



Legislation Text

File #: 20-0926, **Version:** 2

Recommendation to declare ordinance amending the Long Beach Municipal code by adding Chapter 21.65, relating to Interim Motel/Hotel Conversions, read and adopted as read.
(Citywide)

Motels provide needed lodging for tourists and other travelers but can also result in serious negative impacts on neighboring properties and city services when an inadequate market for rooms exists or when sufficient management controls are lacking for the facility. In October 2017, the City Manager directed the Office of Civic Innovation to coordinate an interdepartmental team to explore strategies to address nuisance activities of motel uses that affect the quality of life in the City of Long Beach (City). The team subsequently developed and tested a nuisance motel compliance plan at six select locations as part of a nine-month citywide pilot program. At the November 13, 2018 City Council meeting, staff presented the Nuisance Motel Pilot Program (Pilot Program) findings along with additional solutions to address nuisance motels. One recommendation proposed by staff was an ordinance that would permit the temporary conversion of motels to transitional or supportive housing modeled after a similar program adopted by the City of Los Angeles. City Council directed staff to bring back a proposal to implement a similar program in Long Beach.

In response, Planning Bureau staff prepared an Interim Motel Conversion Ordinance (Ordinance) to allow for the voluntary and non-permanent conversion of motels to supportive or transitional housing. There is a need for a diversity of housing solutions to address the City's housing crisis and the varying needs of people experiencing homelessness. There are an estimated 4,000 residents in Long Beach that experience homelessness every year and nearly 60,000 homeless residents counted in the 2019 Los Angeles County homeless count. The proposed ordinance is one of several City initiatives intended to help address the housing needs of Long Beach residents.

Proposed Ordinance

The proposed Ordinance amends the Zoning Code by adding Chapter 21.65 to establish new regulations to allow existing hotels, motels, and other transient occupancy residential structures to be used for an interim period as supportive or transitional housing. The Ordinance is designed to eliminate unnecessary regulatory barriers to converting motels and similar structures to interim housing uses that address the City's housing crisis, consistent with the City's General Plan (Attachment A-Findings).

The Ordinance would create a ministerial approval process allowing existing transient residential structures such as hotels and motels to conduct minor interior alterations and

function as supportive housing and/or transitional housing on a non-permanent basis. Per the proposed regulations, the temporary change may not result in any substantial increase in floor area, building footprint, the number of units, or the overall building height. All units in a building must be converted to supportive housing or transitional housing use to qualify as an Interim Motel Housing Project. Any existing motels and hotels, regardless of the permitted uses of the underlying zone or their conformance with current zoning regulations-including density, parking, use regulations or yard or setback requirements-would be eligible to be used for this purpose without needing additional planning entitlements. The review process for proposed projects will be ministerial and, thus, not require a public hearing. However, as part of the operating standards for all Interim Motel Housing Projects, business owners and their approved public and/or private providers (known as a Local Agency) will be required to conduct public outreach, in accordance with specified performance standards, prior to any permit approvals from the City (Attachment B-Draft Interim Motel Conversion Permit Application).

Projects would be eligible to make minor physical alterations to the interior of the existing structure, for example by adding kitchenettes to individual units or by converting existing floor area to supportive service and case management areas. Exterior enhancements such as aesthetic improvements as well as landscaping, security improvements and fencing will be allowed. To qualify for the conversion program, a project must include a contractual agreement between the business owner and Local Agency that fund and/or operate transitional and/or supportive housing and/or provide associated supportive services onsite. Business owners who seek to convert their motels to these temporary housing projects will be required to enter into a contract with a Local Agency partner. Individual Interim Motel Housing Projects may have one or more Local Agency partners to these contractual agreements, in addition to the business owner.

These temporary housing uses will be permitted for the duration of valid contracts with approved Local Agency partners and, upon expiration of such contracts, the property would be required to revert to their previous use, or any use allowed by the current zoning regulations. Properties would be permitted to maintain existing nonconforming rights throughout the process. While there is no minimum nor maximum contract length required, the City anticipates that most projects will establish contracts between 5 and 15 years in length. Even in the case of an extended contract period, annual monitoring and complaint resolution would occur during the entire contract term.

The proposed Ordinance will create a pathway for existing buildings to be utilized for supportive housing and transitional housing, helping to promote creative, cost-effective, and expeditious strategies to expand housing solutions for persons experiencing or at risk of homelessness. The program would also provide onsite social services and City oversight and assure that the housing use operates in a manner complementary to the neighboring community and consistent with community standards.

The new provisions would eliminate potential regulatory barriers that could disincentivize

motel owners to participate in a motel conversion program. Furthermore, the proposed Ordinance will build upon existing local efforts, such as the Everyone Home Taskforce, as well as work in conjunction with the recently adopted Nuisance Motels Ordinance. While the Nuisance Motels Ordinance imposes mandatory requirements on motels that are identified as hotspots for nuisance and/or criminal activity, this policy will be voluntary and provide an incentive for motel operators who may find their legacy business to no longer be viable and wish to instead convert their property on a temporary basis. Once properties are no longer participating in a program to provide supportive or transitional housing, they may return to their previous use. The proposed Ordinance and associated exemptions from Zoning Code provisions apply only to conversions done on an interim basis; if a property owner wanted to pursue this use permanently, then such a project would be subject to the applicable Zoning Code provisions and would be required to go through the appropriate discretionary review process to seek approval to maintain this use on a permanent basis.

Background

Transitional and supportive housing are important housing types for people who are experiencing or are at risk of homelessness. Transitional housing is a time-limited housing intervention that provides homeless individuals and families with the interim stability and support to successfully move into and maintain permanent housing, typically within a period of 6 to 24 months. Supportive housing provides indefinite rental assistance and supportive services to assist homeless persons achieve housing stability. Typically, both transitional housing and supportive housing incorporate supportive services such as individual case management, mental health treatment, addiction therapy, and vocational training.

Hotels and motels present a unique opportunity to accommodate these housing types by reusing existing structures to respond to immediate housing needs. These buildings are structurally similar to residential buildings and have the potential to be quickly adapted to provide interim housing through publicly-funded programs. In Long Beach, individual rooms in motels are already used as a form of transitional housing, and there is increasing interest in converting entire properties to transitional housing and/or supportive housing so that supportive services can be better integrated onsite. Measure H, a Countywide measure to allow a quarter-cent sales tax increase to fund homeless services, approved by voters in March 2017, has expanded the availability of funding to provide rental assistance and supportive services to residents of supportive and transitional housing. County-funded programs will help facilitate the use of hotels and motels for supportive and transitional housing on an interim basis. More recently, State Coronavirus Aid, Relief, and Economic Security (CARES) Act funding provides another revenue stream to support such conversions, and the adoption of the proposed Ordinance complements and supports a variety of activities the City plans to implement with this funding, including sheltering the homeless and providing a range of social and support services to residents impacted by the pandemic.

Today, motels are sometimes used as an informal type of affordable housing - often called a "housing of last resort." Individuals may utilize housing vouchers to rent out motel rooms on a

temporary basis. However, these programs often do not include many of the tenant protections that are associated with a longer-term lease nor the supportive services these individuals require. The proposed Ordinance in many ways represents a continuation of this activity, but with improvements. Residents would be permitted to remain in the unit and would be provided the stability of a longer-term lease. Additionally, the quality and type of supportive services and property management provided to residents would be improved. Furthermore, the reuse of these properties that would be permitted by the proposed Ordinance allows for the rapid increase in the supply of housing units in the near term while more permanent supportive and low-income housing can be constructed.

This matter was reviewed by Assistant City Attorney Michael J. Mais on August 20, 2020 and by Budget Analysis Officer Julissa José-Murray on August 14, 2020.

Public Notice and Environmental Compliance

In accordance with public hearing notification requirements for a Zoning Ordinance Amendment in Long Beach Municipal Code Section 21.21.302.C, notice of this public hearing was published in the Long Beach Press-Telegram on September 1, 2020; written notices were sent to the California Coastal Commission. Due to the declared state of emergency, notices were not provided to City libraries (they are closed), notice posting was provided at City Hall but not at multiple locations. Additionally, two town halls were hosted by City staff in January 2020 and study session on this item was held at the Planning Commission meeting on April 16, 2020. A notice of the proposed code amendment was distributed through the City's LinkLB e-mail blast system.

Pursuant to the California Environmental Quality Act (CEQA), the project is statutorily exempt from CEQA pursuant to Public Resources Code Section 21080.50, which states that the conversion of a motel structure to supportive or transitional housing, where the conversion does not result in the expansion of more than 10 percent of the floor area of any individual living unit in the structure, and/or does not result in any significant effects relating to traffic, noise, air quality, or water quality, is statutorily exempt from CEQA requirements. No additional action is required for Environmental Review.

Pursuant to Section 21.25.103 of the Zoning Regulations, this request should be presented to the City Council within 60 days of the Planning Commission hearing, which took place on May 21, 2020. While the advisory 60-day period could not be met, the earliest possible City Council action is requested on September 15, 2020.

This recommendation has no staffing impact beyond the budgeted scope of duties and is consistent with existing City Council priorities. While this action is intended to promote future economic activity any projection of its impact would be speculative. There is therefore no fiscal or local job impact associated with this recommendation.

Approve recommendation.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING
THE LONG BEACH MUNICIPAL CODE BY ADDING CHAPTER 21.65, RELATING TO
INTERIM MOTEL/HOTEL CONVERSIONS

OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

THOMAS B. MODICA
CITY MANAGER