

**Impartial Summary of Partial Referendum Against an Ordinance of the City Council of
the City of Glendale Authorizing the Execution of a Development Agreement by and
between The City of Glendale and Vista Investments, LLC. (Elections Code § 9238
(b)(2)(B).)**

A Yes vote on this Measure enacts all of Ordinance No. _____, approving a development agreement by and between the City of Glendale and Vista Investments, LLC authorizing the construction of a new six-story hotel at 120 West Colorado Street. A No vote on this Measure rejects the previously described development agreement by enacting only the portion of Ordinance No. _____ superseding Urgency Ordinance No. 5967 and rejecting the portion of Ordinance No. _____ approving the development agreement.

Vista Investments, LLC (“Vista”) proposed to construct a new, one-hundred and thirty (130) room hotel in an eighty-one (81) foot high, six (6) story building located on the 29,500 square foot lot at 120 West Colorado Street (the “Project”). On May 22, 2018, the City Council gave Vista design review approval and a variance allowing for thirty-eight percent (38%) of the Project’s parking to be tandem and/or stacked, as well as approving the execution of an instrument imposing covenants as required by the Downtown Specific Plan for the Project to have an additional two (2) stories, an additional sixteen (16) feet in height, and an additional .5 floor area ratio than would otherwise be allowed (the “Project Approvals”).

On November 22, 2019, the City approved an additional one-year extension of the Project Approvals. In August 20, 2020, Vista applied for a development agreement extending the Project Approvals for another six (6) year term and freezing certain development impact fees applicable to the Project as of the date the City’s Building and Safety Division deems Vista’s plan check submission as complete. Without the development agreement, the Project Approvals would expire on May 22, 2021.

On April 20, 2021, the City Council considered an ordinance to adopt Vista’s development agreement and directed staff to renegotiate its terms to: reduce the development agreement’s terms to three (3) years, not freeze certain fees applicable to the Project, and determine if Vista would work with the City and homeless service providers to provide shelter to homeless individuals and families at its current hotel at 120 West Colorado Street. The negotiations resulted in a three year term and a freeze of certain development impact fees as of the date the City’s Building and Safety Division deems the plan check submission complete.. Vista also agreed to accept a up to five (5) housing vouchers for homeless persons per night (subject to room availability) at its existing property at 120 West Colorado Street through December 31, 2021, with the potential to extend the program for six (6) month intervals subject to further negotiations, until construction of the Project begins.

On May 11, 2021, the City Council introduced the ordinance approving the development agreement on an urgency basis so that it could take immediate effect in light of the pending expiration of the Project Approvals and the City Council’s request for additional negotiations with Vista. On May 18, 2021 the City Council adopted the ordinance approving the development agreement under the name Urgency Ordinance No. 5967.

On September 28, 2021, the City introduced non-urgency Ordinance No. ____, which would approve Vista's development agreement retroactively to May 22, 2021 and supersede Urgency Ordinance No. 5967.

This Measure applies only to the portion of Ordinance No. ____ retroactively approving Vista's development agreement to May 22, 2021. It does not apply to the portion superseding Urgency Ordinance No. 5967. As such, a majority No vote on this Measure would supersede Urgency Ordinance No. 5967 with a version of Ordinance No. ____ that does not approve Vista's development agreement. A No vote on this Measure is a vote to reject Vista's development agreement.

The full text of Ordinance No. ____ can be found at this link:

https://glendaleca.primegov.com/meeting/attachment/4164.pdf?name=CC_10052021_Ordinance_7a.

The full text of the development agreement retroactively approved by Ordinance No. ____ can be found at this link:

https://glendaleca.primegov.com/meeting/attachment/4097.pdf?name=CC_09282021_Exhibit%201_9a

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF GLENDALE AUTHORIZING THE EXECUTION OF A
DEVELOPMENT AGREEMENT BY AND BETWEEN THE
CITY OF GLENDALE AND VISTA INVESTMENTS, LLC**

WHEREAS, Vista Investments, LLC (“Developer”) is the owner of the real property located at 120 West Colorado Street, in the City of Glendale, County of Los Angeles, State of California, described in Exhibit "A", (“Legal Description”), and as further depicted in Exhibit “B” (the "Site" or “Project Site”), attached to the Development Agreement between the City and Developer (the "Property") as attached hereto and incorporated herein by this reference; and

WHEREAS, Developer proposes to construct a one-hundred and thirty (130) room hotel in an eighty-one (81) foot high, six (6) story building located on an approximately 29,500 square foot lot on the Property (the “Hotel” or “Project”), commonly referred to as the “AC Hotel”; and

WHEREAS, on May 22, 2018, the City Council considered entitlements for the Project and determined that (1) an environmental review had been conducted and that the Project is exempt from further environmental review pursuant to California Environmental Quality Act (“CEQA”) Guidelines section 15332 as an “In-Fill Development Project”; (2) the City Council approved the Stage I & II Design Review for the Project; (3) the City Council approved a variance allowing 38% of the required parking to be in a tandem and/or stacked arrangement in lieu of the 25% maximum otherwise applicable; and (4) the City Council approved execution of an Instrument Imposing Covenants – Hotel Incentive, as required by the Downtown Specific Plan (DSP) for projects seeking additional density, stories, height in exchange for providing defined public benefits (collectively, the “Project Approvals”); and

WHEREAS, pursuant to Chapter 7 of the DSP, applicants using the height and density bonuses must enter into either a statutory development agreement or an instrument imposing covenants with the City to ensure that the City receives the benefits specified in the DSP in exchange for developers receiving additional stories and/or density; and

WHEREAS, on November 22, 2019, the City administratively approved a one-year time extension of the May 22, 2018 Project Approvals, which because the original approvals were valid for two (2) years, extended the Project Approval validity until May 22, 2021; and

WHEREAS, while the City initially approved execution of an Instrument Imposing Covenants, which is a prerequisite to the issuance of building permits, given the change in circumstances due the significant economic impacts of the COVID-19 pandemic on the hospitality industry, on August 20, 2020 the Developer submitted an application for a development agreement in order to preserve the Project Approvals for a six (6) year term and to freeze the zoning and Development Impact Fees applicable to the Project as of the date the City's Building and Safety Division deems Developer's Project plan check submission as complete; and

WHEREAS, the Development Agreement would also replace the instrument imposing covenants required by the Chapter 7 DSP to preserve the community benefit the project provides in exchange for the DSP incentives the Developer received in the form of .50 additional FAR and two (2) additional stories; and

WHEREAS, on April 7, 2021 the Planning Commission held a public hearing to consider Developer's Development Agreement application and found the proposed Development Agreement to be consistent with the General Plan and the DSP, and in addition to other comments, the Planning Commission recommended the City Council consider reducing the six (6) year Development Agreement term and revise the timing of the Developer's requested Development Impact Fee freeze; and

WHEREAS, pursuant to Government Code Section 65864 et seq., the Planning Commission transmitted its findings, comments and recommendations on the Development Agreement to the City Council; and

WHEREAS, on April 20, 2021 the City Council considered, but did not introduce, the ordinance to adopt the proposed Development Agreement, and instead directed staff to continue negotiations with the Developer in order to 1) reduce the Development Agreement term to three (3) years, 2) not “lock in” the development impact fee structure, and 3) determine if the Developer would agree to collaborate with the City and homeless service providers to identify potential options to provide sheltering opportunities for homeless individuals and families at the existing Vagabond Inn prior to construction of the new hotel; and

WHEREAS, following further discussions with the Developer, the Developer agreed to a three (3) year term and proposed to lock in the Development Impact Fee payment structure at the time of plan check submission because of certain significant up-front, non-refundable expenditures stemming from the Project’s modular construction type; and

WHEREAS, the Developer also agreed to collaborate with the Glendale Homeless Continuum of Care and participate in a Voucher Program whereby the Developer would accept up to five (5) room stay vouchers per night (based on room availability) for program qualified individuals to stay at the existing Vagabond Inn on the Project Site for up to 28 consecutive days at a reduced rate (inclusive of transient occupancy taxes) until December 31, 2021, and to continue to participate thereafter for additional successive six (6) month periods pursuant to an agreement between the parties for Developer following “good faith negotiations” as defined in the Development Agreement; and

WHEREAS, due to various public health, safety, and economic impacts from COVID-19 pandemic, the pending expiration of the Project entitlements on May 22, 2021, and due to the City Council’s request that staff undertake additional negotiations with the Developer to obtain, among other things, temporary housing vouchers for homeless individuals impacted by the pandemic and other factors, on May 11, 2021, the Development Agreement ordinance was re-introduced as an urgency ordinance so that it could take immediate effect; and

WHEREAS, the Urgency Ordinance contained the Government Code §36937(b) required urgency findings and declarations that the immediate preservation of the public peace, health, and safety required the adoption of an urgency measure; and

WHEREAS, on May 18, 2021, after having reviewed and considered the Development Agreement and the comments, findings and recommendations of the Planning Commission, the City Council found and determined that the Development Agreement benefits were in the vital and best interests of the City, and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law, and adopted an urgency ordinance based on, among other things, project delays stemming from impacts of pandemic, and delay due to negotiations to obtain homeless housing vouchers which vouchers would benefit one of the City's more vulnerable populations especially during the pandemic; and

WHEREAS, subsequent to adoption of Urgency Ordinance No. 5967, UNITE HERE Local 11 filed suit challenging the urgency nature of Development Agreement Ordinance based on, among other claims, that the California Constitution authorizes passage of urgency measures except where such measure creates a vested right; and

WHEREAS, in order to cure any possible conflict with applicable law, the City is adopting a new ordinance on a non-urgency basis approving the proposed Development Agreement in order to preserve the Project entitlements and the Project's other public benefits required by Chapter 7 of the DSP, which public benefits include, among other things, the Developer's agreement to provide homeless housing vouchers; and

WHEREAS, the City Council expressly and unambiguously intends that this legislative measure apply retroactively to May 22, 2021, and that it will supersede Urgency Ordinance No. 5967 adopted by the City Council on May 18, 2021; and

WHEREAS, City Council finds and declares that retroactivity is necessary to preserve the Development Agreement's community benefits required by Chapter 7 of the DSP, which community benefits include, but are not limited to, generate transient occupancy tax, the addition

of new construction and operational jobs at the hotel, the contribution to the diversity of temporary housing options for Glendale business travelers and visitors, the important provision of temporary homeless housing vouchers to Glendale's vulnerable homeless population, especially during the COVID-19 pandemic, which vouchers will connect homeless individuals to additional support services.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA:

1. Based on the above recitals which are incorporated herein by this reference, and based on the review of all materials and testimony related to the Development Agreement application and in considerations of UNITE HERE Local 11's actions subsequent to the City Council's adoption of Urgency Ordinance No. 5967, the City Council hereby finds and determines that:

(a) The City has complied with the applicable requirements of the California Environmental Quality Act.

(b) The Development Agreement:

- Is consistent with the City's General Plan and with the Downtown Specific Plan, which determination is based on the Planning Commission's findings for consistency;
- Complies with all currently applicable provisions of the Glendale Municipal Code;
 - Will not be detrimental to the public health, safety and general welfare because on May 22, 2018, the City Council granted the Project a California Environmental Quality Act ("CEQA") exemption per CEQA Guidelines section 15332 as an "In-Fill Development Project". The Development Agreement is an implementing action in

furtherance of the Project Approval for which the In-Fill Exemption was previously granted, and will have no environmental impact.

- Is compatible with the orderly development of property in the surrounding area, and will provide enhancements to the surrounding area and public benefit;
- Will provide benefit to homeless individuals participating in the Voucher Program which involves case management through which homeless individuals may find permanent housing and other opportunities;
- Provide certainty to the Developer, whose industry was significantly impacted by the COVID-19 pandemic;
- Constitutes a lawful present exercise of the City's police power and complies with all applicable City and State regulations governing Development Agreements; and
- Is necessary to strengthen the public planning process and to reduce the public and private costs of development uncertainty.

3. The City Council hereby approves the Development Agreement pursuant to this ordinance and subject to approval as to form by the City Attorney, authorizes the City Manager to execute it on behalf of the City of Glendale, and further directs the City Clerk to record the Development Agreement and this Ordinance with the County Recorder within ten (10) days of its execution.

3. The City Council finds and declares this Ordinance shall apply retroactively to May 22, 2021.

4. Should any provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Ordinance as a whole or any remaining provisions hereof. The City Council of the City of Glendale hereby declares that it would have adopted this Ordinance despite any partial invalidity of its provisions.

5. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

6. This Ordinance shall be effective 30 days after the date of adoption.

Passed and adopted this _____ day of _____, 2021.

Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS

I, ARAM ADJEMIAN, City Clerk of the City of Glendale, certify that the foregoing Urgency Ordinance No. _____ was adopted by the Council of the City of Glendale, California, at a regular meeting held on the _____ day of _____, 2021, and that same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

City Clerk