

Craig Lawson & Co., LLC

Land Use Consultants

June 14, 2018

Jose Huizar, Chair
Planning and Land Use Committee of the Los Angeles City Council
Councilmember - Council District 14
City of Los Angeles
201 North Spring Street,
Los Angeles, CA 90012

Regarding: **Request for Modification and Appeal**
900 South San Julian Street
CPC-2013-4050-GPA-VZC-HD-SN-FAR-MCUP-ZV-SPR 1A, CPC-2013-4051-
DA & ENV-2012-3003-EIR
Related cases: VTT 72376

Honorable Chair Huizar

I represent the City Market of Los Angeles, the Applicant, in the above referenced case. The Applicant requests modifications to the recommendations approved by the City Planning Commission ("CPC") at their November 9, 2017 public hearing for the CPC case and the Development Agreement. These modifications are in addition to our Appeal of the CPC recommendation to deny the requested Supplement Use District which is also discussed below.

The Project

The proposed development, known as the City Market of Los Angeles (the "CMLA or Project") proposes a mix of land uses to redevelop a currently dormant 10-acre site into a vibrant and creative mixed-use development. The focus of the proposed development is to revitalize the site into an active economic node of activity that also provides residential and commercial opportunities. While the project proposes a specific development scheme, it is also requesting the approval of a Land Use Equivalency matrix providing limited and specific flexibility to the ultimate build out.

The Project Site is anticipating approximately 312,112 square feet of educational/corporate campus floor area, the construction of approximately 945 multiple residential dwelling units, a maximum of 210 hotel rooms, approximately 272,641 square feet of commercial (including medical and creative general office) and manufacturing uses, and approximately 224,862 square feet of retail floor area (including restaurants, bars, event space, wholesale uses and a cinema with approximately 744 seats), and. In total, the Project will include up to approximately 1,699,536 square feet of floor area. While the Project proposes a specific development scheme, it is also requesting the approval of a Land Use Equivalency matrix providing limited and specific flexibility to the ultimate build out.

Modifications Requested to CPC 2013-4050 GPA-VZC-HD-SN-CU-MCUP-SPR

Condition [Q3]: We request the following modifications to The City Market of Los Angeles Design Guidelines, "Exhibit C, dated February 2018. We used a strikeout format for deletions and underline format for additions.

- 2.4.2. General Standards and Guidelines (Page 41) bullet four requires all trash service to be within the project site. Three out of the four Project's Blocks are serviced by an alley, which we believe, permits those Blocks to achieve consistency with the intent of this Condition. We believe the intent of this Condition is to prohibit trash pickup on public streets. Unfortunately, Block 1 does not have an existing or proposed alley creating design challenges as first floor ceiling heights will be required to be a minimum of 24 feet tall. This height is needed to allow trash truck to raise the trash can above itself to dump the contents into the truck. Consequently, the Applicant is requesting the following modification to the standard.

"All servicing, loading and garbage pickup zones shall be located away from pedestrian areas, open spaces and key intersections to minimize visual impact on streets and open spaces. With the exception of Block 1, all trash service shall be within the project site."

- Standard 3.2.2.4 Height Zone D (page 50) requires a minimum 240-foot-tall building in this area. Consistent with the flexible nature of the entitlement, the Applicant is requesting that this minimum height be reduced to 150 feet allowing the site to be developed based on project specific site planning in lieu of an arbitrary standard. Consequently, the Applicant respectfully requests that this be amended to read

"Height Zone D refers to the building zone between 150 feet and 454 feet; the high-rise zone. Development in the height zone is permitted to a minimum height of 240 150 feet above grade and a maximum of 454 feet above grade."

This change includes amending Figure 45: Block 1 -Setback Diagram. Additionally, please note that the Site 4 callout has the min and max heights reversed. Please correct.

- Standard 3.5.3 Solar (page 59) requires ten percent of all energy usage shall be provided by solar or other forms of passive energy. While the Client supports the intent of this Condition, it is concerned that it is a new and unproven Condition which could end up stalling the redevelopment of this important site. The Applicant is requesting the flexibility to accommodate this request on-site, off-site or via a renewable energy certificate¹. Consequently, the Applicant respectfully requests the Condition be amended as drafted below

~~"10% of all energy usage shall be provided by solar or other forms of passive energy."~~

¹ **Renewable Energy Credits** are tradable, non-tangible energy commodities in the United States that represent proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource (renewable electricity) and was fed into the shared system of power lines which transport energy.

10% of annual energy consumed shall be provided by clean renewable energy systems located either on-site/off-site and/or by renewable energy certificate (REC)"

- Standard 3.5.4 Grey Water (page 59) requires grey water to be used within all landscape irrigation throughout the site. Once again, the Client agrees with the intent of this condition, but is concerned it will create challenges if it is required through the site. These systems are just starting to be used in development and their efficiency, cost and operations are still being determined. Consequently, the Applicant respectfully requests the Condition be modified to read

"Where feasible, the use of a grey water system shall be used for landscape irrigation throughout the site.

Modifications Requested to CPC 2013-4051-DA

Currently Section 2.3.1.b.1-4 requires that for the first half of the 945 units 5% (24 units) shall be reserved for Low Income Housing and 5% (24 units) reserved for Very Low-Income Housing. The second half of the 945 units 5% (24 units) shall be for Workforce Housing Program and 5% (24 units) Very Low-Income Housing.

We request instead that 10% of units be reserved for Workforce level housing for the first half of the 945 residential units built, and then 10% Moderate level for the second half of residential units built.

This request is justified by the transitional nature of the area in which the Project Site sits and by the need for Workforce level (150% of AIM) housing in the City. Given this location, the market rents will be significantly lower than in other areas of Downtown Los Angeles. As such, the Project cannot economically absorb (or offset) the Low and Very Low affordable housing levels that other projects can offset. This area would traditionally require subsidies to provide affordable housing. No subsidies are being requested by the Applicant or offered by the City. The CPC recommends 5% Low and 5% Very Low for the first half of units and then 5% Workforce level and 5% Very Low for the second half of units. As redevelopment of the area begins in this transitional area front loading the units with a restrictive rental standard jeopardizes the economic feasibility of the Project. This Project supports affordable housing in the area not merely through the provision of on-site deed restricted affordable, but the current iteration of the Development Agreement stipulates additional Cash Public benefits that will go to a CD14 Affordable Housing Trust Fund. Additionally, the Workforce and Moderate income qualification levels provide housing for underserved socioeconomic levels that is often ignored in the "barbell" housing market between the extremes of luxury housing/apartments and Very Low affordable units. Furthermore, as this Project does not create any displacement, the housing created is net new including the much-needed middle income housing. A goal of this Project is to transform an underserved area by creating a catalytic project that will spur additional development in the area as well as provide much needed housing in the City of Los Angeles, while maintaining financial feasibility for the Project.

Supplemental Use District Appeal Executive Summary

The CPC findings for this denial are conclusory, not supported by the evidence in the record and based, at least in part, on a draft signage ordinance rather than the current LAMC. As discussed in our submitted Appeal Justification (Exhibit A), the Project, and its Sign District, is consistent with the existing General Plan. The Sign District promotes the economic goals of the General Plan by creating a significant incentive to lure an anchor tenant that will re-establish the Site as economic node triggering ancillary development in the area promoting the health of the local economy. The approval of the Project, including the SUD, is in conformity with the public necessity, convenience, general welfare, and good zoning practice due to its potential to revitalize the Site, the surrounding area and advance the areas aesthetics. In general, the Project, including its Sign District, will act as the areas Redevelopment Agency. As evidenced in the Letters of Determination, the Staff Report and the Applicant's own submissions, the administrative record contains ample evidence to support the Sign District's approval. The CPC denied the approval in part on findings not found in the LAMC. Contrary to the CPC's findings, the LAMC does not require a Sign District be associated with or abut an existing entertainment district. Moreover, the CPC's recommendations regarding the Citywide Sign Ordinance amendments are not codified, the CPC may not properly deny the Sign District based on a purported inconsistency with those recommendations. This Appeals complete file can be found within Council File 18-0174-S1.

We respectfully request that your Committee grant these minor modifications to the CPC's recommended Conditions while also granting an appeal of the negative recommendation of the Supplemental Use Permit for Signage to facilitate the creation of a holistic project that meets the needs of the community, City, and Applicant. We thank you for your consideration in this matter. Please do not hesitate to call me to discuss this issue or to request additional information if necessary.

Sincerely,



Jim Ries
Senior Vice President

CC: Mark Levy, City Market Los Angeles.
Shawn Kuk, Planning Director, Council District 14, City of Los Angeles
Luciralia Ibarra, Senior City Planner, City of Los Angeles
Christine Toy-Lee, Senior City Planner, City of Los Angeles
William Delvac, Armbruster Goldsmith & Delvac
Arnie Berghoff, Arnie Berghoff & Associates

EXHIBIT A



APPLICATIONS:

APPEAL APPLICATION

This application is to be used for any appeals authorized by the Los Angeles Municipal Code (LAMC) for discretionary actions administered by the Department of City Planning.

1. APPELLANT BODY/CASE INFORMATION

Appellant Body:

Area Planning Commission
 City Planning Commission
 City Council
 Director of Planning

Regarding Case Number: CPC-2013-4050-GPA-VZC-HD-SN-CU-MCUP-SPR

Project Address: 1057 S. San Pedro St (see attached for all addresses associated with Site)

Final Date to Appeal: 03/21/2018

Type of Appeal:
 Appeal by Applicant/Owner
 Appeal by a person, other than the Applicant/Owner, claiming to be aggrieved
 Appeal from a determination made by the Department of Building and Safety

2. APPELLANT INFORMATION

Appellant's name (print): Mark Levy

Company: The City Market of Los Angeles, Inc.

Mailing Address: 1057 S. San Pedro St.

City: Los Angeles State: CA Zip: 90015

Telephone: (213) 746-0646 E-mail: Mark@citymarketla.com

- Is the appeal being filed on your behalf or on behalf of another party, organization or company?
 - Self Other: Land Use Consultant
- Is the appeal being filed to support the original applicant's position? Yes No

3. REPRESENTATIVE/AGENT INFORMATION

Representative/Agent name (if applicable): Jim Ries

Company: Craig Lawson & Co., LLC

Mailing Address: 3221 Hutchison Ave, Suite D

City: Los Angeles State: CA Zip: 90034

Telephone: (310) 838-2400 E-mail: jim@craiglawson.com

4. JUSTIFICATION/REASON FOR APPEAL

Is the entire decision, or only parts of it being appealed? Entire Part

Are specific conditions of approval being appealed? Yes No

If Yes, list the condition number(s) here: _____

Attach a separate sheet providing your reasons for the appeal. Your reason must state:

- The reason for the appeal
- How you are aggrieved by the decision
- Specifically the points at issue
- Why you believe the decision-maker erred or abused their discretion

5. APPLICANT'S AFFIDAVIT

I certify that the statements contained in this application are complete and true:

Appellant Signature: MAJ

Date: 3-19-2018

6. FILING REQUIREMENTS/ADDITIONAL INFORMATION

- Eight (8) sets of the following documents are required for each appeal filed (1 original and 7 duplicates):
 - Appeal Application (form CP-7769)
 - Justification/Reason for Appeal
 - Copies of Original Determination Letter
- A Filing Fee must be paid at the time of filing the appeal per LAMC Section 19.01 B.
 - Original applicants must provide a copy of the original application receipt(s) (required to calculate their 85% appeal filing fee).
- All appeals require noticing per the applicable LAMC section(s). Original Applicants must provide noticing per the LAMC, pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of the receipt.
- Appellants filing an appeal from a determination made by the Department of Building and Safety per LAMC 12.26 K are considered Original Applicants and must provide noticing per LAMC 12.26 K.7, pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of receipt.
- A Certified Neighborhood Council (CNC) or a person identified as a member of a CNC or as representing the CNC may not file an appeal on behalf of the Neighborhood Council; persons affiliated with a CNC may only file as an individual on behalf of self.
- Appeals of Density Bonus cases can only be filed by adjacent owners or tenants (must have documentation).
- Appeals to the City Council from a determination on a Tentative Tract (TT or VTT) by the Area or City Planning Commission must be filed within 10 days of the date of the written determination of said Commission.
- A CEQA document can only be appealed if a non-elected decision-making body (ZA, APC, CPC, etc.) makes a determination for a project that is not further appealable. [CA Public Resources Code ' 21151 (c)].

This Section for City Planning Staff Use Only		
Base Fee:	Reviewed & Accepted by (DSC Planner):	Date:
Receipt No:	Deemed Complete by (Project Planner):	Date:
<input type="checkbox"/> Determination authority notified		<input type="checkbox"/> Original receipt and BTC receipt (if original applicant)

JUSTIFICATION/REASON FOR APPEAL

Introduction

The Applicant is appealing the denial of the Supplemental Use District for Signage (“Sign District”) by the City Planning Commission (“CPC”) at its November 9, 2017 public hearing. The Applicant contends that: (i) the Sign District is consistent with the General Plan, is in conformity with the public necessity, convenience, general welfare and good zoning practice, would directly advance the purposes of the aesthetics and traffic safety, and is an important component of a potentially catalytic project; (ii) the administrative record contains evidence in support of these findings, which the CPC disregarded; (iii) the CPC failed to support its determination that the required findings could not be made; and (iv) the CPC’s denial findings are based, in part, on an asserted inconsistency with a draft signage ordinance, rather than the current Los Angeles Municipal Code (“LAMC”).

Executive Summary

The CPC findings for this denial are conclusory, not supported by the evidence in the record and based, at least in part, on a draft signage ordinance rather than the current LAMC. As discussed further below, the Project, and its Sign District, is consistent with the existing General Plan. The Sign District promotes the economic goals of the General Plan by creating a significant incentive to lure an anchor tenant that will re-establish the Site as economic node triggering ancillary development in the area promoting the health of the local economy. The approval of the Project, including the SUD, is in conformity with the public necessity, convenience, general welfare, and good zoning practice due to its potential to revitalize the Site, the surrounding area and advance the areas aesthetics. In general, the Project, including its Sign District, will act as the areas Redevelopment Agency. As evidenced in the Letters of Determination, the Staff Report and the Applicant’s own submissions, the administrative record contains ample evidence to support the Sign District’s approval. The CPC denied the approval in part on findings not found in the LAMC. Contrary to the CPC’s findings, the LAMC does not require a Sign District be associated with or abut an existing entertainment district. Moreover, the CPC’s recommendations regarding the Citywide Sign Ordinance amendments are not codified, the CPC may not properly deny the Sign District based on a purported inconsistency with those recommendations.

The Project

The proposed development, known as the City Market of Los Angeles (the “CMLA or Project”), permits a mix of land uses designed to reestablish the Site as an active part of the Los Angeles economy. The 10-acre Site, generally bound¹ by San Pedro Street to the east, San Julian Street to the West, 9th Street to the north and 12th Street to the south, is largely vacant and significantly underutilized. The Project’s focus is to revitalize the Site into an active economic node providing residential and commercial opportunities capable of catalyzing re-investment in the Site and surrounding District. While the Project proposes a specific development scheme, it also requests the approval of a Land Use Equivalency matrix providing limited and specific flexibility to the ultimate build out. The Project’s approval also includes Design Guidelines, which integrate the signs into the buildings, ensure they enhance the Site as well as inspire redevelopment of surrounding properties.

¹ The exceptions to this boundary are two lots located west of San Julian between 9th and 11th Street

The Project proposes approximately 312,112 square feet of educational/corporate campus floor area, approximately 945 multiple residential dwelling units, a maximum of 210 hotel rooms, approximately 272,641 square feet of commercial (including medical and creative general office) and manufacturing uses, and approximately 224,862 square feet of retail floor area (including restaurants, bars, event space, wholesale uses and a cinema with approximately 744 seats). In total, the Project will include up to approximately 1,699,536 square feet of floor area.

Sign District

The Applicant proposes a Sign District for the Project Site to highlight the Site's employment theme and capitalize on the Site's unique qualities and the proposed Project. Signs and graphics have the potential to play a critical role in incentivizing the creation of a vibrant mixed-use campus anchored by an educational/corporate use. The proposed signage program includes a comprehensive set of development standards and design guidelines related to signage and illumination as it relates to the unified development program. Way-finding and identity signage is a major factor in creating and preserving the identity and design character of the Project.

The CPC denied the Sign District based on its inclusion of 5 specific signs, including one roof sign and 4 digital signs each. These signs are integrated into the Project's design, becoming unique architectural enhancements that serve important roles within the development. The integrated roof sign is specifically designed to create a sense of identity or place for the Site and becomes a visual beacon locating the Site within the greater Downtown area. The roof sign is also an architectural enhancement to the Project inspired by and consistent with the areas other noteworthy roof signs including ones found on the Bendix, Sears Mail Order, and Maxfield Building's. The four-digital displays also will promote placemaking for this Project, are a critical marketing incentive to the potential uses and will help energize the pedestrian's street level experience. The combination of well-designed pedestrian pathways, including sidewalks, active street level uses, and digital signage have the potential to generate a successful vibrant mixed-use Site reinvigorating the now dormant Site and have a positive catalytic effect on the surrounding community. The digital displays offer a unique marketing tool that is needed to incentivize and bring a large tenant needed to anchor the Site.

Consistency with Long Range Planning Goals

As outlined below, the Project is consistent with recent and current planning efforts related to the Site and the area. In recent years, Community Redevelopment Agency attempted to revitalize the Fashion District area via a District-wide plan. Additionally, DCP is currently updating its Community Plan for the area. In both cases, the Project is consistent with and supports the range of uses and intensities envisioned for the Site and area by these two organizations.

Prior to its dissolution, the Community Redevelopment Agency had begun a planning effort for the Fashion District area referred to as Fashion Your District². The initiative's market study identified the Project Site as a "Hot Spot" that could serve as a catalytic development to the larger District due to its size and central location within the Fashion District. The market study

² <http://www.fashionyourdistrict.org/>; <https://www.facebook.com/fashionyourdistrict/>

specifically called for “catalytic mixed-use development” at the Project Site and identified high demand for commercial office space, creative office space, hotel, and residential land uses for the area. The dissolution of the CRA ended its effort to revitalize the area, and the District has largely missed the current market upswing. Fortunately, the City Market of Los Angeles ownership elected to push forward with the vision for the successful redevelopment of the Site, which will also benefit the Fashion District and the City. Many area property owners in written or oral testimony, argued that a successful City Market of Los Angeles Project is a key component to the area’s transformation. Consequently, the Project is filling the redevelopment void left in the area.

Findings

1. The proposed Sign District is in conformance with the purposes, intent and provisions of the City of Los Angeles General Plan.

As illustrated in the administrative record and below, this Project and its integrated Sign District is in conformance with the purposes, intent and provisions of the City of Los Angeles General Plan. The City Planning Commission’s own findings, acknowledged that due to the Central City Community Plan silence related to “Sign Districts”, the approval of the “variance³ would be unlikely to adversely affect any element of the General Plan”. The Project’s integrated Sign District enhances the Site’s ability to achieve the vision of the General Plan’s Regional Center land use as an intense mixed-use node.

Prior to discussing consistency in more detail, it is worth noting that the CPC denied the approval in part on findings not found in the LAMC. The CPC stated the Sign District lacked consistency with its 2015 Citywide Sign Regulations recommendations. These recommendations have not been acted on by the City Council and are not law. Consequently, conformance with these recommendations is irrelevant to this finding of consistency with the General Plan and it was inappropriate for the CPC to base its findings on these recommendations. In addition, the LAMC does not require a Sign District be associated with or abut an existing entertainment district. Regardless of the fact the Code makes no mention of a Sign Districts proximity to an entertainment district, the CPC used it as a justification to deny the Sign District. The findings need to be based on the existing General Plan and Zoning code.

As mentioned previously, the Applicant believes the ability to offer signage is critical to landing a large anchor tenant that will fulfill the General Plans vision of creating a vibrant mixed-use development in a Regional Center land use designation. The City’s long-term vision for the Site is one of several catalytic sites that would increase the intensity of uses and maintain job creation, thereby creating synergy with the nearby employment center, which is served by quality public transit. The Sign District is in substantial conformance with the purposes, intent and provisions of the General Plan in the following respects:

³ We assume the use of this term in the determination letter was intended to refer to the application for a Sign District and not a variance.

General Plan Framework

The General Plan Framework, adopted in December 1996, provides current guidance on land use issues for the entire City. The Sign District is located within an area designated as Downtown Center on the General Plan Framework. Land uses encouraged within the Downtown Center consist of major visitor and convention facilities, government offices, uses as recommended by the Downtown Strategic Plan, corporate and professional offices, retail commercial (including malls), offices, personal services, eating and drinking establishments, telecommunications centers, entertainment, major cultural facilities, (libraries, museums, (etc.)), commercial overnight accommodations, mixed use structures integrating housing with commercial uses, multi-family housing (independent of commercial), major transit facilities, and inclusion of small parks and other community-oriented activity facilities. The Downtown Center is defined as “the principal government and business center of the region, with a worldwide market. It is intended to be the highest density center of the City and hub of regional transportation.” The Downtown Center is identified as a primary destination for businesspersons and travelers from around the world. To meet a Downtown Center goal of being maintained as the primary economic, governmental and social focal point of the region, Downtown Center development should reflect a high design standard.

The Sign District was developed according to the objectives and features set forth by the General Plan Framework, particularly as they relate to land use and economic development. Objective 3.11 of the General Plan Framework provides for “the continuation and expansion of government, business, cultural, entertainment, visitor-serving, housing, industries, transportation, supporting uses, and similar functions at a scale and intensity that distinguishes and uniquely identifies the Downtown Center.”

Permitting more liberal signage through the Sign District regulations would allow for the incorporation of large-scale signage and the latest digital technologies, creating a greater diversity of signage types at key locations throughout the district, and furthering the economic development goals of the General Plan Framework by allowing for greater marketing opportunities for retail, hotel, restaurant, and fashion or design-oriented uses.

The proposed Sign District is also consistent with General Plan Framework Objective 5.8 and its supporting policies to provide “[w]ell lit exteriors fronting on the sidewalk that provide safety and comfort commensurate with the intended nighttime use, ... and [to] encourage that signage be designed to be integrated with the architectural character of the buildings and convey a visually attractive character.” The Project area contains buildings and structures which were explicitly and intentionally tasked with designing signage into the building. The architecture supports and highlights new, imaginative displays, while also seamlessly integrating more traditional signage. The Sign District is appropriate because the high-rise towers located within the Project area will remain mostly free of signage, with the emphasis on dynamic and innovative signage placed at the pedestrian levels of the buildings: The Sign District, along with the Conceptual Sign Plan, which shows where signage will be generally located, restricts displays to limited sizes and locations on the towers’ podiums. Although the buildings were designed with signage in mind, they were not designed to simply maximize possible square footage of signage. No “wrapping” of building elements is encouraged nor permitted by the

proposed Project — signage will only be permitted in custom tailored, specific, and limited sign-to-façade ratios in limited locations that respect the architecture of each building. The proposed regulations also limit sign illumination so that the project area is enhanced by the ambient lighting of signage at nighttime, not simply washed-out in the flood of spotlights littering the streetscape. The combination of sign lighting, size and architectural orientation will enhance the visual character of the project area, without allowing signage to become the dominant streetscape feature.

Central City Community Plan

The Sign District will promote the objectives, policies and goals of the Central City Community Plan by adding to the commercial, cultural and recreational opportunities in Central City. By instituting more permissive signage regulations, the Sign District acts as a medium to promote more creative pedestrian displays at street level, while at the same time giving retail and restaurant tenants extra incentive to locate their businesses within the project area. Just as retail tenants will be drawn to the project area, visitors, tourists, and residents will have their interests piqued by the unique signage displays that the proposed Sign District permits. The Sign District is consistent with applicable objectives and policies of the Central City Community Plan, including the following:

Objective 2-1. *To improve Central City's competitiveness as a location for offices, business, retail, and industry.* Increased flexibility for vibrant signage creates an opportunity to draw an anchor tenant to the Site which will lead to stable retail and restaurant tenants within the Central City. The Fashion District provides a unique opportunity for educational institutions, offices, retail, restaurants, hotel, and housing associated with the creative and design arts. Such institutions, businesses and developments will benefit by the creation of a well-lit beacon in a previously underutilized area of the Central City. The regulations in the City Market Sign District Ordinance are uniquely suited to the environs of the project Site due to its holistic design and the related strong presence of retail, restaurant, hotel, and cultural uses.

Objective 2-3. *To promote land uses in Central City that will address the needs of all the visitors to Downtown for business, conventions, trade shows, and tourism.* The flexibility for creative and vibrant signage offered by the Sign District would contribute to a unique, cultural-based atmosphere which draws visitors into the project area; by permitting such signage, proponents of such land uses which desire increased amounts of signage will be drawn to the project area. The project area is situated near the Los Angeles Convention Center, the STAPLES Center and the LA Live! Development. The City Market will provide a well-lit beacon bringing visitors to the eastern edge of the Central City, providing a catalytic development for the surrounding Fashion District. The combination of these uses will create a streetscape that is shared by both residents and tourists. Tourism in this case can be considered from many viewpoints, including getting people to come downtown from other parts of the City, to simply leave their downtown residences and explore the neighborhood, and drawing in more conventional tourists visiting Los Angeles on vacation. This district performs a variety of functions to advance these goals, the foremost among them being a major tourism element used to draw people out onto the street and into other parts of downtown Los Angeles. The proposed Sign District will act as a conduit to draw tourist interest from the entertainment hubs of

the STAPLES Center and LA! Live and into other portions of downtown. The entire Central City area will benefit from the increase in tourism and related convention and business activity.

Objective 2-4. *To encourage a mix of uses which create an active, 24-hour downtown environment for current residents and which would also foster increased tourism.* The unique sense of place created in large part by the Sign District would contribute to a unique, cultural-based atmosphere; the regulations in the proposed Sign District will permit active signage, while at the same time restricting signage in such a way so as not to discourage people from residing in the project area. Such regulations are uniquely appropriate in this context because the Sign District is designed to create a core of activity in an otherwise underutilized area of the Central City.

Mobility Plan 2015-2035

The Sign District is consistent with applicable policies of the Mobility Element, including the following:

- 4.14 Wayfinding: Provide widespread, user-friendly information about mobility options and local destinations, delivered through a variety of channels including traditional signage and digital platforms

The Sign District will promote additional development, as well as help to better draw and retain retail tenants within the project area by acting as a catalytic development for the Fashion District. The Sign District component will tie into the public wayfinding by providing needed information to visitors and users of the Project in a comprehensive manner to allow free movement in and around the Site. And, access into the Project Site from the public ways will be enhanced by the features of the Sign District.

2. The proposed Sign District would conform to public necessity, convenience, general welfare and good zoning practice.

The City Planning Commission's finding that the Sign District would not conform to the public necessity, convenience, general welfare or good zoning practice is not supported in the record. To the contrary, there is abundant evidence in the record in support of this finding, as set forth below. The City Planning Commission found that this Project, including its signs, would not "improve the surrounding neighborhood as the surrounding uses consist of a mixture of retail and warehousing uses". In addition, it determined the Sign District should be denied because it is not located near an entertainment center. As discussed below, the Sign District would improve the surrounding area, and the proximity to an entertainment district is neither a prerequisite to approval of a Sign District nor necessary to establish neighborhood compatibility.

This Project will dramatically and positively impact of the surrounding area. As mentioned previously, the Applicant, local Property Owners and the CRA believed this Site has catalytic development potential for the area. A successful Project will increase the potential that other capital will invest in the area. Capital investment will bring new development that certainly will spur aesthetic improvements, and the Project's Design Guidelines would serve as a template for future projects in the surrounding area. These

Guidelines address the pedestrian realm, massing and articulation, energy efficiency and signage which will all combine to improve the surrounding neighborhood.

The CPC also found that the City Market Los Angeles Sign District cannot be approved because it is not directly adjacent to an entertainment district. However, several recent Sign District approvals granted by the CPC, including the sign districts approved for NoHo West, the Reef's, the Wilshire Grand and the Academy Museum of Motion Pictures projects do not abut, nor are those projects associated with, an entertainment district. In fact, there is no mention in those approvals of this even being a concern for the CPC. The findings the CPC used to support those approvals never considered this concern and instead discussed how the NoHo West Sign District "advanced the goals for redevelopment if the area". Meanwhile, the Reef approval was granted because it "supports the vision of the immediate area". The approvals were all granted by the CPC at times when the composition of members is substantially consistent with the membership of the current CPC. As a result, Applicant was denied approval for a very valuable property right granted to other similar projects. The Project and its Sign District supports the community's and the Community Redevelopment Agency's goals and vision.

In both findings, the CPC failed to justify its denial and it should be overturned. The City Market Los Angeles Project and Sign District will advance the area's redevelopment vision to serve public necessity, convenience, general welfare, as well as demonstrates good zoning practice.

a. Public Necessity, Convenience and General Welfare

The Proposed Project and its Sign District is necessary to re-establish the Site as an economic node of activity that provides jobs, much needed housing, and additional hotel rooms, and to spur development in the area. The Project, and specifically its Sign District, will promote a sense of place rejuvenating the Site and surrounding area that has been in economic decline over the last decades. A well-designed and integrated Sign District will help attract a new anchor tenant critical to the Site's activation. The potential for a fashion related educational use or corporate campus combined with a hotel use will energize the Site, the surrounding area triggering ancillary development which in turn will increase the City's tax base. A well-designed Sign District is known to enhance the pedestrian environment benefiting on and off-site business. Consequently, the Public Necessity, Convenience and General Welfare is supported by the approval of the City Market Los Angeles Sign Districts.

b. Good Zoning Practice

The Sign District reflects good zoning practice because it is consistent with the character and sign regulations of comparable mixed-use, transit-oriented developments in the area. The Sign District establishes illumination standards and guidelines. The Sign District establishes the requirements governing the types, locations, maximum height, maximum allowable area, hours of operation, and brightness for new signage. Signage includes various sign forms including wall signs, digital displays, building identification signs, and wayfinding signage. The Sign District also identifies permitted location and sign types, including all signs

permitted by LAMC Section 14.4.2, and digital display signs. The signage is designed to be physically integrated with the building facade and complement the contemporary architecture of the Project.

The signage program is consistent with various guidelines and standards applicable to the Site related to complementary uses and integration of signage with the design of the buildings, thereby ensuring consistency across the project Site.

The enabling language for the establishment of sign districts, pursuant to LAMC Section 13.11 -B requires that the following findings be made:

- Each "SN" Sign District shall include only properties in the C or M Zones, except that R5 Zone properties may be included in a "SN" Sign District provided that the R5 zoned lot is located within an area designated on an adopted community plan as "Regional Center," "Regional Commercial," or "High Intensity Commercial," or within any redevelopment project area.

The Site is in the C2 Zone with a Regional Center land use designation within the adopted Central City Community Plan area. The Site is also located within the boundaries of the City Center Redevelopment Project Plan area.

- No "SN" Sign District shall contain less than one block or three acres in area, whichever is smaller.

The Sign District, is 10 acres in size and consists of more than two City blocks.

- The total acreage in the district shall include contiguous parcels of land which may only be separated by public streets, ways or alleys, or other physical features, or as set forth in the rules approved by the Director or Planning.

The Sign District consists of two City blocks that are bisected by Olympic Boulevard, a public street.

- Precise boundaries are required at the time of application for or initiation of an individual district.

The Sign District application submitted at the time of filing includes a radius map and legal description of the entire Site.

3. The proposed Sign District would directly advance the purposes of the Aesthetics and Traffic Safety.

The CPC found that "no impacts to traffic safety due to permitted signs under the proposed Sign District will occur". Consequently, based on its own Findings it has eliminated Traffic Safety as a concern. However, the Applicant will, for the record, note the Project is not proposing increases in floor area, construction of new dwelling units or the intensification of any uses within the project area. The Project does have potential traffic safety impacts related to vehicular traffic and potential driver distraction stemming from conceptual electronic signage; however, these potential impacts were mitigated in the environmental analysis through the addition of pertinent lighting, location and motion

restrictions designed to reduce the risk associated with any potential traffic hazards. Therefore, we agree with the CPC that the proposed Sign District will not result in any significant traffic safety concerns.

The CPC did find that the Sign District would introduce supposed light pollution to surrounding uses. The Applicant disagrees with this contention and offers the following response to the CPC unsubstantiated claim.

The CPC cites no evidence in the record in support of its finding that the Sign District would create a light pollution impact, and its finding conflicts with the Project's Environmental Impact Report (EIR) which it certified. The EIR included a robust analysis of the Project's signage program. The EIR concluded that the proposed signage program would introduce increased daytime glare and nighttime lighting and illumination that currently does not exist on Site or in the surrounding area. The EIR further stated that the signage program would be regulated through the Sign District, which would provide strict regulations for signage placement, total areas, types of illumination, and light intensity. Moreover, the EIR imposes Mitigation Measure CM A.1-3, which addresses the direction of signage lighting, as well as their intensity. This mitigation requires "all exterior luminaires or provide cutoff luminaires per Section 132 (b) of the California Energy Code". Automatically control exterior lighting dusk to dawn to turn off or lower light levels during inactive periods. The mitigation also limits the amount of horizontal lumen foot-candles to escape 15 feet beyond the site boundary to .01. Additionally, the City Market Los Angeles's Sign District utilized the most recent Sign District approvals as a template, which includes square footage limitations based on zone as well as brightness, hours and material limitations. Finally, specific LAMC requirements and restrictions will be imposed dependent on signage type, design, construction, materials, and potential for hazard to traffic. With the incorporation of these project features and Mitigation Measure CM A.1-3, the EIR concluded that the proposed Project's impacts to aesthetics, including visual character and light and glare, would be less than significant after mitigation.

Consequently, the CPC's denial of the Sign District based on light pollution is internally inconsistent with its certification of the EIR, which concluded that light and glare would be mitigated to less than significant.

For the reasons set forth above, (i) the Sign District is consistent with the General Plan, is in conformity with the public necessity, convenience, general welfare and good zoning practice, would directly advance the purposes of the aesthetics and traffic safety, and is an important component of a potentially catalytic project; (ii) the administrative record contains evidence in support of these findings, which the CPC disregarded; (iii) the CPC failed to support its determination that the required findings could not be made; and (iv) the CPC's denial findings are based, in part, on an asserted inconsistency with a draft signage ordinance, rather than the current Los Angeles Municipal Code. We therefore respectfully request that the City Council approve the Sign District, which would allow for the successful implementation of the City Market Los Angeles Project.