STATEMENT ON THE SUBJECT:
The City Council will consider directing staff to evaluate options for incentivizing housing development on underutilized commercial parcels, such as surface parking lots.

RECOMMENDATIONS:
1) Direct staff to evaluate options for incentivizing housing development on underutilized commercial parcels, such as surface parking lots.
2) Return to City Council with recommendations.

BACKGROUND / ANALYSIS:
The City of West Hollywood is a dense, urban environment. The City Council has initiated several housing and zoning policies intended to incentivize a diverse housing stock, including housing options that are affordable to all socioeconomic segments of the community, and housing that meets certain sustainability requirements.

Although the City is very dense and unused space is limited, the City does have underutilized commercial parcels, such as surface parking lots, which could potentially be redeveloped into permanent or temporary housing. With more people walking or taking alternate modes of transportation – such as public transit or rideshare services – the demand for parking in West Hollywood is changing. Staff's recent analysis of parking requirements found that the City required more parking for commercial uses than most cities in the region. This is despite the fact that West Hollywood is one of the most dense, compact cities with a low-rate of cars per household, low car ownership rates and a large share of alternative transportation trips. The City determined that parking requirements for businesses and new developments were higher than parking demand, and in November 2018, the City Council approved amendments to the Municipal Code to adjust the amount of commercial parking required to more accurately reflect the actual need.

Surface parking lots also have environmental costs. The large, impervious surfaces of
parking lots increase storm-water runoff, which damages watersheds. Because parking lots accumulate a lot of pollutants – such as oil, grease, heavy metals and sediment – the runoff is a major environmental issue. Additionally, parking lots contribute to the “urban heat island” effect, which occurs when materials such as exposed pavement absorbs and retains more of the sun’s heat than natural minerals, causing urban regions to be warmer than surrounding rural areas.

This item directs staff to evaluate options for incentivizing permanent or temporary housing development on underutilized commercial parcels, such as surface parking lots. This could include establishing a density bonus in commercial zones for parcels where more than 50 percent of the parcel is surface parking or other unused space. This proposal is intended to be a time limited opportunity, such as 24-30 months, in order to spur development on specific targeted parcels.

**CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:**

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-9: Upgrade Existing Buildings & Infrastructure.
- OSP-10: East Side Revitalization.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- LU-2: Maintain a balanced mix and distribution of land uses that encourages strategic development opportunities and mobility choices within the City.
- H-5: Provide for a government environment that facilitates housing development and preservation.

**EVALUATION PROCESSES:**

N/A

**ENVIRONMENTAL SUSTAINABILITY AND HEALTH:**

There are several negative environmental impacts of surface parking lots including water pollution from runoff of pollutants such as oil, grease, heavy metals, etc., as well as contributions to the “urban heat island” effect, which occurs when construction materials absorb and retain more of the sun’s heat and reach much higher temperatures than surfaces covered with soil or vegetation.

**COMMUNITY ENGAGEMENT:**

N/A
OFFICE OF PRIMARY RESPONSIBILITY:
PLANNING & DEVELOPMENT SERVICES DEPARTMENT / LONG RANGE PLANNING DIVISION

FISCAL IMPACT:
None.