Legislation Text

File #: 20-0301, **Version:** 1

TO:
Honorable Mayor and Members of the City Council

THROUGH:
Bruce Moe, City Manager

FROM:
Carrie Tai, Community Development Director

SUBJECT:
Review of Conditional Use Permit, as Amended, for Residence Inn by Marriott, Located at 1700 N. Sepulveda Boulevard (Community Development Director Tai).
REVIEW AND PROVIDE DIRECTION

RECOMMENDATION:
Staff recommends that the City Council discuss the matter, receive public comments, and provide direction to staff.
FISCAL IMPLICATIONS:
There are no direct fiscal implications associated with the recommended action.

BACKGROUND:
The City Council approved Use Permit 84-41 (Resolution 4181) on January 2, 1985, for the construction and operation of a 176-room motel with conference facilities. In 1990, the City also approved Use Permit Amendment 90-46 (Resolution PC 90-24) to allow beer and wine service at the motel.

The Residence Inn by Marriott at 1700 North Sepulveda Boulevard was the site of a shooting that occurred on September 8, 2020. Immediately afterwards, the Police Department worked with the hotel operator, who proposed some immediate operational changes to improve security on the site and to deter crime. These measures were memorialized in a letter from the City Attorney to the hotel operator in a letter dated September 11, 2020. On September 15, 2020, staff presented the City Council with a report on these measures, the Use Permit history of the site, as well as the Municipal Code provisions regarding the review of Use Permits.

Both resolutions include a condition of approval that the Use Permit would be reviewed annually. Staff confirmed that the City has not performed annual reviews in the recent past. The City Council requested that staff perform and present an annual review.

DISCUSSION:
In conducting the review of the Use Permit, staff has reviewed the operations of the property with the Use Permit findings as well as the conditions of approval. Staff reviewed Police Department crime

and incident reports, Code Enforcement violations, and complaints from members of the public.

Police Department Response

The Police Department reported the following about the hotel property:

- There has been a significant uptick in criminal activity, calls for service, and critical incidents since January 2020;
- Incident types include disturbances, security checks, traffic stops, loud music or parties, eviction/removal, stolen vehicles, narcotics, assault with deadly weapon, battery, fraud/forgery, discharge firearm in public, and recently, attempted murder with person in custody and charged;
- Many of the hotel guests are using the large two-story “penthouse” rooms in the hotel for parties;
- There has been an increase in parties and evictions at the hotel related to extended stay residents during the COVID-19 pandemic;
- Since April 2020, calls for service have increased to the highest levels in several years;
- The following indicates the number of police responses over the past 6 months:

  April - 5 Responses
  May - 23 Responses
  June - 24 Responses
  July - 20 Responses
  August - 25 Responses
  September (1 through 8) - 6 Responses
  September (9 through 30) - 4 Responses (after implementation of measures)

- While calls usually increase in the summer, generally consisting of room evictions, parties, and the occasional battery, this year’s calls prior to September have been more frequent and included a wider variety of incident types.

Code Enforcement Violations

No recent Code Enforcement violations have been reported. However, there was an open investigation in 2018 on construction personnel at the hotel using the rear gate for construction access and parking in the neighborhood.

A recent site inspection revealed the placement of several storage containers in the northern portion of the site, occupying required parking spaces.

Neighborhood Complaints

The City has received numerous complaints about the property from residents to the east. These complaints were reported to the Police Department as well as at the September 9, 2020 City Council meeting. Complaints often cite numerous concerns with safety, crime, loud music, hotel guests using the rear gate onto 17th Street to traverse through the residential neighborhood, and smoking on the

premises.

Consistency with Use Permit Findings

Section 10.84.060 of the Municipal Code requires that projects requesting Use Permits meet the following findings:

"*A. For All Use Permits*.

1. *The proposed location of the use is in accord with the objectives of this title and the purposes of the district in which the site is located;*

2. *The proposed location of the use and the proposed conditions under which it would be operated or maintained will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed project site or in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the city;*

3. *The proposed use will comply with the provisions of this title, including any specific condition required for the proposed use in the district in which it would be located; and*

4. *The proposed use will not adversely impact nor be adversely impacted by nearby properties. Potential impacts are related but not necessarily limited to: traffic, parking, noise, vibration, odors, resident security and personal safety, and aesthetics, or create demands exceeding the capacity of public services and facilities which cannot be mitigated."*

Under California case law, the determining factors on whether to issue a conditional use permit is whether the use is compatible with surrounding uses; and, if not, whether conditions can be imposed to ensure compatibility. The increased calls for service, and residents' complaints of noise, odors, resident security and personal safety are an indication that the site has not been meeting the required findings for the Use Permit, and, without additional conditions, may not be compatible with the residential neighborhood to the east of the property. The health, safety and welfare of persons residing in the neighborhood have been impacted, and the volume of police calls has created demands exceeding the capacity of public services.

Ongoing Measures

As reported on September 15, the hotel has agreed implement measures to curtail the ongoing problems. For example, the hotel instituted a $1,000 deposit for guests and increased their security patrol to three security guards. The City Attorney also issued a letter (attached) to hotel management detailing the agreed-upon operational changes. The letter requested that the hotel management produce a performance schedule for the measures or notification of completion.

The hotel ownership acknowledged receipt of the letter on September 17, 2020. Then, the ownership submitted a follow-up on October 9, 2020, with a more detailed account of their plan to

improve security efforts at the property. The hotel acknowledged that it has increased security, added a coned-off area for late check-ins, is not accepting walk-in reservations, not accepting same-day reservations after 5:00 p.m., maintained a 2-night minimum stay for penthouse units on weekends, and has increased the penthouse unit deposits to $1,000. The hotel is also in the process of adding signs throughout the property indicating that smoking is not permitted. However, the hotel also indicated that certain improvements, such as a parking gate system and fencing modifications, would take up to several months to implement. Lastly, the hotel has requested additional time in which to implement these measures. Both response letters are attached.

Relationship of Ongoing Measures to the Existing Use Permit

While the hotel has indicated that it is willing to undertake short-term and long-term measures to improve the operational security at the site, there is no guarantee that these measures will continue in perpetuity of the hotel's existence. The only mechanism to ensure that the hotel implements these measures permanently and in perpetuity is to require that the hotel modify their Use Permit to incorporate the measures as part of their operations and the conditions of approval. The annual review requirement will allow the City to evaluate annually the effectiveness of these measures in keeping the hotel's operation consistent with the Use Permit findings.

POLICY ALTERNATIVES:

***ALTERNATIVE # 1*:**
In accordance with Section 10.104.030 of the Municipal Code, the City Council could schedule a public hearing to consider modification of the Use Permit to incorporate additional operational measures as conditions of approval.
PROS: The City would be able to memorialize the added operational measures to improve security at the site and set a performance schedule to provide clear expectations of when the measures would be implemented.
CONS: There are no disadvantages to this alternative.

ALTERNATIVE # 2:
The City Council could conduct another review at a time-specific point in the future, to evaluate the hotel's progress in implementing the operational changes.
PROS: Because a review is intended to reflect existing conditions, performing another review in the future would provide the City Council with an assessment of conditions at that point.
CONS: This option alone would not memorialize the added operational measures, nor would it provide a performance schedule for implementation of those measures.

***ALTERNATIVE # 3*:**
In accordance with Section 10.104.030 of the Municipal Code, the City Council could direct staff to schedule a public hearing to consider revocation of the Use Permit. Municipal Code Section 10.84.090 specifies that a use permit that is exercised in violation of a condition of approval or a provision of the Municipal Code may be revoked or modified.
PROS: There are no advantages to this alternative at the current moment.
CONS: The hotel has demonstrated the willingness to pursue the changes and should be afforded the opportunity to do so.

***ALTERNATIVE # 4*:**

The City Council could determine that the hotel is operating in accordance with the Use Permit conditions of approval, findings, and other applicable regulations.
PROS: There are no advantages to this alternative at the current moment.
CONS: The City would not have reassurance that hotel would complete implementation of the operational changes. Furthermore, concerns from the neighborhood may continue, without any resolution.

PUBLIC OUTREACH:
A courtesy notice of the annual review was published in the Beach Reporter and also mailed to property owners within 500 feet of the subject site. Courtesy notices were also sent, via mail or email, to hotel representatives and persons known to the Community Development Department as having submitted comments to the City.

ENVIRONMENTAL REVIEW:
The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:
The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution 4181
2. Resolution PC 90-24
3. Letter to Mr. Milliard (September 11, 2020)
4. Response from Hotel (September 17, 2020)
5. Follow-Up Letter from Hotel (October 9, 2020)