

SUBJECT: A PROPOSED ZONE TEXT AMENDMENT ALLOWING GREATER FLEXIBILITY FOR ACCESSORY BUSINESS USES

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STATEMENT ON THE SUBJECT:

The Planning Commission Long Range Planning Projects Subcommittee will consider a proposed Zone Text Amendment (ZTA) to encourage a creative mix of commercial uses by allowing for greater flexibility of Accessory Business Uses and Ancillary Business Activities. This ZTA aligns with the goals and objectives of the West Hollywood Small Business Initiative.

BACKGROUND / ANALYSIS:

On October 19, 2020, the City Council directed staff to work with the West Hollywood Chamber of Commerce (Chamber) on policies, programs, and partnerships in the Small Business Initiative that can be implemented more rapidly to specifically help attract small businesses to the City of West Hollywood.

Small Business Initiative

The City of West Hollywood has long been committed to ongoing initiatives supporting small businesses that foster a vibrant, diverse, and resilient business environment. In particular, the Small Business Initiative emphasizes the importance of adaptability, creativity, and accessibility to sustain neighborhood-serving businesses amidst evolving economic and social dynamics.

Diversifying Small Business Opportunities

West Hollywood's commercial corridors consist of a mix of high-end retailers, independent shops, and community-oriented businesses. However, challenges such as high rents, limited space, and shifting consumer preferences, exacerbated by the COVID-19 pandemic, have constrained these establishments. By permitting accessory and ancillary uses, the proposed Accessory Business Use (ABU) ZTA provides businesses with innovative tools to adapt and thrive, fostering economic diversity and enhancing the City's cultural identity.

Consistent with recommendations to streamline permitting processes and reduce regulatory barriers, the proposed ABU ZTA offers small businesses the opportunity to diversify revenue streams without undergoing extensive zoning changes or approvals.

This supports West Hollywood's vision of being a leader in innovative urban economic development.

The proposed zone text amendment encourages a creative mix of small businesses to open and operate efficiently in the City of West Hollywood. By amending the WHMC, the City aims to remove implementation barriers and provide clarity for property owners and the community. The proposed ABU ZTA aligns with these goals by enabling businesses to integrate complementary uses that attract foot traffic, create unique experiences, and strengthen connections between commerce and community.

Frequently Referenced Terms

Primary Business Use is a business's main purpose or function based on the property's zoning designation. It is the primary activity of the business's operation and aligns with a site's permitted uses.

Accessory Business Uses (ABUs) are secondary/subordinate activities that complement the Primary Business Use on a property. Typically, these uses enhance the primary business's services, customer experience, or revenue generation while aligning with the area's character and zoning regulations.

Ancillary Business Activities (formerly Incidental Related Activities) are supplementary activities that support the functionality of a primary business without outweighing its main purpose. In contrast to Accessory Business Uses, the intent of Ancillary Business Activities is not to distinctly attract customers but rather to enhance the services or efficiency of the primary business.

As an example of the differentiation of these terms, the City may permit an art gallery as a primary use and a smaller coffee shop/café within the art gallery as an accessory business use. Additionally, every Tuesday evening, the art gallery hosts a wine and painting workshop, considered an ancillary business activity.

ZONE TEXT AMENDMENT OVERVIEW

The proposed ZTA amends WHMC Section 19.36.030 (Accessory Business Uses and Activities). Below is a summary of the current requirements and proposed modifications.

Current Requirements

- Requires ABUs to support, be directly related to, or in conjunction with a primary use.
- Allows only minor external evidence of the ABUs.
- Limits ABUs' combined floor area not to exceed 1,200 square feet or 25% of the total floor area of the primary use.
- Does not mention any allowed or prohibited ABUs.
- Does not mention the permit requirements for ABUs.

- Incidental Related Activities are incorporated into code sections alongside ABUs, which causes some confusion about the differentiation between the two terms.
- Incidental Related Activities are permitted only up to twice weekly.

Proposed Zone Text Amendment

- Encourages a creative mix of uses and allows ABUs to be complementary to a primary use.
- Allows flexibility of external evidence of ABU insofar as external access to the ABU is allowed in addition to the entrance of the primary use.
- Increases the combined floor area of accessory business uses to be less than 50 percent of the total floor area of the primary use.
- ABUs must obtain the required land use permits in compliance with Section 19.10.030.
- Allows ABUs that are permitted in the designated commercial zoning districts per Section 19.10.030.
- Amends the phrase “Incidental Activities” to “Ancillary Business Activities” to provide the audience with more clarity on the policy’s purpose and definition.
- Moves Ancillary Business Activities into a separate section and allows for ongoing activities unless potential impacts to surrounding uses are determined.
- Additional allowed ancillary activities are added to the list:
 - Live DJs;
 - Featured food, beverage, or wine tastings within a retail space;
 - Workshops for crafts, painting, cooking, or other artisan activities within cafes, restaurants, or retail spaces;
 - Co-working spaces or designated remote working areas that could include workstations, meeting rooms, and Wi-Fi access within cafes or restaurants;
 - Community indoor markets featuring local farmers, artisans, and small businesses within retail spaces;
 - Live podcast recording studios within cafes, restaurants, or bars, allowing audience participation where customers can interact with hosts and guests;
 - Small theater rooms within cafes, restaurants, or retail spaces for film screenings and discussions;
- Prohibited uses and activities include:
 - Live amplified music which is to be interpreted as live amplified instruments and music;
 - Dancing;
- References that all ancillary cannabis uses and activities shall be regulated through Chapter 5.70.

DISCUSSION AND FEEDBACK

- Do the proposed amendments allow greater flexibility?
 - What uses and/or activities might be left out of the proposed amendment that should be added or (re)considered?
- What externalities should staff consider when allowing greater flexibility of accessory business uses or ancillary business activities, if any?