per 100 square feet.

Parking/Traffic:

Staff does not foresee any adverse traffic impacts as a result of the proposed amendments. Corporate Housing will simply allow hotel guests to stay at hotels longer than 30 days but less than 365 days. The use will still function as a transient occupancy use. Other cities that were contacted about corporate housing-type uses did not differentiate the use from a regular hotel use for traffic purposes. As Culver City’s current parking ratio for hotel uses has not been the known cause of any concern amongst residents, corporate housing uses are not expected to cause adverse traffic or parking impacts.

Conclusion:

There is a need to address the housing demand created with newly locating creative/tech uses while the City also addresses larger citywide affordable housing needs. Corporate Housing is one solution that provides temporary housing to address the influx of new temporary employees in the City.

ENVIRONMENTAL DETERMINATION

The Project is considered exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the Project to amend the Zoning Code will have a significant effect on the environment. The Project by itself, does not result in any physical changes in the environment because it will only amend the Zoning Code to allow hotel stays longer than 30 days that will not result in an intensification of development beyond what the Zoning Code already currently allows.

FISCAL ANALYSIS

For purposes of this text amendment, changing the zoning code alone will not have a fiscal impact on the General Fund; however, allowing stays of greater than 30 days would reduce the City's ability to collect Transient Occupancy Tax (TOT) of 14%. Hotel owners will also be responsible for tracking gross revenues generated from Corporate Housing separate from hotel stays to properly report TOT.

ATTACHMENTS

1. City Council Ordinance No. 2019- and Exhibit A: Proposed Zoning Code Text Amendments in "Strikethrough/Underline" Format
2. Planning Commission Resolution No. P2019-P003
3. Draft Planning Commission Minutes 2019-03-27

MOTION

That the City Council:

1. Introduce the proposed Ordinance, amending Zoning Code Text Amendment P2019-0058-ZCA, establishing "Corporate Housing" as a new permitted land use with new definitions, use, and development standards.