

# **Ordinance Fact Sheet**

TO: CITY COUNCIL

DATE:

October 1, 2018

FROM: CITY ATTORNEY

SUBJECT: ORDINANCE AMENDING THE ZONING CODE AND TITLE 4 (REVENUE AND FINANCE) RELATED TO HOTEL/MOTEL CONVERSIONS

# TITLE OF PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 17 (ZONING CODE) OF THE PASADENA MUNICIPAL CODE TO ALLOW THE CONVERSION OF HOTELS AND MOTELS TO AFFORDABLE HOUSING, AND AMENDING TITLE 4 (REVENUE AND FINANCE) TO WAIVE CERTAIN FEES FOR CONVERSIONS

### PURPOSE OF ORDINANCE

On this same date, the City Council of the City of Pasadena will be asked to conduct first reading of an ordinance related to the conversion of hotels/motels to affordable housing. This ordinance implements the zoning code changes necessary to allow such conversions, and to provide for certain fee waivers related thereto.

# REASON WHY LEGISLATION IS NEEDED

Recent dramatic increases in homelessness in the region and in Pasadena necessitate the consideration of a variety of efforts to address this issue. One strategy is to convert existing hotels and motels to affordable housing, and particularly permanent supportive housing because it is one of the fastest ways to bring this type of housing online with relatively reduced cost and time as compared to brand new development. These amendments would authorize such conversions pursuant to the Zoning Code, and would waive the Residential Impact Fee and the Transportation Impact Fee therefor.

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## PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

The Planning & Community Development Department will implement the proposed ordinance.

#### FISCAL IMPACT

Reduction or elimination of impact fees associated with conversions of hotels and motels to affordable housing would result in a minimal fiscal impact to the City. Costs associated with adoption of these Amendments include potential loss of transient occupancy tax from the loss of existing hotel or motel rooms, although most hotels and motels that would be eligible for conversion are most likely not significant TOT contributors. Any costs of the ordinance would likely be offset by cost savings from reduced homelessness throughout the City.

#### ENVIRONMENTAL DETERMINATION

On this same date, the Council will be asked to find that the Zoning Code Text Amendment is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15301 (Class 1 – Existing Facilities) and State CEQA Guidelines Section 15061(b)(3), that there are no features that distinguish this project from others in the exempt class, there are no unusual circumstances, and none of the exceptions to the exemptions apply.

Respectfully submitted,

MM

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