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August 25, 2017

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

APPEAL SUMMARY AND GENERAL PLAN AMENDMENT, ZONE CHANGE, AND HEIGHT DISTRICT CHANGE JUSTIFICATION, 929 AND 939 EAST 2ND STREET; CF 17-0808

Project Background

The proposed project involves a change of use and addition to an existing, approximately 39,148 square-foot, two-story warehouse building with one subterranean level into a seven-story, approximately 131-foot high, 102,679 square-foot, commercial development with a food market/restaurant/café, coffee bar, retail space, artist studios, and a private membership club providing space for offices, a screening room, retail, a gym, a pool, photo studios, events, and a restaurant/lounge.

On June 8, 2017, the City Planning Commission approved a Master Conditional Use Permit for the sale and dispensing of alcoholic beverages for the proposed food market/restaurant, café, and private membership club; a Zone Variance to allow for deviations from Los Angeles Municipal Code automobile and bicycle parking and siting requirements; and Site Plan Review for a development which creates, or results in an increase of 50,000 square feet or more of non-residential floor area. The City Planning Commission also recommended approval of a General Plan Amendment to amend the Central City North Community Plan to re-designate the subject property from Commercial Manufacturing to Regional Commercial and a Zone Change and Height District Change from CM-1-RIO to (T)(Q)C2-2-RIO.

The City Planning Commission's determination letter was issued on June 29, 2017. During the appeal period, one appeal of the Master Conditional Use Permit, Zone Variance, and Site Plan Review was filed by Mr. Travis Schlink, a resident of 120 South Vignes Street near the subject property. The General Plan Amendment, Zone Change, and Height District Change are not appealable, but are before City Council to act upon as land use legislative actions.

Appeal of Master Conditional Use Permit, Zone Variance, and Site Plan Review

Staff recommends that the PLUM Committee recommend for Council Action to deny the submitted appeal and sustain the City Planning Commission's approval of the Master Conditional Use Permit, Zone Variance, and Site Plan Review for the development and operation of a seven-story, approximately 131-foot high, 102,679 square-foot, commercial development within the Central City North Community Plan under City Planning Case No. CPC-2016-1080-GPA-ZC-HD-MCUP-ZV-SPR.

The following statements have been compiled and summarized from the submitted appeal and responded to below.

1. ***Lack of Consideration for 120 South Vignes Street Residents***

APPEAL POINT:

The appellant maintains that there has been a lack of consideration for residents at 120 South Vignes Street and as such, there is reason to believe the analysis of the project may be based on inaccurate and incomplete information that does not take into account those individuals.

STAFF RESPONSE:

The project has met all applicable legal noticing and circulation requirements in accordance with the Los Angeles Municipal Code and California Environmental Quality Act. The project's Initial Study/MND was circulated for public comment from February 16, 2017 to March 8, 2017 and was available for viewing on the City's website and in the Environmental Review Section of the Planning Department in Room 750, 200 North Spring Street. In accordance with public noticing requirements of the LAMC, a Notice of Public Hearing for the initial hearing before the Hearing Officer for Case No. CPC-2016-1080-GPA-ZC-HD-MCUP-ZV-SPR and the Advisory Agency for Case No. VTT-74122-CN was posted and circulated to the public on February 16, 2017 for a public hearing scheduled on March 22, 2017. It was discovered that the notice was not mailed to 17 residential units of the building where the appellant resides, at 120 South Vignes Street. An investigation indicated the reason notices were not mailed to those residents is the units in that building do not appear on the Los Angeles County Assessor information for which the mailing list for the notices were generated. Upon the discovery, the March 22, 2017 hearing was postponed, corrected mailing labels were generated, and new hearing notices were mailed out to all prior recipients in addition to the residents of 120 South Vignes Street for the rescheduled Hearing Officer/Advisory Agency hearing on April 19, 2017. This provided those residents with sufficient notice and opportunity to participate in the public process with regard to the proposed project.

The project's potential environmental impacts were analyzed in the Initial Study/MND prepared for the project. The environmental impact analysis contains an assessment and discussion of impacts associated with each environmental issue and subject area identified in the Initial Study Checklist. The thresholds of significance are based on the practice of the City of Los Angeles, the L.A. CEQA Thresholds Guide, and State CEQA Guidelines. As shown in the environmental impact analysis contained in the Initial Study, no substantial

evidence indicates a fair argument that the project would have significant environmental impacts which cannot be mitigated to a less than significant level.

The appellant has had the opportunity to participate in the public process in accordance with LAMC requirements and CEQA and their comments were considered prior to a decision being rendered. The appellant has not specified what analysis is lacking or provided any evidence to counter the analysis already conducted for the project. There is no connection between the issue of the hearing notice, which was appropriately rectified, and the methods for analyzing the proposed development.

2. *Traffic and Parking Impacts*

APPEAL POINT:

The appellant argues that the project will result in traffic congestion along Vignes Street and the alleyway abutting the appellant's property, create an "unnatural" intersection, and remove street parking with no accommodations for individuals who rely on those spaces.

STAFF RESPONSE:

A traffic study was prepared, approved by the Los Angeles Department of Transportation (LADOT), and included as part of the project's environmental clearance. The traffic study takes into account impacts caused by both construction and operations of the project and analyzes present and future traffic conditions at the 2019 anticipated buildout of the project. The project will add new vehicle trips beyond what the current building on the site generates, but it will not result in significant impacts under the applicable LADOT thresholds. The MND also determined that no significant cumulative traffic impacts would be caused by the project, which takes into consideration impacts from ongoing and future development projects in the area. To further reduce potential impacts on traffic, the project includes the adoption of a Construction Traffic Management Plan to further reduce any potential temporary project-related construction impacts to local access and ensure emergency access is maintained.

The project has not been designed to take access off the alleyway abutting the appellant's property, nor will it alter any nearby intersections. Furthermore, the applicant will be required to submit a driveway and access plan to LADOT for review and approval to ensure that vehicular ingress and egress to and from the project site is to par with City regulations.

The proposed project will provide 241 parking spaces on site, which would be 36 spaces more than the maximum 205 spaces required by the LAMC. The excess parking has been conditioned to be made available to the public during operating hours, so although the project will result in a loss of approximately nine street parking spaces, there will be a net gain in parking for the neighborhood as a result of the proposed development. There is no basis for the decision maker to require the project to provide parking beyond code requirements or preserve street parking, especially in an area well connected to transit.

- 3. The proposed development is inconsistent and incompatible with current and future development in neighboring properties.***

APPEAL POINT:

The appellant contends that the proposed development is inconsistent and incompatible with current and future development in neighboring properties. Specifically, the proposal misrepresents its own size and scale and asks for an unnecessarily broad zone change.

STAFF RESPONSE:

The project site is located within the Arts District, a neighborhood originally planned and zoned for industrial uses that is rapidly transforming to include new residential, commercial, and mixed-use developments and converted industrial space. The proposed building will be seven stories and approximately 131 feet in height; it will contain 102,679 square feet of floor area at a Floor Area Ratio (FAR) of 3.47 to 1. While the development would be taller and greater in mass than the immediately surrounding buildings, the project would be similar in size, scope, and scale to recently completed and proposed projects in the general vicinity and the Arts District as a whole. Other buildings that fit the same context include the five-story mixed-use building abutting the project site to the west with a permitted FAR of 3.5 to 1 (the Garey Building), the 4.5-story residential development at Alameda and 2nd Street known as the Savoy with a permitted FAR of 2.32 to 1, and the six-story One Santa Fe mixed-use development located approximately 440 feet east of the project site with a permitted FAR of 3 to 1. Moreover, the recommended plan amendment to Regional Commercial and zone change to (T)(Q)C2-2-RIO would make the project consistent with the neighboring Garey Building site, which is planned for Regional Commercial land uses and zoned (T)(Q)C2-2D-RIO. As such, the project would be consistent with current and future development and the recommended zone change to (T)(Q)C2-2-RIO would be consistent with existing zoning in the immediate vicinity of the project site.

The size and scale of the proposed development have not been misrepresented. The building height (including height and stories), FAR, and setbacks were disclosed in public documents and analyzed appropriately in the MND.

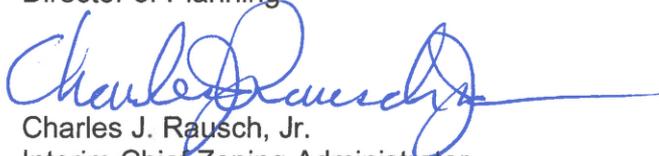
Recommended Approval of General Plan Amendment, Zone Change, and Height District Change

Whereas the current CM-1-RIO zoning of the project site permits a maximum FAR of 1.5 to 1 and unlimited height and stories, the recommended (T)(Q)C2-2-RIO zone permits a maximum FAR of 3.47 to 1, as part of the (Q) Qualified Conditions of Approval. The project site is located within the Arts District, a neighborhood originally planned and zoned for industrial uses that is rapidly transforming to include new residential, commercial, and mixed-use developments and converted industrial space. While the proposed development would be taller and greater in mass than the immediately surrounding buildings, the project would be similar in size, scope, and scale to recently completed and proposed projects in the general surrounding vicinity and the Arts District as a whole. Moreover, the recommended General Plan Amendment, Zone Change, and Height District Change would make the project consistent with the neighboring mixed-use development to the west, which is planned for Regional Commercial land use and zoned (T)(Q)C2-2D-RIO.

The focus on the proposed private membership club to provide a social and work space for artists aligns with the longstanding identity of the Arts District as a place for artists and creative types to live, work, and congregate. Furthermore, the increased commercial activity in the area will allow more employment opportunities, incentivize local spending and activity, stimulate economic growth, create a pedestrian-friendly shopping area and community, and increase convenience for local residents and workers of the neighborhood. The revitalized site will attract the interest of residents, potential investors, and businesses as the area continues to revitalize. As such, approval of the recommended General Plan Amendment, Zone Change, and Height District Change would enable the development and use of the site for commercial purposes consistent with the scale, demand, and identity of existing developments within the surrounding neighborhood.

Sincerely,

VINCENT P. BERTONI, AICP
Director of Planning



Charles J. Rausch, Jr.
Interim Chief Zoning Administrator

VPB:CJR:JM:CS

c: Nicholas Hendricks, Senior City Planner, Jenna Monterrosa, City Planner, Courtney Shum, City Planning Associate