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CITY CLERK CITY OF PASADENA

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February 3rd, 2025

<u>Via E-Mail:</u> Pasadena City Council

RE: ADAPATIVE REUSE ORDINANCE, (ITEM #7, 2/3/25)

Dear Mayor Gordo and City Councilmembers,

On behalf of UNITE HERE Local 11 and its members ("**Local 11**"), we respectfully submit the following comments to the Pasadena City Council ("**Council**") regarding a proposed ordinance ("**Ordinance**")¹ amending the City Zoning Code to further incentivize the conversion of existing buildings to housing and streamline Planning approval for such Adaptive Reuse Projects.

In short, Local 11 supports some streamlining of housing development, including some streamlining of smaller hotels into housing through ordinances like Adaptive Reuse. Indeed, under current Pasadena law, hotels of under 80 rooms may be converted to affordable housing.² However, Local 11 does not agree with inclusion of hotels in the proposed Ordinance, which allows hotels to be converted to housing without the guardrails that currently exist and also permits the conversion of nonresidential uses to a mixture of hotels and apartments as part of the mixed-use provisions of the proposed Ordinance. <u>Accordingly, we ask that hotels be exempted from this ordinance such that hotels are not converted into housing using the proposed ordinance and that other nonresidential development is not converted into mixed use developments that include hotels. We have attached a proposed amendment that accomplishes these goals. At a minimum, we request that the ordinance be modified such that conversion of nonresidential uses to hotels (as part of a mixed-use development) is not allowed. This change is important to ensure the ordinance is used to accomplish its purpose, creating more housing, while not undermining the City's oversight over new hotel development.</u>

It is no secret that Southern California remains woefully behind on its affordable housing goals. The urgency of addressing this shortfall serves as an express motivation behind expanding adaptive reuse under the Ordinance as a whole. At the same time, our

¹ See <u>https://ww2.cityofpasadena.net/2025%20Agendas/Feb 03 25/AR%207%200RDINANCE.pdf</u>.

² See e.g., Pasadena Municipal Code §§ 17.50.075 & 17.61.050.

County is set to host some of the world's largest sporting and entertainment events in the coming years—first with eight FIFA World Cup matches at SoFi Stadium in 2026, then in 2028 with the summer Olympic Games at the Rose Bowl.

The tension between these two priorities fuels a cyclical churn in redevelopment that could create major inefficiencies that displace both workers from their jobs and residents from their housing. Reconciling these priorities requires a careful and balanced approach, particularly when it comes to large development and redevelopment projects that can have an outsized effect on the balance of housing and overnight accommodations. Local 11 strongly supports increasing affordable housing supply in the City but applying the Ordinance's streamlined conversion process to all hotels may do more to undermine than to support inclusionary housing policy and may exacerbate these policy contradictions. While hotel conversions may be called for in some instances, such conversions are already allowed under the existing planning process. Similarly, Local 11 believes that conversions to mixed hotel and residential uses should be subject to more careful and thorough consideration and public process than would be provided under the proposed Ordinance.

<u>To address these concerns, Local 11 proposes that the Council amend the Ordinance to</u> <u>exclude hotels and conversions to mixed hotel/residential uses from the definition and</u> <u>provisions of the Adaptive Reuse Project Ordinance as shown in the attached redline.</u> Doing so will serve to ensure that any conversions of the City's core stock of overnight accommodations, or conversions to mixed hotel/residential uses, are subject to ordinary community input and City review, allowing the City to take account of how to balance its tourism and housing goals through careful consideration, thorough public input, and thoughtful planning.

In conclusion, Local 11 appreciates the opportunity to provide these comments to the Council. Local 11 urges the Council to consider the unique impact that hotel and motel conversion would have on the City's competing development goals. Ultimately, the Council has the discretion to reject or amend the proposed Ordinance. <u>Local 11 respectfully requests</u> that the Council amend the Ordinance based on the suggestions herein, and that it reject the <u>Ordinance as written</u>.

Thank you for consideration of these comments. We ask that this letter be placed in hearing record.

Sincerely,

Charles Carnow Research Analyst, UNITE HERE Local 11 Amend Proposed Sections 17.50.030 and _____ to read as follows (red underline are suggested changes from current proposed language proposed):¹

17.50.030 Adaptive Reuse Projects

A. Applicability.

1. The development standards of this section shall apply to adaptive reuse projects where there is a conversion from an existing nonresidential building, to multi-family residential use or mixed use provided that no existing or proposed Lodging, Hotel, or Motel uses are involved. Where this section conflicts with Section 17.50.160 (Mixed-Use Projects), Section 17.50.350 (Urban Housing), or Article 3 (Specific Plan Standards), this section shall apply except as otherwise provided in this section.

2. Adaptive reuse projects are eligible to use the standards of this section five years after a certificate of occupancy is issued for the non-residential building.

3. This section does not apply to Lodging, Hotel, or Motel uses, including but not limited to conversions of existing lodging buildings or conversions proposing lodging uses. This section shall not conflict with existing requirements that may apply to a lodging project, including but not limited to Section 17.50.075 (Conversion of a Hotel or Motel to Affordable Housing), Section 17.50.150 (Lodging - Hotels and Motels), 17.50.160 (Mixed-Use Projects), and Section 17.61.055 (Hotel Conversion Permits).

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17.80.020-Definitions

A. Definitions, "A."

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Adaptive Reuse Project.

Means any project where any portion of the existing non-residential building is converted to residential multifamily or mixed use, provided that no existing or proposed Lodging, Hotel, or Motel uses are involved.

¹ See Proposed Ordinance, PDF pp. 6, 31 (current proposed language for sections 17.50.030 and 17.80.020), https://ww2.cityofpasadena.net/2025%20Agendas/Feb_03_25/AR%207%200RDINANCE.pdf.