

# City of Culver City

Mike Balkman Council Chambers 9770 Culver Blvd. Culver City, CA 90232

# **Staff Report**

File #: 22-870, Version: 1 Item #: PH-1.

CC- PUBLIC HEARING: Introduction of an Ordinance Approving a City-Initiated Zoning Code Amendment Allowing Additional Types of Ground Floor Uses in the Commercial Downtown Zone.

Meeting Date: April 11, 2022

**Contact Person/Dept.:** Jose Mendivil, Associate Planner

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**Phone Number:** (310) 253-5757

Fiscal Impact: Yes [] No [X] General Fund: Yes [] No [X]

Attachments: Yes [X] No []

Commission Action Required: Yes [X] No [] Date: March 9, 2022

Commission Name: Planning Commission

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (04/06/2022); (Posted) City Website (03/24/2022); Gov Delivery (03/24/2022); (Published) Culver City News (03/24/2021).

**Department Approval:** Sol Blumenfeld, Community Development Director (03/30/2022)

# **RECOMMENDATION:**

Staff recommends the City Council introduce an Ordinance allowing additional types of ground floor uses in the Commercial Downtown Zone.

## PROCEDURES:

- 1. The Mayor seeks a motion to receive and file the affidavit of publication and posting of the public hearing notice.
- 2. The Mayor calls on staff for a brief staff report and City Council poses questions to staff as desired.
- 3. The Mayor seeks a motion to declare the public hearing open and the City Council receives public comment.

- 4. The Mayor seeks a motion to close the public hearing after all testimony has been presented.
- 5. The City Council discusses the matter and arrives at its decision.

#### **BACKGROUND/DISCUSSION:**

In order to promote activation and economic revitalization, the City has placed emphasis on providing ground floor retail and restaurant uses in the Downtown (CD) commercial zone. Over the last few years there have been a number of changes to the real estate market and the world of retail that have culminated in fewer retail tenants occupying Downtown ground floor space. These changes have largely resulted from the popularity of online shopping, retailers reducing the number of brick-and-mortar stores, and safe-distancing requirements related to the COVID pandemic. This has led to property owners having difficulty leasing ground floor commercial space and to increased requests for alternative ground floor uses that are not currently permitted in the zone. The proposed code revision would relax the ground floor retail requirement in the Downtown to allow the additional uses described below.

As a related matter, the City may want to consider amendments to Downtown parking requirements in connection with expanded restaurant outdoor dining opportunities. Many Downtown restaurants have expanded their outdoor dining operations in response to the safe-distancing requirements created by the pandemic. Concurrently, new Downtown mobility measures, including Move Culver City, have necessitated modifications to Downtown sidewalks and expanded Downtown outdoor dining operations.

Because there is limited Downtown parking and most of the buildings have legal non-conforming parking, adjusting parking requirements to make them less restrictive will help facilitate the number of businesses that can locate in vacant tenant spaces and expand restaurant outdoor dining opportunities.

The City has recently modified permitted non-retail ground floor uses in mixed use development projects to accommodate tenanting due to the above factors and the proposed code amendment is consistent with this change.<sup>1</sup>

Specific Zoning Code sections affected by the amendment includes:

- CCMC Section 17.220.015.A Commercial District Land Uses and Permit Requirements.
- CCMC Section 17.220.035 Commercial Downtown (CD) District Requirements.
- CCMC Section 17.320.020 Number of Parking Spaces Required.

The proposed Zoning Code Amendment to ground floor restrictions and parking in the CD Zone is shown in strike out and underline in Exhibit A of the proposed City Council ordinance (Attachment No. 1).

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<u>Uses</u>

Zoning Code Section 17.220.035 - Commercial Downtown (CD) District Requirements provides standards specific to the CD Zone. In the CD Zone, certain uses in the Zoning Code Commercial Land Use Table 2-5 - Allowed Uses, permit various uses in the CD Zone but prohibit them on the ground floor because they have been assumed to not contribute toward pedestrian activation. However, changing retailing trends and the major shift to online sales have prevented lease up of downtown ground retail floor spaces resulting in vacancies. This condition is experienced in many cities. The existing exemption section to the ground floor restrictions in the Commercial Downtown (CD) District Requirements is proposed to allow additional types of land uses on the ground floor:

**Hotels and Motels:** Hotels and motels should be permitted if the street level is dedicated to pedestrian activities such as retail stores, hotel lobbies, restaurants, or other uses that invite Downtown workers or visitors and generate street level pedestrian activity.

<u>Office:</u> Offices with direct customer or client service components can potentially activate pedestrian activity for the Downtown community. For example, insurance agencies and real estate offices can experience a high volume of walk-in customers and will compliment surrounding Downtown retail and restaurant businesses. Other types of offices that can be a resource to Downtown businesses and nearby design, creative, and media related uses include a dvertising agencies; architectural, engineering, and planning services; graphic design, fashion, photography, and commercial art studio uses; and accounting, auditing, and bookkeeping services. These types of offices require outside patronage daily, similar retail.

In addition to the exemption section noted above two other uses can be allowed by removing their restriction to the ground floor within the Commercial Land Use Tables - Zoning Code Table 2-5 (Commercial Zoning Land Uses).

<u>Medical services - Offices/clinics</u>: Outpatient medical services is proposed as a permitted ground floor use. Demand for outpatient medical services can potentially increase with the growth of office users and residents in the Downtown area and surrounding areas. Clinics in the CD Zone will provide an opportunity for patrons to walk from their employment or nearby residences to their medical appointments and combine those trips with retail or food purchases in the CD Zone.

**Personal Services**: Currently personal services are not allowed on the ground floor in the CD Zone. The Zoning Code defines personal services as establishments providing non-medical services and includes clothing rental; dry cleaning pick-up stores; hair, nail, facial, and personal care; laundromats; massage therapy; psychics; shoe repair shops; tailors; tanning salons; and tattoo establishments.

The proposed Zoning Code Amendment would allow personal services on the ground floor. The Zoning Code does not require a special use permit for any of the uses listed above and are allowed in all commercial zones except Psychic Reader uses are prohibited in the East Washington Overlay

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Zone. A business license will be issued for these uses once the Finance Department has verified compliance with regulations by other agencies and City departments.

The uses listed above such as hair or nail salons and dry-cleaning pick-up stores can be characterized as urban services, are pedestrian in nature, and can serve the local Downtown business community as well as nearby residential areas. In addition, day spas that offer massage therapy as part of their routine business activities will generate pedestrian activity with clientele from the Downtown community and surrounding residences. Other Personal Service uses such as psychic readers, have not located in Culver City at a high rate and Downtown ground floor rents for premium spaces could be cost prohibitive for such uses.

**Studios** - **Art, dance, music, photography, and the like**: Finally, staff recommends that smaller health fitness facilities be considered appropriate ground floor uses correlating to the pedestrian scale. The Zoning Code definition for studios includes yoga, martial arts, dance, and health fitness facilities that are typically 3,000 square feet or less. Studios are already allowed on the ground floor and the amendment is not required to allow smaller health fitness facilities. Prohibition of larger health fitness establishments in the CD ground floor will continue.

# <u>Parking</u>

Retail uses in the CD Zone require 1 space per 400 square feet of tenant space. The parking amendment to the CD Zone will extend that commercial/retail parking ratio to the other proposed ground floor uses noted above which will facilitate the ground floor location for studios such as yoga, martial arts, dance and small health facilities, certain types of office uses, medical outpatient offices, and personal services in the CD zone. In addition, required parking for outdoor dining above 250 square feet will be eliminated (parking is not required for outdoor dining of 250 square feet or less). This will result in increased outdoor dining opportunities which have been restricted by recent COVID -19 related safe-distancing requirements and will accommodate the City's recent changes for expanded outdoor dining. Staff is also proposing that parking requirements in CCMC Section 17.220.035 be listed in a table format with a new CD Zone parking table titled: Table 2-7.1. Currently the parking requirements are written as sentences which will be stricken in favor of Table 2-7.1. Also, a portion of the general City parking requirement for studio uses in CCMC Section 17.320.020 will be amended, eliminating reference to studio parking in the CD Zone, to make this section consistent with CD Zone Parking amendment.

# **PUBLIC COMMENT:**

A notice informing the public of the proposed amendment, the comment period, and the City Council hearing date, was published in the Culver City News on March 24, 2022. Staff has not received comments as of the writing of the report.

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#### **CONCLUSION:**

The Zoning Code Amendment will modify the CD Zone to allow additional ground floor uses, expand outdoor dining opportunities, and reduce related parking requirements for some uses. Staff believes findings for a Zoning Code Amendment as stated in CCMC Section 17.620.030, can be made, and recommends approval of the amendment.

### **ENVIRONMENTAL DETERMINATION:**

The proposed Zoning Code Amendment is considered exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (common sense exemption), because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. The amendment by itself does not result in any physical changes nor any significant effects on the environment and does not intensify development beyond current Zoning Code limits. The uses affected by the amendment are already allowed in the CD Zone above the ground floor and changes would permit those uses on the ground floor. The amended parking is not expected to increase parking demand because the CD Zone attracts single vehicle trips to multiple land uses in the Zone such as Downtown office users visiting Downtown food retailers. Public parking facilities in the CD Zone can absorb parking generated by single vehicle trips going to various downtown uses. The amendment does not include a specific project application and projects submitted after amendment adoption will be subject to appropriate environmental review under CEQA.

# **FISCAL ANALYSIS:**

The City may have an incremental increase in business license and sales tax receipts due to additional floor area occupied in the CD Zone if the proposed amendment is approved.

#### **ATTACHMENTS:**

- 1. 2022-04-11\_ATT Proposed City Council Ordinance and Exhibit A (Proposed Code Amendment)
- 2. 2022-04-11 ATT Planning Commission Resolution No. 2022-P003
- 3. 2022-04-11\_ATT Planning Commission Staff Report dated March 9, 2022 (without attachments)
- 4. 2022-04-11 ATT Planning Commission Minutes dated March 9, 2022

#### MOTION:

That the City Council:

Introduce an Ordinance Allowing Additional Ground Floor Use Types in the Commercial Downtown Zone.

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# **NOTES:**

1. The Lucky Mixed-Use Development - 12821 Washington Boulevard, ground floor retail. On May 10, 2021, the City Council approved non-retail ground-level uses, including professional office and medical office for The Lucky Development.