

FINDINGS

(As Approved by the Planning and Land Use Committee on February 14, 2017)

1. **The project will enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city or region.**

The subject property is an approximately 12,864 square foot irregular corner lot having frontage of approximately 95 feet along 6th Street and approximately 116 feet along Manhattan Place. The property is developed with a 1-story commercial building built in 1941 and currently zoned for commercial (C2-1) and multi-family residential (R4-2). The subject request is for a conditional use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a proposed 6,354 square-foot restaurant having 13 dining rooms and 134 interior seats. The applicant is requesting a change of use from a previous entitled nightclub/ karaoke use to a 6,354 square foot restaurant having hours of operation from 11:00 a.m. to 2:00 a.m. daily.

As noted under the prior grant (ZA 2010-0146(CUB)(CU)), the facility was approved for the continuation of the sale of a full line of alcoholic beverages for on-site consumption in conjunction with an existing restaurant with a maximum of 11 karaoke rooms as subject to approval of building permits as issued by the Department of Building and Safety and hours of operation from 11:00 a.m. to 2:00 a.m. daily. The grant was approved for a two year term limit which expired on December 2, 2012. The applicant [Yoon Hee (Charles) Yeh] filed for a 1-year extension of time citing a financial hardship causing an inability to proceed with the project. A one year extension of time was granted to allow a plan approval extension to December 2, 2013. The time extension was also granted in conjunction with a two-year time extension per Ordinance No 182,106 resulting in a final extension to December 2, 2015. The request for a new grant was filed on November 17, 2015.

The business was purchased by the current applicant in September, 2009 as indicated under Zoning Administrator approval Case No. ZA 2010-0146(CUB)(CU). The prior operation had a permitted use as a nightclub with seven karaoke/music box rooms including a portion of the building converted to a covered patio. The previous operation had been problematic. Records show that the Police Department identified multiple violations on the site spanning from a period of time from 2007 to 2010 citing multiple violations of Planning Conditions and Department of Building and Safety code violations including reference to clear frosted windows on karaoke doors, absence of a Café Entertainment/Shows Permit, smoking in karaoke rooms, maintaining dimmer lights in rooms and criminal acts including B-Girl activity and a murder which occurred in June, 2009. More recently, June 2013

to April 2016 the Los Angeles Police Department noted several afterhours inspections conducted at the site location revealed the operator to be in violation of multiple CUP conditions including too many karaoke rooms, windows being obscured, no electronic age verification device, solicitation of Alcoholic Beverage and escort services without a proper permit. Also noted was a decrease in reporting for a period of time in 2014 as the business was non-operational.

The prior operation of a nightclub/karaoke with 11 karaoke rooms presented multiple problems for the Los Angeles Police Department. The express concerns by LAPD are legitimate as there has been a history in Koreatown of illegal activities associated with establishments that maintain karaoke rooms. Unsupervised rooms can cause problems such as over service to customers and can become a breeding ground for illicit activities. The location has a reputation in "Koreatown" which has fostered such activities. Therefore there is reason to remove partitions which are cause for concern. Private dining rooms cannot be monitored and provide opportunity for lewd acts and place patrons at risk of being victims of sexual attacks.

Given the change in the mode and character of the operation from a nightclub/karaoke use to a bona fide restaurant with a full line of alcoholic beverages the operator will have an opportunity to focus on offering food service and enhancing the dining experience by offering a full line of alcoholic beverages to complement items on the menu. As conditioned in this grant and as determined at the public hearing before the City Council's Planning and Land Use Committee (PLUM), the applicant is required to remove all obstructions within the interior space of the facility which restrict, limit or obstruct the clear view of the occupants. This includes all partitions, booths or dining rooms both legal and illegally constructed. With an open floor plan for tables and chairs to occupy the space, lighting installed in all areas within the business to render all objects and persons visible and offering no form of live entertainment, opportunity for criminal activities to occur within the restaurant will be restricted. Given that the new business operator, as introduced at the Central Area Planning Commission meeting on November 29, 2016 has expressed a willingness to operate the business as a bona fide restaurant and the property having a history of criminal activities and violations of prior CUP conditions it is therefore reasonable and as determined at the public hearing before the PLUM Committee to require the removal of any interior obstructions within the interior space.

In the original application request the applicant requested a 2:00 a.m. closing hour. The property is subject to the Commercial Corner regulations which limit the hour to 11:00 p.m. this triggers the second conditional use request to exceed the required 11:00 p.m. closing hour. At the public hearing before the PLUM Committee, hours of operation are modified to limit the operation from 11:00 a.m. to 11:00 p.m. Sunday through Thursday and 11:00 a.m. to 2:00 a.m. Friday and Saturday. Hours of operation during the week Sunday through Thursday are consistent with that of the Commercial Corner regulations yet on Friday and

Saturday later hours until 2:00 a.m. allow the business to be competitive with similar restaurant operations in the area. Therefore, in an effort to enhance and ensure compatibility with the surrounding neighborhood, promote public safety in recognizing the unique history of the location, at the same time perform a function or provide a service beneficial to the community and in the absence of activities associated with a night club use such as no live entertainment of any kind including no karaoke entertainment and conditions to monitor and control the level of potential noise and security measures in place to assist with safeguarding the property and surrounding community including the installation of a camera surveillance system to monitor the interior, entrance exists and exterior area in front and all around the premises, lighting installed in all areas of the business to render all objects and persons clearly visible within the establishment, at least one on-duty manager with authority over all activities within the facility on duty at all times the facility is open for business and signs posted prohibiting loitering and public drinking, it is therefore reasonable to grant extended hours beyond the limit of Commercial Corner regulations to allow for a service to the surrounding neighborhood and allow the business to thrive.

The proposed use in conjunction with the imposition of a number of conditions addressing operational and alcohol-related issues will assure that the service of alcohol is not disruptive to the community. The sale and dispensing of a full line of alcoholic beverages will be incidental to the food sales of the subject restaurant. The area serves a concentration of commercial uses, and high density residential adjacent to and within walking distance to the subject site. The proposal is in keeping with the nature of the development in the area which caters to a variety of needs and provides a casual alternative to dining for residents and employees in the area. As such, the request will continue to serve a function and provide a service that will be beneficial to the community which in conjunction with the imposition of a number of conditions addressing operational conduct will result in the enhancement of the built environment.

2. **The project's location, size, height, operations and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.**

The subject property is on a corner parcel of land, consisting of approximately 12,864 square-foot corner irregular lot. The site is developed with a one-story building, built in 1941 and 13 parking spaces directly east of the building. Vehicular access is via a driveway on Manhattan Place. Pedestrian access is via 6th Street.

The northern portion of the subject property is zoned R4-2 and the southern portion is zoned C2-1, with a Neighborhood Office Commercial land use designation and is located within the Wilshire Community Plan Area, the Wilshire Center / Koreatown Redevelopment Project (ZI-1940) and Los Angeles State Enterprise Zone (ZI-2374).

Adjoining properties directly to the north are zoned R4-2 and developed with a three-story residential dwelling. Further to the north properties are also zoned R4-2 and developed with a three story apartment building.

Properties to the south across 6th Street is zoned C2-1 and is developed with a Union 76 gas station. Beyond that to the south is zoned R5-2 and developed with a multi-story residential dwelling.

Properties to the east across Manhattan Place are zoned C2-1 and R4-2 developed with a one-story Karaoke restaurant and a multi-story apartment building.

Adjoining properties to the west is zoned C2-1 and are developed with an Art Gallery. Further down 6th Street and across St. Andrews Place, properties are developed with a residential dwellings.

As the project is located in a zone with like uses, there are several restaurants in the immediate area which cater to a neighborhood with several multi-story apartments and units. The location allows options for dining and opportunity for residents to walk or use public transportation. The use located on a commercial corner and oriented away from residential uses will allow easy access from 6th Street with available parking on-site.

The applicant has submitted a Master Land Use Application and Special Instruction for Alcohol and Adult Entertainment Establishment Form with statements indicating there will be no piano bar, no dancing, no live entertainment, no movies, no karaoke, no video game machines as this establishment is a bona-fide eating place (restaurant). At the public hearing held before the Zoning Administrator on May 10, 2016, the applicant's representative requested the applicant be granted approval to have live music, a band (trio). The notice of public hearing did not include a request for live entertainment. Therefore, no entitlement has been granted. The request is for a restaurant having 13 dining rooms with 134 interior seats. As noted, and as further determined at the public hearing before the PLUM Committee, any obstructions within the interior space of the facility which restrict, limit or obstruct the clear view of the occupants including all partitions, booths or dining rooms both legal and illegally constructed are to be removed to ensure the business will operate as a bona fide restaurant.

To further ensure the use is compatible with adjacent properties, the exterior windows and glass doors of the restaurant will not have signs visible from the outside from the ground to at least six (6) feet in height above the ground which will also permit surveillance into the location by police/private security. Any noise generated on the property is not allowed to exceed the noise limits as regulated by the City's noise ordinance; therefore the use of the site is not expected to be detrimental to the neighborhood character. In case of any complaints from the

community, a 24-hour hot line is required to document and to respond to any public complaints within 24- hours. The primary focus of the business operation of the restaurant is to serve food and the sale of alcoholic beverages for on-site consumption is in conjunction with the proposed restaurant. As conditioned, the restaurant use with the full line of alcoholic beverages will not be materially detrimental to the character of the immediate neighborhood.

The subject grant for alcohol sales is authorized for a term of 5 years after which time the applicant will have to request authorization to continue the sale of alcohol. This allows the City an opportunity to review the operation of the restaurant anew. If the operation has been conducted appropriately and without creating problems, then a subsequent decision to allow the continuation of such sales may take that into favorable consideration. A record of poor compliance and/or nuisance complaints would allow the city the discretion to not continue the requested use and thus avoid the need to proceed with prolonged nuisance abatement proceedings.

As such, the project's location, size, height, operations and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety and the development of the Downtown Los Angeles community.

3. **The project substantially conforms with the purpose, intent and provisions of the General Plan, the applicable community plan, and any specific plan.**

There are eleven elements of the General Plan. Each of these Elements establishes policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The majority of the policies derived from these Elements are in the form of Code Requirements of Los Angeles Municipal Code. Except for those entitlements described herein, the project does not propose to deviate from any of the requirements of the Los Angeles Municipal Code.

The Land Use Element of the City's General Plan divides the city into 35 Community Plans. The Wilshire Community Plan Map designates the property for Regional Center Commercial land uses with corresponding zones of C2, C4, P and PB and Height District No. 2. The property is not currently within the area of any specific plans or interim control ordinances.

The Plan is silent as to the on-site service of alcoholic beverages. This project is in harmony with the goals and the intents of the General Plan Elements adopted for this geographical area in that, as conditioned, it will allow for optimum use of this site without detriment to adjacent or nearby properties.

Based on the above, it can be concluded that the project substantially conforms to the purpose, intent and provisions of the General Plan and the Wilshire Community

Plan.

4. **The proposed use will not adversely affect the welfare of the pertinent community.**

The subject site will need to obtain a change of use from nightclub/karaoke into a restaurant and a building permit to remove the 13 individual dining rooms. Certificate of Occupancy obtained from the Department of Building and Safety Permit No. 01016-10000-10064 is for a night club with 7 karaoke/music box rooms and a 20.4' x 68.6' covered patio. As further determined at the public hearing before the PLUM Committee, all individual dining rooms identified on floor plans as submitted with Master Land Use application including unapproved dining rooms are required to be removed prior to effectuation of the grant.

The sale of alcoholic beverages at the restaurant will be located within the Wilshire Community Plan neighborhood which is characterized by clusters of commercial uses especially along 6th Street. The sale of alcohol at this location does not represent the introduction of a new use or one which is uncommon to the area.

The conditions require a surveillance system, adequate lighting and requires that windows be maintained free of excessive signage to allow surveillance. In addition, the grant requires that the Applicant install an age verification device at all points-of-sale, to deter underage purchases and drinking. Employees will undergo training on the sale of alcoholic beverages including training provided by the Los Angeles Police Department STAR (Standardized Training for Alcohol Retailers) Program. Other conditions related to excessive noise, preventing litter and loitering will safeguard the residential community in and around the building and by providing a 24-hour hot line, the community will be able to communicate with the operator regarding any complaints or concerns due to the operation.

To ensure that alcoholic beverages are not taken out of the premises, the applicant must ensure there is a policy on how the alcoholic beverages are to be sold and served. In addition, the applicant is required to establish a "Designated Driver Program" with visible posting for patrons. Therefore, with the imposition of such conditions the sale of alcohol at this location will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.

As conditioned by this grant, the request for the sale and dispensing of full line of alcoholic beverages for on-site consumption will not adversely affect the welfare of the pertinent community while enhancing the subject restaurant. In addition, the approval of the application at this location will not adversely affect the economic welfare of the community because the subject restaurant will continue to add economic vigor to the local economy. The project will contribute to the business tax.

5. **The granting of the application will not result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages, including beer and wine, in the area of the City involved, giving consideration to applicable State laws and to the California Department of Alcoholic Beverage Control’s guidelines for undue concentration; and also giving consideration to the number and proximity of these establishments within a one thousand foot radius of the site, the crime rate in the area (especially those crimes involving public drunkenness, the illegal sale or use of narcotics, drugs or alcohol, disturbing the peace and disorderly conduct), and whether revocation or nuisance proceedings have been initiated for any use in the area.**

The Project Site is located within Census Tract 2121.02. According to the California Department of Alcoholic Beverage Control (“ABC”) licensing criteria, 2 on-sale and 1 off-sale alcoholic beverage licenses are allocated to subject Census Tract No. 2121.02. Data provided on the ABC’s License Query System indicate that there are 8 existing onsite and 3 existing offsite alcoholic beverage licenses within the subject Census Tract.

Within a 1,000-foot radius of the subject property, the following types of alcoholic beverage licenses are active or pending:

- (2) Type 21 Off Sale Beer and Wine
- (12) Type 41 On Sale Beer and Wine for Bona Fide Public Eating Place
- (12) Type 47
- (13) Full line
- (20) Beer & Wine

Alcohol Establishments

- Samwoo Enterprises 623 S. Western Ave
- School Food Enterprises 621 S. Western Ave # 301
- House Foods America Corp. 621 S. Western Ave. Ste. 208B
- Gangjung Inc. 621 S. Western Ave, Ste. 203
- Ho Bin Choi 3839 Wilshire Blvd.
- Mr. Pizza 3881 Wilshire Blvd.
- Wilshire Bistro 3869-3871 Wilshire Blvd.
- Hera Enterprise Inc. 3879 Wilshire Blvd.
- Feyk Enterprises Inc. 3839 Wilshire Blvd.# A
- B & K Enterprise Inc. 3855 Wilshire Blvd.
- Dae Seok Daniel Jeong 553 S. Western Ave, Ste. A
- Aceplus 4001 W. 6th St.
- Chong Hoa Han 532 W. Western Ave
- Café Moss Inc. 3979-81 W. 6th St.
- Yu Jung Restaurant Inc. 533 S. Western Ave, Ste. C
- Bokga Inc. 545 S. Western Ave, #D

- Frank N. Hank LLC. 518 S. Western Ave
- E J Restaurants Inc. 3750 Wilshire Blvd.
- Ho Bin Choi 3828 Wilshire Blvd.
- 401 South Hover Property Inc. 3900 Wilshire Blvd.
- BBB Group LLC. 3832 Wilshire Blvd., Ste. 202
- 7 Eleven Inc. 3975 Wilshire
- Hankook Appraisal Inc. 3959 Wilshire Blvd., Ste. A11
- Garfield Beach CVS LLC 7551 Wilshire Blvd.
- Cathy Wonae Ghil 3914 Wilshire Blvd.
- Da Beer Inc. 3959 Wilshire Blvd., Ste. B211 & 213
- Shavuhy USA Inc. 3807 Wilshire Blvd. , Ste. 120-125
- Richard Rhee Est. 450 S. Western
- Jung Mo Yang 425 S. Western Ave., #E
- Feng Mao Inc. 414 S. Western Ave., #E
- Creative Space Development, LLC 3900 W. 6th St.
- SJ Dining Inc. 414 S. Western Ave., Ste. B

According to statistics provided by the LAPD, which has jurisdiction over the subject property within Crime Reporting District No. 2027, a total of 197 crimes were reported in 2014, compared to the citywide average of 163 crimes and the high crime reporting district average of 196 crimes for the same period.

In 2014, there were 23 Narcotics, 4 Liquor Law, 7 Public Drunkenness, 0 Disturbing the Peace, 2 Disorderly Conduct, and 31 DWI related arrests. These numbers do not reflect the total number of arrests in the subject reporting district over the accountable year. Arrests for this calendar year may reflect crimes reported in previous years.

Over concentration can be undue when the addition of a license will negatively impact a neighborhood. Over concentration is not undue when the approval of a license does not negatively impact an area, but rather such a license benefits the public welfare and convenience. The subject site is located on a commercial corridor where a concentration of restaurants is evident and thus the higher number of alcoholic beverage licenses are anticipated. Negative impacts commonly associated with the sale of alcoholic beverages, such as criminal activity, public drunkenness, and loitering are mitigated by the imposition of conditions requiring surveillance, security guards and deterrents against loitering. The conditions will safeguard the welfare of the community.

6. **The proposed use will not detrimentally affect nearby residentially zoned communities in the area of the City involved, after giving consideration to the distance of the proposed use from residential buildings, churches, schools, hospitals, public playgrounds and other similar uses, and other establishments dispensing, for sale or other consideration, alcoholic beverages, including beer and wine.**

The following sensitive uses were observed within a 1,000-foot radius of the subject property:

- Multi-family Residential Uses
- Condominiums
- Child Green Preschool 543 W. Wilton Place
- Options for Youth High School 3959 Wilshire Boulevard
- ECC Academy High School 3850 Wilshire Boulevard
- St. James Episcopal School and Super Duper Child Care Services
- Dreamland Children’s Preschool 545 S. Serrano Avenue
- Artory N Apple Tree Preschool & Wiz Island Preschool
- Christ Church 635 S. Manhattan Place
- Mijoo Yan Kog Presbyterian Church 519 S. Western Avenue
- St. James Episcopal Church 3903 W. Wilshire Boulevard
- Church of Joy 3938 W. Wilshire Boulevard
- Evergreen Child Case 3960 W. Wilshire Boulevard, #306
- Iglesia De Jesucristo Casa De 3907 W. 6th Street
- Esther Jee Baek Church 3921 Wilshire Boulevard
- King Learning Ctr. Childcare Service 519 S. Western Avenue
- One Step Learning Ctr Childcare Service 3960 Wilshire Boulevard, #301

Consideration has been given to the distance of the restaurant use from residential buildings and the above-referenced sensitive uses. The grant has been well conditioned, which should protect the health, safety and welfare of the surrounding neighbors. The potential effects of excessive noise or disruptive behavior have been considered and addressed by prohibiting live entertainment, karaoke, dancing, and off-site sales. The sale and dispensing of a full line of alcoholic beverages will be incidental to meal service and the establishment will continue to operate as a restaurant, with no off-site sales.

Together, these policies and procedures will ensure the nearby residential zones or uses are not detrimentally affected by the addition of alcohol to the menu. Employees will be required to go through City of Los Angeles Police Department S.T.A.R. training.

In addition, the condition to require that the applicant return within 18-24 months is designed to make the use compatible and accountable to its neighbors and to the surrounding greater community. As conditioned, the restaurant will continue to contribute significantly toward the enhancement of quality of life and economic revitalization of the area.

FINDINGS – MINI-SHOPPING CENTERS AND COMMERCIAL CORNER DEVELOPEMNTS

7. **Based on data provided by the Department of Transportation or a licensed traffic engineer, ingress to, egress from and associated parking on of the**

automotive use will not constitute a traffic hazard or cause significant traffic congestion or disruption of vehicular circulation on adjacent streets.

The proposed 2:00 a.m. closing time on Friday and Saturday will not cause or constitute a traffic hazard or cause significant traffic congestion or disruption of vehicular circulation on adjacent streets as this is well beyond any peak traffic hour. The proposed project provides on-site parking and is accessed via Manhattan Place. The project meets Code required parking per Building and Safety. There will be no addition of floor space or exterior construction in connection with the project.

8. **Project approval will not create or add to a detrimental concentration of Mini-Shopping Centers or Commercial Corner Developments in the vicinity of the proposed project.**

The proposed project only seeks an approval for on-site sales and dispensation of a full line of alcoholic beverages pursuant to an ABC Type 48 License. The proposed restaurant will be located in an existing structure. The instant request does not add to a detrimental concentration of commercial corner developments. No exterior construction will occur as a result of this grant.

ADDITIONAL MANDATORY FINDINGS

9. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone X, areas of minimal flooding.
10. On March 17, 2016, the project was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference ENV-2016-0933-CE for a Categorical Exemption, Class 5, Category 34, City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 15100. I hereby adopt that action.