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March 27, 2018

Alameda Square Owner, LLC (A)(O)
Atlas Capital Group
1318 East 7th Street, Suite 200
Los Angeles, CA 90021

Jerry Neuman and Andrew Brady (R)
DLA Piper LLP
633 West 5th Street, Suite 3200
Los Angeles, CA 90071

CASE NO. ZA-2015-4211-MCUP-CUX-ZV
CONDITIONAL USE, ZONE VARIANCE
757-787 South Alameda Street,
1318-1320 East 7th Street
Central City Planning Area
Zone : M2-2D
D. M. : 123A213, 123A215
C. D. : 14
CEQA : ENV-2015-4212-CE
Legal Description: Lot A, B, and C of Tract
PM 6524

Pursuant to Charter Section 562 and Los Angeles Municipal Code (LAMC) Section 12.27 B, I hereby DISMISS:

a variance from LAMC Section 12.19 to allow outdoor dining on rooftop levels, inasmuch as eating establishments with incidental unroofed outdoor eating areas are allowed in the M2 Zone at all levels;

Pursuant to Los Angeles Municipal Code Sections 12.24 W.1 and 12.24 W.18, I hereby APPROVE:

a Master Conditional Use to permit: 1) the sale and dispensing of a full line of alcoholic beverages for on-site consumption in a maximum of 19 restaurants; 2) the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings at one retail store; 3) the sale and dispensing of a full line of alcoholic beverages for on-site consumption at one rooftop event space; 4) the sale and dispensing of a full line of alcoholic beverages for on-site consumption and beer manufacturing at one restaurant/brewery; 5) the sale and dispensing of a full line of alcoholic beverages for off-site consumption at one market; and 6) the sale and dispensing of beer and wine for on-site and off- consumption at one outdoor public market; and,

a Master Conditional Use to permit public dancing in a maximum of five establishments;

upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.
2. The use and development of the property shall be in substantial conformance with the plot plan submitted with the application and marked Exhibit "A", except as may be revised as a result of this action.
3. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
4. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
5. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
6. Prior to the effectuation of this grant, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided for inclusion in case file. Fees required per L.A.M.C section 19.01 E (3) for Monitoring of Conditional Use Permits and Inspection and Field Compliance Review of Operations shall be paid to the City prior to the final clearance of this condition.
7. Each establishment shall be subject to an Approval of Plans determination pursuant to Section 12.24 M of the Los Angeles Municipal Code in order to implement and utilize the Conditional Use authorization granted herein for alcohol sales and/or public dancing unless otherwise noted. The referenced establishments approved herein and listed below are identified numerically or by name in Exhibit A:
 - a. The sale and dispensing of a full line of alcoholic beverages for on-site consumption in a maximum of 19 restaurants, subject to the filing of a Plan Approval:
 - 1) **Produce Building B1, Restaurant 134** – Maximum 2,691 square feet of interior space and maximum 152 indoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment or dancing.
 - 2) **Produce Building B1, Restaurant 154** – Maximum 2,205 square feet of interior space and maximum 124 indoor seats. Maximum 580 square feet

of outdoor space and maximum 76 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3097-MPA has been filed for this establishment, "Rappahannock Oyster Bar"). No live entertainment proposed or dancing requested.

- 3) **Produce Building B2, Restaurant 100** – Maximum 2,987 square feet of interior space and maximum 168 indoor seats. Maximum 576 square feet of outdoor space and maximum 69 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3098-MPA has been filed for this establishment, "Paramount Coffee Project"). No live entertainment proposed or dancing requested.
- 4) **Produce Building B2, Restaurant 126** – Maximum 972 square feet of interior space and maximum 27 indoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3099-MPA has been filed for this establishment, "Hayato"). No live entertainment proposed or dancing requested.
- 5) **Produce Building B2, Restaurant 140** – Maximum 2,029 square feet of interior space and maximum 114 indoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 6) **Building 1, Restaurant 114** – Maximum 3,871 square feet of interior space and maximum 274 indoor seats. Maximum 820 square feet of outdoor space (ground level) and maximum 60 outdoor seats (ground level). Maximum 690 square feet of outdoor space (rooftop) and maximum 66 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 7) **Building 1, MOCA 150** – Maximum 10,678 square feet of interior space and maximum 590 indoor seats. Maximum 3,128 square feet of outdoor space and maximum 276 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. Live entertainment proposed and dancing request permitted.
- 8) **Building 2, Restaurant 100** – Maximum 6,108 square feet of interior space and maximum 384 indoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. Live entertainment proposed and dancing request permitted.
- 9) **Building 2, Restaurant 112** – Maximum 1,544 square feet of interior space and maximum 88 indoor seats. Maximum 478 square feet of outdoor space and maximum 26 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.

- 10) **Building 2, Restaurant 116** – Maximum 1,342 square feet of interior space and maximum 82 indoor seats. Maximum 506 square feet of outdoor space and maximum 26 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 11) **Building 2, Restaurant 122** – Maximum 1,227 square feet of interior space and maximum 80 indoor seats. Maximum 650 square feet of outdoor space and maximum 38 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 12) **Building 2, Restaurant 126** – Maximum 3,666 square feet of interior space and maximum 228 indoor seats. Maximum 893 square feet of outdoor space and maximum 56 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 13) **Building 2, Restaurant 138** – Maximum 4,981 square feet of interior space and maximum 364 indoor seats. Maximum 1,092 square feet of outdoor space and maximum 86 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. Live entertainment proposed and dancing request permitted
- 14) **Building 2, Restaurant 184** – Maximum 1,341 square feet of interior space and maximum 68 indoor seats. Maximum 500 square feet of outdoor space and maximum 44 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 15) **Building 3, Restaurant 128** – Maximum 2,015 square feet of interior space and maximum 110 indoor seats. Maximum 761 square feet of outdoor space and maximum 72 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 16) **Building 3, Restaurant 132** – Maximum 3,106 square feet of interior space and maximum 152 indoor seats. Maximum 761 square feet of outdoor space and maximum 72 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 17) **Building 3, Restaurant 138** – Maximum 752 square feet of interior space and maximum 28 indoor seats. Maximum 761 square feet of outdoor space and maximum 72 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. No live entertainment proposed or dancing requested.
- 18) **Building 3, Trattoria 160** – Maximum 3,514 square feet of interior space and maximum 268 indoor seats. Maximum 3,050 square feet of outdoor space and maximum 264 outdoor seats. Hours not to exceed 7 a.m. to 2

a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3101-MPA has been filed for this restaurant, "Tartine – Trattoria", in conjunction with three other establishments under the same operator and under a single Plan Approval case). No live entertainment proposed or dancing requested. Beer and wine for off-site consumption is also permitted.

- 19) **Building 3, Pizzeria 160** – Maximum 3,618 square feet of interior space and maximum 276 indoor seats. Maximum 1,487 square feet of outdoor space and maximum 148 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3101-MPA has been filed for this restaurant, "Tartine – Pizzeria", in conjunction with three other establishments under the same operator and under a single Plan Approval case). No live entertainment proposed or dancing requested. Beer and wine for off-site consumption is also permitted.

- b. The sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings at one (1) retail store, subject to the filing of a Plan Approval:

- 1) **Building 2, Retail Store 180** – Maximum of 1,215 square feet of interior space and maximum 12 indoor seats. Maximum 622 square feet of outdoor space and maximum 50 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3100-MPA has been filed for this establishment, "Flask & Field"). No live entertainment proposed or dancing requested.

- c. The sale and dispensing of a full line of alcoholic beverages for on-site consumption at one (1) rooftop event space, subject to the filing of a Plan Approval:

- 1) **Building 2, Roof Event Space** – Maximum of 5,557 square feet of interior space and maximum 212 indoor seats. Maximum 3,733 square feet of outdoor space and maximum 364 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval. Live entertainment proposed and dancing request permitted.

- d. The sale and dispensing of a full line of alcoholic beverages for on-site consumption, beer and wine for off-site consumption, on-site beer manufacturing, and wholesale off-site beer sales at one (1) restaurant/brewery, subject to the filing of a Plan Approval:

- 1) **Building 3, Restaurant/Brewery 100** – Maximum of 11,957 square feet of interior space, plus 12,125 square feet of basement, and maximum 588 indoor seats. Maximum 3,480 square feet of outdoor space and maximum 332 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3101-MPA has been filed for this restaurant/brewery, "Tartine – Brewery", in conjunction with three other establishments under the same

operator and under a single Plan Approval case). Live entertainment proposed and dancing request permitted.

- e. The sale and dispensing of a full line of alcoholic beverages for off-site consumption at one (1) market, subject to the filing of a Plan Approval:
 - 1) **Building 3, Market 160** – Maximum of 3,317 square feet of interior space. Maximum 778 square feet of outdoor space and maximum 84 outdoor seats. Hours not to exceed 7 a.m. to 2 a.m. with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3101-MPA has been filed for this market, "Tartine – Market", in conjunction with three other establishments under the same operator and under a single Plan Approval case). No live entertainment proposed or dancing requested.
- f. The sale and dispensing of beer and wine for on-site and off-site consumption at one (1) outdoor public market, subject to the filing of a Plan Approval:
 - 1) **Market Court, Public Market/4 Bars** – Maximum of 31,400 square feet of outdoor space and maximum 944 outdoor seats. Hours not to exceed Sunday, 9 a.m. to 7 p.m., with hours permitted to be further restricted in the corresponding Plan Approval (Case No. ZA-2017-3096-MPA has been filed for this outdoor public market, "Smorgasburg LA"). Live entertainment proposed. No public dancing requested.
8. Beer and wine sales may be sold in lieu of a full line of alcoholic beverages at any of the approved alcohol-serving venues.
9. Dancing and live entertainment shall be conducted subject to the issuance of a Dance Hall and Café Entertainment permit by the Police Commission, respectively, and as applicable for each individual approved establishment.
10. Dancing and live entertainment shall be conducted in conjunction with the specific establishments identified in Condition No. 7 of this grant, and not as a freestanding activity.
11. The purpose of the Approval of Plans determination is to review each proposed establishment in greater detail and to tailor site-specific conditions of approval for each of the premises including but not limited to hours of operation, seating capacity, size, security, and any requirement for a subsequent Approval of Plans application to evaluate compliance and effectiveness of the conditions of approval.
12. A public hearing for any Approval of Plans request may be waived at the discretion of the Chief Zoning Administrator.
13. Any future change in the tenant/operator of any of the individually approved establishments conducting the sale of alcohol and/or dancing shall require the filing of an Approval of Plans to evaluate the applicability of existing conditions and review any potential changes in the mode and character of the development complex.
14. Prior to the utilization of this grant, the Applicant shall prepare a security plan which shall be submitted to the Police Department for review and written approval. A copy of the

security plan approved by the Police Department shall be included with all Approval of Plans.

15. Prior to the utilization of this grant, surveillance cameras shall be installed which cover all common areas of the establishments, including all high-risk areas, entrances and exits to each tenant space, and including cameras that provide a view of the street. The camera installation plan shall also be reviewed by the Police Department individually or as part of the security plan required for the development complex. The Applicant shall maintain a one-month tape library and such tapes shall be made available to Police or other enforcement agency upon request.
16. There shall be no use of the subject premises which involves Section 12.70 of the Los Angeles Municipal Code (Adult Entertainment).
17. All establishment tenants shall be provided with a copy of these conditions which shall also be referenced in any lease or contract and which shall be maintained and posted on the premises and available upon request by any enforcement agency.
18. All employees shall also be made familiar with these conditions and any others which are identified specifically in the corresponding Approval of Plans determination. Additionally, a copy shall be provided to all employees who shall sign an acknowledgement form stating that they have read and understood all of the ABC and conditional use permit conditions. These conditions of approval shall be retained on the property at all times and shall be produced immediately upon the request of the Zoning Administrator, Police Department, or Department of Building and Safety.
19. The Applicant, tenants and on-site managers shall comply with all applicable laws and conditions of this action and any corresponding Approval of Plans determination and shall properly manage the facility to discourage illegal and criminal activity on the subject property and any accessory parking area over which they exercise control.
20. The Applicant shall maintain on the premises and present upon request to the Police or other enforcement agency, a copy of the Business Permit, Insurance Information, and valid emergency contact phone number for any Valet Service utilized and for any Security Company Service employed.
21. The Applicant shall be responsible for maintaining the area adjacent to the premises over his/her control free of litter, including parking areas and abutting sidewalks.
22. The Applicant and tenants shall monitor the areas under their control to prevent loitering activities. Loitering is prohibited on or around these premises and any area under the control of the Applicant. "No Loitering or Public Drinking" signs shall be posted in and outside of the subject facility.
23. Any music, sound, or noise emitted that is under the control of the Applicant and/or the tenants shall not exceed the Municipal Code noise and decibel levels.
23. **MViP – Monitoring, Verification and Inspection Program.** Prior to the effectuation of this grant, fees required per L.A.M.C section 19.01 E (3) for Monitoring of Conditional Use Permits and Inspection and Field Compliance Review of Operations shall be paid to the City. Within 12 to 18 months from the beginning of operations or issuance of a Certificate

of Occupancy, a City inspector will conduct a site visit to assess compliance with, or violations of, any of the conditions of this grant. Observations and results of said inspection will be documented and included in the administrative file. The owner/operator shall be notified of the deficiency or violation and required to correct or eliminate the deficiency or violation. Multiple or continued documented violations or Orders to Comply issued by the Department of Building and Safety which are not addressed within the time prescribed, may result in additional corrective conditions imposed by the Department of City Planning.

24. INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.

Applicant shall do all of the following:

- (i) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- (ii) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- (iii) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (iv) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES

All terms and conditions of the approval shall be fulfilled before the use may be established. The instant authorization is further conditional upon the privileges being utilized within three years after the effective date of approval and, if such privileges are not utilized or substantial physical construction work is not begun within said time and carried on diligently to completion, the authorization shall terminate and become void.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the county jail for a period of not more than

six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after APRIL 11, 2018, unless a timely appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. Forms are available on-line at <http://planning.lacity.org>. Public offices are located at:

Downtown	San Fernando Valley	West Los Angeles
Figueroa Plaza 201 North Figueroa Street, 4th Floor Los Angeles, CA 90012 (213) 482-7077	Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251 Van Nuys, CA 91401 (818) 374-5050	West Los Angeles Development Services Center 1828 Sawtelle Boulevard, 2nd Floor Los Angeles, CA 90025 (310) 231-2598

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

NOTICE

The applicant is further advised that subsequent contact regarding this determination must be with the Development Services Center. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, the statements made at the public hearing on October 10, 2017, and the subsequent correspondence, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements for authorizing a conditional use permit under the provisions of Section 12.24 W have been established by the following facts:

BACKGROUND

The proposed project (Project) entails the following discretionary requests:

- Approvals for the sale of alcoholic beverages for up to 24 existing establishments located on the subject property, including the existing paved surface lot located on the western end of the site utilized for a public market (Smorgasburg) from 9:00 am to 7:00 pm on Sundays. The existing uses at Smorgasburg include live music, bar areas, food vendors, beverage vendors, and general retail; and,
- Approvals for public dancing at up to five (5) restaurants and/or event spaces at the site with live entertainment (which does not require a discretionary request); and,
- Master Plan Approvals for the sale of alcoholic beverages and for public dancing, as applicable, to be filed for each individual establishment.

The Project is located at the fully developed 31.3-acre ROW DTLA site (Site). The Site spans the southwest corner of Alameda Street and 7th Street from Alameda Street to Central Avenue. The Site has seven existing buildings and one parking structure, for a total of eight buildings. The current owner and applicant for the proposed project, Alameda Square Owner, took over management and leasing of the buildings in October 2014. The applicant and its tenants have obtained various ministerial permits since October 2014 for allowed uses and interior modernization in some of the buildings. Existing uses at the Site include restaurants, creative office, retail, gym, food market, storage, and manufacturing and related uses.

No on-site buildings are being expanded or physically altered in any way as part of the Project. The sale of alcoholic beverages and occasional public dancing and live entertainment would occur within existing approved spaces, including in five out of the eight buildings on the site, as well as on the existing paved surface lot. The case file contains a memo dated January 29, 2018 (prepared by Dudek, the City's environmental consultant for the Project) that summarizes and compares the uses existing on the site at the time the applicant acquired the site and the currently approved uses, per the ministerial permits issued to date since October 2014.

Zoning and Land Uses

The Site is located within the Central City Community Plan Area in a highly urbanized area of the City of Los Angeles surrounded by light industrial uses along major roadway corridors. The property is zoned M2-2D with a General Plan Land Use designation of Light Manufacturing. One of the corresponding zones for the Light Manufacturing land use designation in the Central City Community Plan is the M2 Zone. The existing restaurant, event space, office, commercial, retail, and manufacturing uses are permitted by right in the M2 Zone. The proposed alcohol and public dancing in the M2 Zone are permitted through a Conditional Use process, provided that the Zoning Administrator makes the required findings herein.

The Site's "2D" designation indicates that the property is located in Height District 2, which ordinarily limits Floor Area Ratio (FAR) on the site to 6:1, and is subject to a Development "D" Limitation, which further limits FAR on the site to 3:1, per Ordinance No. 164307 (effective January 30, 1989). The Project does not entail any increase to existing floor area.

As noted, the Site is developed with seven buildings, constructed between 1917 and 1923, which are listed in the California Register of Historic Resources. The Site also includes an existing nine-story parking structure constructed in 2016. A summary of the buildings and their respective addresses are provided in Table 1 below.

Table 1. Existing Buildings at ROW DTLA

Building	Address	Approx. Floor Area (SF)
Building 1	777 S. Alameda St.	224,638
Building 2	767 S. Alameda St.	403,741
Building 3	757 S. Alameda St.	352,078
Building 4*	747 S. Alameda St.	403,000
Building B1	1318 E. 7th St.	163,629
Building B2	1320 E. 7th St.	146,385
Market Court Building*	746 S. Central Ave.	105,145
Parking Structure*	787 S. Alameda St.	--

**These buildings are not a part of the Project.*

The site is located within the Los Angeles State Enterprise Zone, Greater Downtown Housing Incentive Area, Transit Priority Area, Adaptive Reuse Incentive Area, Transit Oriented Communities Area (Tier 3), and Central City Parking District. The site is approximately 2,200 feet (0.4 miles) from the nearest freeway (Interstate 10). The site is also located within the Central Industrial Redevelopment Project Plan Area, which is silent on the addition of alcohol sales to existing restaurant and retail uses.

Adjacent Land Uses

The properties adjacent to the project site include light industrial, commercial/retail, and restaurant uses. The adjacent property to the north, across 7th Street, is zoned M2-2D and is used as a Metro bus refueling station and yard. The adjoining property to the south is zoned M2-2D and developed with the Los Angeles Wholesale Produce Market. The adjacent properties to the east, across Alameda Street, are zoned M3-1-RIO and are developed with a restaurant, warehouses, and a Greyhound bus terminal. The adjacent properties to the west, across Central Avenue, are zoned M2-2D and comprised of warehousing and retail uses.

Streets and Circulation

Alameda Street, which borders the project site to the east, is a two-way north-south street providing two travel lanes in each direction. It is classified as an Avenue I with a designated right-of-way width of 100 feet (70-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 100 feet.

7th Street, which borders the project site to the north, is a two-way east-west street

providing two travel lanes in each direction. It is classified as an Avenue II with a designated right-of-way width of 86 feet (56-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 80 feet.

Central Avenue, which borders the project site to the west, is a two-way north-south street providing two travel lanes in each direction. It is classified as an Avenue I with a designated right-of-way width of 100 feet (70-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 80 feet.

Two Metro Rapid Bus Lines (720 and 760) and four Metro Local Bus Lines (18, 53, 60, 62) serve the project area and connect to the Pershing Square Metro station (Red Line and Purple Line).

Relevant Cases (1,000-foot radius)

Case No. CPC-2013-2993-GPA-VZC-HD-DB-MCUP-SPR – On August 10, 2017, the City Planning Commission approved a Master Conditional Use to permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption within three establishments, in conjunction with other approvals to allow the construction of a new 336,304 square-foot mixed-use project comprised of 344 live-work units, 7,458 square feet of leasing/amenity area, 24,774 square feet of creative office uses and resident production space, and 4,042 square feet of restaurant space, located at 1525 East Industrial Street (Camden USA, Inc.).

Case No. ZA-2014-2677-CUB – On June 1, 2015, the Zoning Administrator approved a Conditional Use to permit the sale and dispensing of beer for on- and off-site consumption in conjunction with a 9,422 square-foot brew pub/microbrewery, located at 1581 East Industrial Street (Iron Triangle Brewing Company).

Case No. ZA-1998-0230-CUB – On June 9, 1998, the Zoning Administrator approved a Conditional Use to permit the sale of a full line of alcoholic beverages for off-site consumption as an accessory use to a grocery warehouse, located at 750 South Alameda Street (Canton Foods Incorporated).

PUBLIC HEARING

On October 10, 2017, the Zoning Administrator conducted a public hearing in City Hall on the Project. In attendance and testifying were the Applicant's representative, stakeholders in support and stakeholders in opposition. The operators of the proposed establishments for which individual Master Plan Approvals (MPAs) are requested also testified as detailed below. Correspondence received prior to the hearing is attached to the MCUP case file. The following is a summary of verbal testimony provided at the hearing.

IN SUPPORT

Jerry Neuman, DLA Piper, Applicant's Representative:

- The variance was requested for redundancy in case rooftop dining is not allowed in the M2 Zone. If it is allowed, we do not object to dismissal of the variance.

- The site was acquired four years ago, at which time the buildings were in various stages of occupancy. We sought to reutilize all of that space. In order to accommodate the square footage of all the buildings, we built a parking garage.
- The buildings were seismically retrofitted through Los Angeles Department of Building and Safety (LADBS) permits. The historic, current, and by-right uses of all buildings were identified. Permits were applied for to utilize those uses. The new permits identified restaurant, office, and manufacturing uses.
- There are no changes to the buildings. No additional square footage, no intensification of use. LADBS determined all the uses are allowed by-right and issued permits for them.
- The size of the project and the reutilization of a large site does not mean an environmental finding is necessarily required. These are ministerial uses and a statutory exemption exists for ministerial actions.
- The building permit phase establishes the use. Therefore, these are existing uses.
- The Project in this instance is just the MCUP. Project is merely adding alcohol to an existing use.
- The 200 seat Categorical Exemption (CE) guideline is just a guideline. The City is using CEs more now and new guidelines lead to the City not being burdened by an MND. We are doing an MCUP and addressing CEQA by fitting it into the CE.
- The Certificate of Occupancy does not necessarily determine use. The Certificate of Occupancy simply determines that a building is safe to use. We applied for permits, which define current uses on the site and identify the permitted uses. LADBS identified these buildings as having these uses. These uses were established ministerially. Hence, we are using the CE for existing uses. From that standpoint, there is no need for DOT review.
- We have current ministerial permits which establish the use of the site; ministerial permits set the foundation of allowable uses. We cannot deviate from these uses unless the building permits were revoked or abandoned.
- Under the CE, we look if those uses exist, not necessarily if they operate. We only look if they're allowed—only the right to have that restaurant. Not necessarily saying those uses are there, but we have applied for permits which identify the uses as permitted. Just waiting for the Certificates of Occupancy.
- This is a vital project. It's a 32-acre site and we are revitalizing the area. We are revitalizing the Arts District down to the 10 Freeway.
- State's alcohol allocation for the census tract is one on-site license and one off-site. There are currently nine on-site and nine off-site.
- As for the phasing, some restaurants will be opening in the next 2 months:
 - Smorgasburg tapped out on the number of special events permits and catering permits that can be issued by LADBS and ABC respectively. Smorgasburg takes place in a loading and unloading area. It does not take up any required parking.

- Building 1 was occupied prior to our acquisition of the site. It's undergoing tenant improvement and other work.
- Building 2's seismic retrofitting is complete. Tenant improvements are underway. Nine alcohol requests planned.
- Building 3's shell and core work is complete. Retrofitting continuing. Tenant improvements underway. The upper floors are nearly complete.
- Building 4 was just vacated by American Apparel. Speculative as to what will occur there. No restaurant proposed.
- Produce Building B1 and B2 are complete. Final tenant improvements underway. This is two-story building.
- The event space will be like an event hall, operated by one operator. There are two event spaces proposed on rooftop of Buildings 1 and 2 but specifics not known yet. There was an event space previously on the rooftop of Building 1.
- We have a security plan 24/7. There's an on-site command center, 100+ cameras, will comply with ID checking, STAR training, and coordination with LAPD and BID security. Will comply with a condition for a specific security plan for an identified venue.

Catherine Norian, Applicant's CEQA Attorney:

- There are 3 analytical steps to consider. One, is it a Project? Yes, if there's a discretionary decision. But the issuance of building permits is not discretionary because it's by-right. They are issued as ministerial acts, which are statutorily exempt [Sec. 21080 (b) (1)]
 - The uses have been granted pursuant to the statutory exemption. That removes from CEQA consideration of all existing uses. The only discretionary act, and therefore the Project, is the MCUP/MPAs. The scope of the project is the addition of MCUP/MPAs to existing businesses/restaurants. That's the only impact to consider.
- Second, do we have a project? Is the activity discretionary? Yes, the MCUP is. Does the Project qualify for a CE? Yes, because this is a minor expansion of an existing use. There's no physical change – only the ability to sell a product, just the right to sell alcohol. There is no question of minor effects and no issues with respect to other impacts. CE is deferential for the City because of the substantial evidence standard which is the test rather than the fair argument standard which cannot be used in this argument.
- Third, we don't reach this step. If project is not exempt, then an EIR or MND is required.

Michele Darman, Head of Tartine Manufactory, DTLA Row (ZA-2017-3101-MPA):

- This will be a world-class operation led by highly-regarded people from San Francisco: Chad Robertson, Elisabeth Prueitt, and Chris Bianco.
- The pizzeria and trattoria will share the same kitchen and have incidental beer/wine sales. The brewery is non-contiguous and will have separate ABC licenses. Dancing is only incidental for private events. The market will have a separate ABC license as well.
- Each use will have a different feel ranging from casual to more upscale.
- Floor plans will need to be revisited and revised as necessary as seating and size have been reduced from those listed in hearing notice.

Anthony Ko, General Manager of Rappahannock Oyster Bar (ZA-2017-3097-MPA):

- Run by the Croxton family from the Chesapeake Bay. Restaurants are highly regarded and have won many awards.
- Proposed hours are 7 am to midnight.
- 87 seats are proposed, with oyster bar and sit-down service.

Brandon Hayato Go, Chef/Owner of Hayato (ZA-2017-3099-MPA):

- Replicating Kaiseki experience in Los Angeles. Family owns a 37-year-old restaurant in Seal Beach with no ABC infractions.
- Proposed hours are 11 am to midnight.
- Only 13 seats proposed with open kitchen. Likely to have one seating for lunch and one for dinner.

Miriam Yoo, Owner of Flask & Field (ZA-2017-3100-MPA):

- Seeks to provide neighborhood wine shop selling lifestyle goods along with education.
- There may be seating outside for special events within a cordoned area. Outdoor seating requested for 50 seats in notice was not shown on floorplan. Will submit revised plans. 11 am to 7 pm hours.

Hugh Kitson, General Manager of Paramount Coffee (ZA-2017-3098-MPA):

- We roast coffee on site, run events from producers all over, and serve breakfast through dinner. Cordials will be offered to be enjoyed with coffee or post-dinner but overall primary sales will be beer and wine.
- 7 am to 2 am hours of operation.
- Space has been reduced from that listed in hearing notice and limited to 106 seats now.

Zach Brooks, General Manager of Smorgasburg LA (ZA-2017-3096-MPA):

- Provides a curated experience for guests to experience the best of Los Angeles. Sundays, 10 am to 4 pm. Currently, there is one cordoned beer garden area; we seek to have 4 smaller cordoned areas and a license that allows families to be closer together. Additional bar areas allow food to be paired with specific beers in proximity.
- Proposing beer only because there's no fixed kitchen; working with ABC to clarify this as ABC restricts such type of license. No off-site sales of alcohol. There are 60-70 vendors, of which 50 sell food; others sell jewelry and goods as may be found in a flea market. Would not like to see a cap on the number of vendors.

IN OPPOSITION

Steve Atlee, Park & Velayos LLP, Representative for the Los Angeles Wholesale Produce Market:

- Our produce market is over 30 acres and operates 24/7. The project would convert industrial uses to office, entertainment, and restaurant, resulting in a significant change of use. The project description only describes one portion of the project; discretion would be required if the project is considered all at once. The hearing notice doesn't assert the ministerial statutory exemption.

- No timely notice of hearing.
- The project should require discretionary approval for the Central Industrial Redevelopment Plan.
- Piecemealing is occurring which is not permitted under CEQA.
- The CE does not apply: not a negligible change of use in going from 1 small coffee shop to 24 alcohol-serving establishments with non-industrial uses. Proposed uses are hardly negligible or non-significant.
- Scale of project with its hours proposed does not make it eligible for a CE.
- Ample evidence in record that there are exemptions that apply leads to deferential argument and fair argument if special circumstances exist. Berkeley case deals with this issue and was raised in attachment to letter submitted by Meridian Consultants. For example, buildings are identified as historic resources. What is the effect on the environment in heavy industrial areas with truck traffic at night when bars are closing?
- Project is not ministerial: if traffic analysis were done correctly, then discretionary approval would be required.
- Client does not object to request but only asks that the CEQA analysis be properly done.

Francis Park, Park & Velayos LLP:

- This is egregious attempt to circumvent CEQA. No environmental analysis has been done. Have submitted letter for the record.
- Applicant failed to follow Traffic Study procedures from LADOT; this is a CEQA deficiency. There is also a historic resources deficiency. Applicant indicates that buildings are historic and no analysis provided on impacts.
- The entitlement findings cannot be made vis a vis existing neighboring industrial uses. Only two licenses are allocated for this census tract; there are already 20 today.
- Project will not enhance or provide an essential service to industrial uses.
- The hours of operation conflict with the operation of the produce market.
- Reserve comments on the zone variance; do not agree necessarily that outdoor upper floors dining is permitted by right in the M2 Zone.
- CEQA relates to the existing environment. If it's non-operational, then it's not existing, even if permitted and there's a potential existence of these uses. The uses have not been occupied. One does not get the benefit of identifying potential uses.
- In the Gibson calculations, there's no evidence of occupancy for those uses where trip credits were provided.

Allyn Rifkin, Rifkin Transportation Planning Group:

- Calculations performed by Gibson are misleading; a traffic study should have been submitted.
- It is DOT policy to provide trip credits for active uses (6 months to 2 years). These trip credits make a big difference, but it is unclear the project is eligible.
- A different ITE factor should have been used for the trip credit for American Apparel employees: trips per 1,000 SF, not trips per employee, which is more confusing given the number of shifts. Have summarized this information in correspondence sent to the file. Trip count would have changed based on the ratio per 1,000 SF, which is noted in the submitted correspondence.
- Calculations assume all quality restaurants, rather than fast casual restaurants which trigger a different number of trips. It does not appear that all restaurants should be considered quality.
- There are special circumstances: truck uses around midnight. There are easement questions that need more study. 7th Street won't be used, leading to more traffic on Alameda. Therefore, a traffic study should be required if there is no access.

Tony Locacciato, Meridian Consultants:

- We've reviewed the City's proposed CE and found it inappropriate. Class 1 is for the granting or renewal of non-significant changes of use in existing facilities. This is going from 1 coffee shop open from 7 am to 4 pm to 24+ establishments with 2,000 bar and restaurant seats which is a substantial change. There is a change in operating characteristics and more.
- Three of the six exceptions for a CE apply.
- Historic Resources Exception: ZIMAS provides special instructions; the site is eligible for national registry and needs review and clearance by Office of Historic Resources. No study has been submitted on impacts to historic resources.
- Unusual Circumstances Exception: many truck deliveries, early hours. There has been no assessment on how produce market can operate.
- Cumulative Impacts Exception: There are subsequent MPAs that may have cumulative impacts.

ADDITIONAL STAKEHOLDER COMMENTS

Joanne Danganan, Central City Association:

- Project will attract creative office tenants and job creation.
- Weekly market enlivens area.

Casey Maddren, individual:

- Research shows correlation between alcohol density and violent crime. DTLA has violent crime. Project doesn't support revitalization and should be denied. This is a

radical transformation of industrial uses to 24 establishments with live entertainment and dancing.

- MCUP can be viewed as a unified concept not a single use. This is a project per CEQA.
- Argument that the uses are allowed on-site is like saying that because there was a stockyard use permitted in the past, animals should be allowed there now.

Carlos Franco, tenant at Alameda Produce Market:

- Arts District is improving because of investments like these. The area used to be blighted, now there is more activity. There are demographic changes.
- Arts District has helped keep crime down.
- Breweries have opened up and have not seen increase in crime as a result.
- Back side of project area was "nasty".
- Don't see a conflict with truck traffic.
- Security is now in place and they respond instantly which was not the case previously.

Estella Lopez, DTLA BID:

- Large industrial uses are on the way out; new creative users need these new amenities.
- Submitted letter of support.
- BID represents 50 blocks.

LAPD (Kelly Brinker and Robert Berumen):

- Have done walkthroughs and will hold off on position until Newton Commander Officer is briefed.
- Area is between Skid Row and establishments on Mateo/Santa Fe.
- We've seen influx of ABC license locations; the increase in traffic may be an issue, and there will be a greater draw on fire, traffic, and police resources.
- The two event spaces are ambiguous; experience shows these have the potential to turn into nightclubs.

REBUTTAL

Jerry Neuman, DLA Piper:

- Thanks project opponents for raising bigger questions regarding CEQA but believes the easement is the rationale for the disputed issue at hand.
- Don't conflate land use with CEQA. We applied for all building permits at once, not piece by piece and retrofitted and renovated. We did an analysis and identified all existing, by-right uses. These uses were granted ministerially and therefore are already existing.
- Historic exception: OHR staff signed off the clearance summary worksheet. Not affected as there are no exterior changes. Just because the buildings are historic does not mean it is not exempted. Argument does not apply.
- Granting of the approval will not result in 24 restaurants. By issuance of building permits, these restaurants exist today, as they are built. The existence of restaurants has been established. There's no evidence that alcohol in itself will cause an impact. Grant only adds alcohol; land use portion has been determined by City.

- Special circumstances exception: Produce market does not operate 24/7. It's quiet from 2 pm to midnight. The business owner himself discusses the decline of his business on a YouTube video. We also operate a produce market.
- The use is consistent with the Community Plan and General Plan. No trucks are impeded with during business hours. The Planning Department signed off on permits because they are consistent with the General Plan. It's also consistent with the CRA Redevelopment Plan; no CRA clearance was needed.
- Traffic: A trip count study was provided at the City's request. There's no CEQA action because it's ministerial, so no Traffic Study is required by DOT.
- DOT did review project per general guidelines. This was separate and completed when the permits were issued.
- Cumulative impacts don't apply. Can accommodate issues of safety, security, and community design.

Catherine Norian, CEQA Attorney:

- Substantial evidence test shows that there is no proof that there is substantial evidence in record to support a different conclusion.
- The City has approved these restaurants, so they are existing restaurants. It does not need to be operational; this is a question of statutory interpretation.
- Exemption talks about existing uses not operating uses. That the uses are not up and running is irrelevant. Question is whether there is a change in existing use.
- Special circumstances exception: trucks share the road with cars throughout LA; the previous use also involved a lot of cars (manufacturing employees). Berkeley case cited ruled on a situation not being an unusual circumstance due to hillside area and never made it a fair argument issue. Truck traffic is not unusual.
- Cumulative impacts exception: this has been requested as part of one discretionary action. The claim is that the number of alcohol permits are cumulative but this is one project and it cannot be both a project and cumulative.
- Regarding piecemealing, we are looking at the project as a whole which includes all alcohol permits.
- The produce market says to look at how its operation affects the project. Recent court case does not allow CEQA to address reverse impacts of neighbor on the project but of project on neighbor. This is not a question of truck traffic impacts on ROW DTLA.

The matter was taken under advisement with comments due by October 31, 2017.

CORRESPONDENCE RECEIVED AND ISSUED SUBSEQUENT TO PUBLIC HEARING

October 19, 2017, LAPD – Letter from the Los Angeles Police Department's Newton Area Vice indicating that it has reviewed the request and that it "...has no opposition to the requested application and hereby fully supports the project known as The Row DTLA."

October 31, 2017, Park & Velayos – A letter was received from Park & Velayos representing the Los Angeles Wholesale Produce Market asserting that the project is not ministerially exempt from CEQA; that the Applicant should not be allowed to avoid CEQA review by piecemealing its entitlement requests; that the Project is not categorically exempt from CEQA due to its ineligibility for the Class 1 exemption and the application of the cumulative impact, historic resources and unusual circumstances exceptions; and that the Applicant must comply with the Central Industrial Redevelopment Project Plan.

October 31, 2017, DLA Piper – A letter was received from the applicant's representative reiterating that the Project consists solely of an alcohol MCUP and MPAs. The letter states that all other uses have already been approved through the issuance of ministerial building permits and that the Class 1 categorical exemption under CEQA Guidelines Section 15301 applies because the Project would allow only a minor expansion of a by-right use, that no exceptions to the Class 1 exemption apply, and that the required MCUP findings can be made in the affirmative.

October 31, 2017, DLA Piper – Additional information addressing alcohol license concentration and clarification of application materials for specific Plan Approvals under review, in response to Zoning Administrator's request at public hearing.

November 8, 2017, Office of Zoning Administration – The Zoning Administrator issued a letter to the Applicant stating that, based on City staff's understanding of the project and proposed actions at the time, the requested permits were not categorically exempt from CEQA and directed that the Applicant prepare an initial study leading to an analysis of the "whole" of the project, which was defined as various changes of use to Buildings 1 through 4 at the ROW DTLA Site, as well as a parcel map application. The Zoning Administrator placed a hold on further considerations of the applications pending submittal of an initial study, and explained that revisions to the project description would be reviewed by the Planning Department. The letter also stated that after further consultation with the LADBS Zoning Engineer and the Interim Chief Zoning Administrator, it was determined that the variance request for outdoor dining on rooftop levels in the M2 Zone was not necessary as unroofed outdoor eating areas are allowed at all levels.

December 22, 2017, DLA Piper – The Applicant's representative submitted a letter stating that the November 8, 2017, Zoning Administrator letter identified an overly broad project and that the true scope of the project only includes a request for alcohol sales and related public dancing and entertainment. The letter provided additional information on the recent history of tenants and changes of use at Buildings 1 through 4, including the office, retail, and restaurant uses that were ministerially approved by the City since the Applicant's acquisition of the site in late 2014 through the fall of 2017. The letter further clarified that the Applicant has no plans to include a hotel at the Site, which was only included as a hypothetical use in a prior traffic analysis to assume various scenarios. The letter also stated that the parcel map application at the ROW DTLA Site was solely for refinancing purposes and has since been withdrawn.

CITY REVIEW SUBSEQUENT TO PUBLIC HEARING

Subsequent to the public hearing, correspondence submitted to the record, including the additional information clarifying the building permit and change of use history at the ROW DTLA Site, was reviewed. After further consideration of the proposed project and the requested permits under CEQA, and in consultation with the City Attorney's Office and its outside CEQA counsel on this matter, it was concluded that the scope of the project for consideration as discretionary under CEQA is limited to: a Master Conditional Use to permit the sale and dispensing of alcoholic

beverages for 24 establishments; a Conditional Use to permit public dancing in conjunction with the sale and dispensing of alcoholic beverages within five establishments; and the approval of Master Plan Approvals to allow the sale of alcoholic beverages at each individual establishment.

Additionally, the City retained the services of environmental consulting firm Dudek to complete an environmental analysis ("ROW DTLA MCUP Project Categorical Exemption Analysis", dated February 2018) that explains the alcohol permit project's qualification for categorical exemptions from CEQA, including Class 1 and Class 2, and which fully considers the potential exceptions to the exemptions (CEQA Guidelines Section 15300.2). Dudek's analysis includes a traffic modeling comparison of vehicle trips generated by allowed uses within the project site that were ministerially approved up to the time that the updated alcohol permit applications currently under consideration were received (approximately December 2016 which is the baseline used in Dudek's analysis) and the traffic projected with allowed uses in the Project Site utilizing the requested alcohol permits (Project condition).

Upon review, Dudek's analysis was found to be supported by substantial evidence and it was concluded that the project facts and circumstances support a determination that the project is categorically exempt from CEQA and that none of the potential exceptions to the exemptions apply. As such, submittal of an initial study is not required. Additionally, the City's record includes a set of responses from Dudek's traffic expert to the comments received on October 31, 2017, from the Parks & Velayos law firm on behalf of the Los Angeles Wholesale Produce Market regarding the previous traffic analysis prepared for the project. The Planning Department agrees with the responses provided by Dudek (memo dated February 27, 2018) to these previous comments and, on the basis of these responses and the traffic modeling prepared for the categorical exemption analysis, concludes that the Wholesale Produce Market's comments do not support a conclusion that the project currently under consideration would result in any significant traffic impacts requiring further analysis or mitigation.

CONDITIONS IDENTIFIED FOR CONSIDERATION BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL RELATIVE TO THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

In approving the instant grant, the Zoning Administrator has not imposed Conditions specific to the sale or distribution of alcoholic beverages, even if such Conditions have been volunteered or negotiated by the Applicant, in that the Office of Zoning Administration has no direct authority to regulate or enforce Conditions assigned to alcohol sales or distribution.

In subsequent Plan Approval applications for each establishment associated with this Master Conditional Use Permit, the Zoning Administrator may identify a set of Conditions related to alcohol sales and distribution for further consideration by the State of California Department of Alcoholic Beverage Control (ABC). In identifying these conditions, the Office of Zoning Administration acknowledges the ABC as the responsible agency for establishing and enforcing Conditions specific to alcohol sales and distribution. The Conditions may be based on testimony and/or other evidence established in the administrative record, and provide the ABC an opportunity to address the specific conduct of alcohol sales and distribution in association with the Master Conditional Use Permit granted herein.

BASIS FOR CONDITIONAL USE PERMITS

A particular type of development is subject to the conditional use process because it has been determined that such use of property should not be permitted by right in a particular zone. All

uses requiring a conditional use permit from the Zoning Administrator are located within Section 12.24 W of the Los Angeles Municipal Code. In order for sale of alcoholic beverages for on-site and off-site consumption and public dancing to be authorized, certain designated findings have to be made. In these cases, there are additional findings in lieu of the standard findings for most other conditional use categories.

FINDINGS

Following is a delineation of the findings and the application of the relevant facts to same:

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 Project entails a request for a Master Conditional Use Permit (MCUP) to allow the sale and dispensing of alcoholic beverages at up to 24 establishments and public dancing at up to five establishments within the ROW DTLA site. Subsequent Master Plan Approvals (MPAs) for the sale of alcoholic beverages at each individual establishment are also part of the Project and will be considered separately under individual case numbers.

The subject site is developed with ROW DTLA, an existing shopping, dining, and entertainment destination with restaurants, creative office, retail, gym, food market, storage, and manufacturing related uses. The site spans 31.3 acres and includes seven buildings and one parking structure, for a total of eight buildings. Workshops, fitness classes, festivals, sample sales, food trucks, pop ups, art exhibitions, and the outdoor food market Smorgasburg all occur within the site. The Project would result in the addition of alcoholic beverage sales to some of these establishments, including at 19 restaurants, one retail store, one rooftop event space, one restaurant/brewery, one market, and Smorgasburg. Occasional public dancing and live entertainment would also occur within some of these existing approved spaces.

Approval of the Project would provide employees, visitors, and patrons of nearby businesses, as well as local residents, the desired amenity of alcoholic beverages for sale with occasional public dancing and live entertainment. The availability of alcoholic beverages is associated with the dining experiences that the Project seeks to create. The Applicant has submitted floor plans for the location of all the individual proposed establishments which will be subject to separate review. Of these, six establishments have also submitted applications for their individual Plan Approvals, with specific case numbers identified for each. As other tenants are identified, it is anticipated that subsequent Plan Approvals will be filed accordingly, providing an opportunity to tailor conditions to the specific operation.

Establishments which have submitted applications for Plan Approvals include a high-end Japanese *kaiseki* restaurant, in which beverages such as sake are customarily consumed between and during courses, as well as a high-quality coffee roasting company that seeks to provide the option of serving cordials with coffee or as a post-dinner drink. Other establishments include a market, a restaurant/brewery and an event space. The range of options afforded by the individual venues illustrates the variety of experiences that the Project seeks to foster, which are further enhanced by the alcohol service and dancing requested. Some establishments will have live entertainment which does not require a separate discretionary entitlement.

The Master Conditional Use Permit provides an umbrella entitlement with conditions that apply to the subject property and in general to all establishments. The request has received the support of the Downtown Los Angeles Neighborhood Council, as noted in a letter dated February 9, 2016, as well as the support of the Central City East Association in verbal testimony and in a letter dated February 4, 2016. In a letter dated October 19, 2017, the Police Department's Newton Area vice submitted a letter indicating that it had no opposition to the request. The Applicant also submitted a number of letters in support of the request from business owners at the Seventh Street Produce Market subsequent to the hearing. By improving the viability and desirability of the existing establishments and providing residents and visitors the desired amenity of alcoholic beverages and occasional public dancing, the Project enhances the built environment as well as performs a function and provides a service that is beneficial not only to the community but also to the City and region as a whole.

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 properties adjacent to the project site include light industrial, commercial/retail, and restaurant uses. The adjacent property to the north, across 7th Street, is zoned M2-2D and is used as a Metro bus refueling station and yard. The adjoining property to the south is zoned M2-2D and developed with the Los Angeles Wholesale Produce Market. The adjacent properties to the east, across Alameda Street, are zoned M3-1-RIO and are developed with a restaurant, warehouses, and a Greyhound bus terminal. The adjacent properties to the west, across Central Avenue, are zoned M2-2D and comprised of warehousing and retail uses.

As noted, the Project is the addition of alcoholic beverage sales and occasional public dancing to restaurant uses and dancing to certain venues. The Project does not alter the location, size, height, or other significant features of the existing on-site buildings, and the alcohol sales proposed will be incidental to the approved restaurant and retail uses. With respect to the operations of the establishments, the Master Conditional Use Permit approved herein includes general conditions which will be supplemented by more tailored conditions designed to address the specific characteristics of each establishment through the Approval of Plans determination. These conditions may include, but are not limited to potentially more restrictive hours of operation, seating caps, details of type of live entertainment and any other conditions which are intended to provide for a compatible operation that does not create impacts on surrounding uses. Under each review, at its discretion, the Police Department may also have an opportunity to comment and recommend any conditions.

The Project is not located directly adjacent to any properties that could be degraded by the grant of alcohol sales and occasional public dancing at existing establishments. Approval of the Master Conditional Use Permit will contribute to the viability of the uses and help to reinvigorate the site and vicinity with quality establishments. Since the alcohol sales and limited public dancing uses will be incidental uses, the Project will not be detrimental to the development of the community. Thus, as conditioned, 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.

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

The Central City Community Plan designates the property for Light Manufacturing with corresponding zones of MR2 and M2 and Height District 2-D

The Site is located within a highly urbanized area of the City of Los Angeles surrounded by light industrial uses along major roadway corridors. The property is zoned M2-2D which is one of the corresponding zones for the Light Manufacturing land use designation of the Community Plan. The existing restaurant, event space, office, commercial, retail, and manufacturing uses are permitted by right in the M2 Zone. The proposed alcohol and public dancing in the M2 Zone are permitted through a Conditional Use process, provided that the Zoning Administrator makes the required findings herein.

Although the Central City Community Plan is silent with regards to alcohol sales and dancing specifically, the Project would be in substantial conformance with objectives of the Plan that encourage a mix of uses that create an active environment, that promote night life and that enhance the pedestrian environment and linkages in the South Markets area. The additional amenities that the request allows in permitted uses will further the Plan's objectives. Given the oversight created by the conditions of approval and the subsequent review of each proposed establishment on a case by case basis, the request is in keeping with the purpose, intent and provisions of the General Plan and the Central City Community Plan.

4. **The proposed use will not adversely affect the welfare of the pertinent community or result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages, including beer and wine, giving consideration to the applicable State laws and to the California Department of Alcoholic Beverage Control's guidelines for undue concentration; and giving consideration to the number and proximity of these establishments within a one thousand foot radius of the site, the crime rates in the area and whether revocation or nuisance proceedings have been initiated for any use in the area.**

According to the California State Department of Alcoholic Beverage Control licensing criteria, one (1) on-site and zero (0) off-site licenses are allocated to the subject Census Tract No. 2260.02, which had a population of 1,604 as of December 2017. There are currently 13 on-site and 9 off-site licenses within this census tract.

Overconcentration can be undue when the addition of a license will negatively impact a neighborhood. Overconcentration 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. While the request would appear as an overconcentration of licenses, the request involves a number of establishments which will be monitored as a part of the entire complex's operational oversight as well as by specific conditions imposed upon each Plan Approval.

Statistics from the Los Angeles Police Department reveal that in Crime Reporting District No. 1307, which has jurisdiction over the subject property, a total of 186 crimes were reported in 2017 compared to the citywide average of 176 crimes and the High Crime Reporting District average of 211 crimes. Part 1 Crimes for the reporting district included:

Homicide (3), Rape (3), Robbery (24), Aggravated Assault (57), Burglary (17), Auto Theft (22), and Larceny (112). Part 2 Arrests for the reporting district include: Other Assaults (1), Forgery (2), Fraud (1), Received Stolen Property (7), Weapon Possession (6), Prostitution (7), Sex Offenses (1), Drugs (136), Liquor Laws (68), Drunkenness (1), Disturbing the Peace (21), Gambling (13), DUI (6), and Moving Traffic Violations (47).

The numbers are above the citywide average and the district average. However, there is no evidence submitted for the record indicating or suggesting any link between the subject site and the neighborhood's crime rate. Further, there is no specifically established link between the above information and the property, since the statistics cover an entire district and do not pertain particularly to the subject site. Nonetheless, the grant includes a number of conditions, including a requirement for a security plan to be approved by the Police Department prior to the effectuation of the grant. It is noted that the Police Department also submitted a letter dated October 19, 2017 indicating no opposition to the Project. As noted, conditions have been imposed to safeguard the community and to provide for reasonable operation as part of the Master Conditional Use Permit. Concerns with any individual establishments can be addressed in more detail in the Plan Approval process, which is an opportunity to consider more specific operational characteristics as tenants are identified and the details of each establishment are highlighted. Thus, as conditioned, it is not anticipated that the sale of alcoholic beverages will affect the economic welfare of the community.

5. **The use will not detrimentally affect nearby residentially zoned communities in the area 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.**

No residentially zoned communities are located in the immediate area around the Project site. There are at least two other establishments which also sell alcohol within 1000 feet of the site. Additionally, the following sensitive uses are located within 1,000 feet of the subject site:

- Para Los Niños, 1617 East 7th Street
- Inner City Arts, 720 Kholer Avenue

While there are sensitive uses located in proximity to the project site, the Project will include comprehensive security measures to discourage loitering, theft, vandalism and other nuisances. The Applicant will continue to operate 24-hour security on the Site with an on-site command center and over 100 cameras. Further conditions will be imposed on each individual operator through the Plan Approval process.

Furthermore, the proposed use will not detrimentally affect nearby sensitive uses because the urban environment mostly contains industrial and commercial buildings. The sale of alcoholic beverages is incidental to the primary operations of the establishments which represent restaurants and retail venues. All the establishments will be within a contained environment wherein the property owner retains responsibility for strict oversight. The grant includes conditions designed to not authorize uses of the property which might create potential nuisances. Such imposition of conditions will make the request a more compatible and accountable neighbor to surrounding uses than would otherwise be the case.

ADDITIONAL MANDATORY FINDINGS

6. 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 C, areas of minimal flooding.

ENVIRONMENTAL FINDINGS

7. Determined based on the whole of the administrative record, that the Project is exempt from CEQA pursuant to CEQA Guidelines, Sections 15301 and 15302 (Class 1 and Class 2 categorical exemptions), and substantial evidence in the City's record demonstrates that none of the exceptions to a categorical exemption in CEQA Guidelines, Section 15300.2 applies. Thus, no further environmental analysis of the proposed discretionary permits is required under CEQA.

The issues raised regarding the City's CEQA compliance for the Project are summarized and responded to below. All comments received as well as further technical responses to those comments submitted by the City's environmental consulting firm Dudek can be found in the case file.

Park & Velayos October 31, 2017 letter

Comment: The Project is not ministerially exempt from CEQA.

City's Response: The Applicant has received several ministerial entitlements for building upgrades, tenant improvements, and changes of use within the range of allowed uses under the existing zoning since the Applicant acquired the ROW DTLA property in approximately October 2014. The ministerial approvals previously received by the Applicant are not properly considered as part of the Project under consideration, which is the Master Conditional Use Permit for the sale of alcoholic beverages at 24 locations in the ROW DTLA site, and related discretionary permits. The Wholesale Produce Market provides no legal argument or factual evidence demonstrating that the previously issued ministerial permits were required to be considered discretionary or that they were improperly issued.

Comment: The Applicant should not be allowed to avoid CEQA review by piecemealing its entitlement requests.

City's Response: Neither the City nor the Applicant has engaged in illegal "piecemealing" under CEQA, which is when an agency fails to properly consider several *discretionary* approvals comprehensively as the actual "whole" of the project, thereby potentially downplaying or ignoring the potential environmental impacts of a larger project. The obligation to consider proposed activities and requested permits under CEQA only arises when such actions are classified as discretionary. Ministerial entitlements are defined under CEQA as government decisions involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. A ministerial decision involves only the use of fixed standards or objective measurements. (CEQA Guidelines, §15369; see also § 15002, subd. (i)(1) ["Where the law requires a government agency to act on a project in a set way without allowing the agency to use its own judgment, the

project is called 'ministerial,' and CEQA does not apply.".) Building permits for tenant improvements such as the ones cited by the commenter are ministerial.

The City has properly complied with CEQA by considering the discretionary Project under consideration as limited to the Master Conditional Use Permit for alcohol at 24 locations and the related permit applications for dancing and alcohol service and sales. (CEQA Guidelines, § 15002, subd. (i) ["CEQA applies in situations where a government agency can use its judgment in deciding whether and how to carry out or approve a project."].) Nonetheless, the City has also considered the potential cumulative effect of approving the discretionary entitlements in the context of the neighborhood in which the activities authorized by the alcohol permits would take place. (See "ROW DTLA MCUP Project Categorical Exemption Analysis", dated February 2018 and prepared by Dudek) This context includes the previous ministerially approved improvements and changes of use that have occurred since the Applicant acquired the ROW DTLA properties in October 2014.

Comment: The ROW DTLA Project is not categorically exempt from CEQA, due to ineligibility for the Class 1 exemption and the application of the cumulative impact, historic resources and unusual circumstances exceptions.

City's Response: The Project's eligibility for the Class 1 and Class 2 categorical exemptions and the inapplicability of all of the potential exceptions to the categorical exemptions under CEQA is thoroughly documented in the "ROW DTLA MCUP Project Categorical Exemption Analysis", prepared by Dudek, as noted above. The discretionary action under consideration by the City is not, as the commenter alleges, the entirety of the ministerial permits and uses approved since October 2014 when the Applicant acquired the site. The only actions under consideration for CEQA purposes are the activities that would be authorized by the discretionary Master Conditional Use Permit for alcohol sales and service, and the related permits for occasional dancing. Given the limited nature of the City's discretionary action and the fact that approval of the requested permits would not authorize any physical changes to the existing buildings, the Class 1 and Class 2 categorical exemptions are applicable.

Dudek's analysis also addresses all of the potential exceptions to categorical exemptions and concludes, on the basis of sound reasoning and substantial evidence, that none of the exceptions apply. The analysis considers the potential for the Project to contribute to significant cumulative impacts in each resource and issue area covered under CEQA and concludes that the activities authorized under the discretionary permits would not result in any significant impacts, and therefore would not make a cumulatively considerable contribution to any cumulative impacts. Because there are no physical changes associated with the permits, there would be no impact to any historic resources on the site. Lastly, because the service of alcohol and related entertainment activities is a commonplace and expected activity with the type of uses that have already been approved and are operating on the site, and more generally in association with restaurants in the downtown LA area and elsewhere, the City concurs with Dudek's reasoning and conclusion that the Project does not arise under or result in any unusual circumstances.

In a memo dated February 27, 2018, Dudek provided further technical responses to the traffic and trip-generation-related comments at pages 6 and 7 of the commenter's letter. City Planning and LADOT staff have reviewed and concur with the reasoning and evidence stated in the Dudek response.

Inquiries regarding this determination may be directed to Michael Sin, Project Planner, at (213) 978-1345 or michael.sin@lacity.org.



LOURDES GREEN
Associate Zoning Administrator

LG:MS

Cc: Councilmember Jose Huizar
Fourteenth District
Adjoining Property Owners

CHARLES J. RAUSCH, JR.
INTERIM CHIEF ZONING ADMINISTRATOR
ASSOCIATE ZONING ADMINISTRATORS
JACK CHIANG
HENRY CHU
LOURDES GREEN
THEODORE L. IRVING
ALETA D. JAMES
FRANKLIN N. QUON
FERNANDO TOVAR
DAVID S. WEINTRAUB
MAYA E. ZAITZEVSKY

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

**DEPARTMENT OF
CITY PLANNING**
VINCENT P. BERTONI, AICP
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DEPUTY DIRECTOR
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<http://planning.lacity.org>

March 27, 2018

Alameda Square Owner, LLC (A)(O)
Atlas Capital Group
1318 East 7th Street, Suite 200
Los Angeles, CA 90021

Jerry Neuman and Andrew Brady (R)
DLA Piper LLP
633 West 5th Street, Suite 3200
Los Angeles, CA 90071

CASE NO. ZA-2017-3100-MPA
MASTER PLAN APPROVAL
Related Case No.:
ZA-2015-4211-MCUP-CUX-ZV
767 South Alameda Street
Central City Planning Area
Zone : M2-2D
D. M. : 123A213, 123A215
C. D. : 14
CEQA : ENV-2015-4212-CE
Legal Description: Lot A, B, and C of Tract
PM 6524

Pursuant to Los Angeles Municipal Code Section 12.24 M, I hereby APPROVE:

plans to permit the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings in conjunction with a retail store located at Building 2, #180 (Flask & Field);

upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.
2. The use and development of the property shall be in substantial conformance with the plot plan submitted with the application and marked Exhibit "A", except as may be revised as a result of this action.
3. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
4. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.

5. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
6. Prior to the effectuation of this grant, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided for inclusion in case file. Fees required per L.A.M.C section 19.01 E (3) for Monitoring of Conditional Use Permits and Inspection and Field Compliance Review of Operations shall be paid to the City prior to the final clearance of this condition.
7. Approved herein is the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings at one retail store (Flask & Field).
8. The square footage shall not exceed 1,215 square feet of interior space and 622 square feet of outdoor space. Seating shall not exceed 12 indoor seats and 50 outdoor seats.
9. Hours of operation shall not exceed 9 a.m. to 9 p.m., daily.
10. No live entertainment including a piano bar, karaoke or DJ shall be conducted. No conditional use request for dancing has been requested or approved herein. Dancing is prohibited.
11. There shall be no Adult Entertainment of any type pursuant to LAMC Section 12.70.
12. Coin operated game machines, pool tables or similar game activities or equipment shall not be permitted.
13. The Applicant shall install and maintain security cameras and a one-month tape library that covers all common areas of the business, high-risk areas and entrances or exits, including the indoor and outdoor areas. The tapes shall be made available to the Police Department upon request.
14. The Applicant shall provide the Police Department with a security plan that includes a delineation of the video surveillance arrangements for both the licensed premises and the adjoining areas encircling the subject premises. The security plan shall also include a delineation of the security personnel, if one is implemented, including specifications pertaining to staffing, structure and arrangement of security guards for the subject premises. The security plan shall be included in the case file following approval by the Police Department and may be the same security plan or tailored from the security plan required under ZA 2015-4211-MCUP-CUX-ZV.

If the membership of the Newton Area Vice becomes aware that the concerned security plan is ineffective or that the agreed upon plan has otherwise been proven to be inadequate as it pertains to the enhancement of safety for both patrons and the employees of the establishment, the Newton Area Vice Office reserves the capability to revise the

existing security plan and modify the parameters of it to maximize safety while reducing nuisance and criminal activity.

15. An electronic age verification device shall be retained on the premises available for use during operational hours. This device shall be maintained in operational condition and all employees shall be instructed in its use.
16. **Within six months of the initiation of alcohol sales**, all managers and employees involved with the sale of alcoholic beverages shall enroll in the Los Angeles Police Department "Standardized Training for Alcohol Retailers (STAR)." Upon completion of such training, the Applicant shall request the Police Department to issue a letter identifying which employees completed the training. The applicant shall transmit a copy of the letter from the Police Department to the Department of City Planning as evidence of compliance. New employees shall receive such training within 60 days of hiring. Subsequently this training program shall be required for all staff annually.
17. The Applicant shall be responsible for monitoring both patron and employee conduct on the premises and within the parking areas under his/her control to assure behavior that does not adversely affect or detract from the quality of life for adjoining property owners and businesses.
18. The manager and all employees of the facility shall be knowledgeable of the conditions herein and of the conditions in the Master Conditional Use Permit (Case No. ZA 2015-4211-CUB-CUX-ZV). Additionally, a copy of the MCUP and the subject case shall be provided to all employees who shall sign an acknowledgment form stating that they have read and understood all the ABC conditions as well as all the conditions of the MCUP and of this action. This form and the conditions of approval, including ABC conditions, shall be maintained on the premises at all times and produced immediately upon request of the Police Department, the Zoning Administrator, the Department of Building and Safety or other enforcement agency.
19. The Zoning Administrator reserves the right to require that a new owner or operator file a Plan Approval application, if it is determined that the new operation is not in substantial conformance with the approved floor plan, or the operation has changed in mode or character from the original approval, or if documented evidence be submitted showing a continued violation(s) of any condition(s) of this grant resulting in a disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties. The application, in association with the appropriate fees, and a 500-foot notification radius, shall be submitted to the Department of City Planning. The purpose of the plan approval will be to review the operation of the premise and establish conditions applicable to the use as conducted by the new owner or operator, consistent with the intent of the Conditions of this grant. Upon this review, the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.
20. **MVIP – Monitoring, Verification and Inspection Program.** Within 12 to 18 months from the beginning of operations or issuance of a Certificate of Occupancy, a City inspector will conduct a site visit to assess compliance with, or violations of, any of the conditions of this grant. Observations and results of said inspection will be documented and included in the administrative file. The owner/operator shall be notified of the deficiency or violation and required to correct or eliminate the deficiency or violation. Multiple or continued documented violations or Orders to Comply issued by the Department of Building and

Safety which are not addressed within the time prescribed, may result in additional corrective conditions imposed by the Zoning Administrator.

21. INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.

Applicant shall do all of the following:

- (i) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- (ii) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- (iii) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (iv) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all

decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

“City” shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

“Action” shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES

All terms and conditions of the approval shall be fulfilled before the use may be established. The instant authorization is further conditional upon the privileges being utilized within three years after the effective date of approval and, if such privileges are not utilized or substantial physical construction work is not begun within said time and carried on diligently to completion, the authorization shall terminate and become void.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

“A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code.”

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency.

Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after APRIL 11, 2018, unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>.** Public offices are located at:

Figueroa Plaza
201 North Figueroa Street
4th Floor
Los Angeles, CA 90012
(213) 482-7077

**Marvin Braude San Fernando
Valley Constituent Service Center**
6262 Van Nuys Blvd., Room 251
Van Nuys, CA 91401
(818) 374-5050

**West Los Angeles
Development Services Center**
1828 Sawtelle Blvd., 2nd Floor
West Los Angeles, CA 90025
(310) 231-2912

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

NOTICE

The applicant is further advised that subsequent contact regarding this determination must be with the Development Services Center. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, the statements made at the public hearing on October 10, 2017, and the subsequent correspondence, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements for authorizing a conditional use permit under the provisions of Section 12.24 W have been established by the following facts:

BACKGROUND

The project proposed herein (Project) is a Plan Approval to permit the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings in conjunction with a retail store (Flask & Field) located at Building 2 (Retail Store 180) of the ROW DTLA site (Site). The Site spans the southwest corner of Alameda Street and 7th Street from Alameda Street to Central Avenue. The Site has seven existing buildings and one parking structure, for a total of eight buildings. The sale of alcoholic beverages is already authorized on the Site by the underlying approved Master Conditional Use Permit (Case No. ZA-2015-4211-MCUP-CUX-ZV). The subject Plan Approval enables the Zoning Administrator to consider more closely the nature of each operation and to impose further conditions as necessary

Zoning and Land Uses

The Site is located within the Central City Community Plan Area in a highly urbanized area of the City of Los Angeles surrounded by light industrial uses along major roadway corridors. The property is zoned M2-2D with a General Plan Land Use designation of Light Manufacturing. One of the corresponding zones for the Light Manufacturing land use designation in the Central City North Community Plan is the M2 Zone. The Site's "2D" designation indicates that the property is located in Height District 2, which ordinarily limits Floor Area Ratio (FAR) on the site to 6:1, and is subject to a Development "D" Limitation, which further limits FAR on the site to 3:1, per Ordinance No. 164307 (effective January 30, 1989). The Project does not entail any increase to existing floor area.

The site is located within the Los Angeles State Enterprise Zone, Greater Downtown Housing Incentive Area, Transit Priority Area, Adaptive Reuse Incentive Area, Transit Oriented Communities Area (Tier 3), and Central City Parking District. The site is approximately 2,200 feet (0.4 miles) from the nearest freeway (Interstate 10). The site is also located within the Central Industrial Redevelopment Project Plan Area, which is silent on the addition of alcohol sales to existing establishments.

Adjacent Land Uses

The properties adjacent to the project site include light industrial, commercial/retail, and restaurant uses. The adjacent property to the north, across 7th Street, is zoned M2-2D and is used as a Metro bus refueling station and yard. The adjoining property to the south is zoned M2-2D and developed with the Los Angeles Wholesale Produce Market. The adjacent properties to the east, across Alameda Street, are zoned M3-1-RIO and are developed with a restaurant, warehouses, and a Greyhound bus terminal. The adjacent properties to the west, across Central Avenue, are zoned M2-2D and comprised of warehousing and retail uses.

Streets and Circulation

Alameda Street, which borders the project site to the east, is a two-way north-south street providing two travel lanes in each direction. It is classified as an Avenue I with a designated right-of-way width of 100 feet (70-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 100 feet.

7th Street, which borders the project site to the north, is a two-way east-west street providing two travel lanes in each direction. It is classified as an Avenue II with a designated right-of-way width of 86 feet (56-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 80 feet.

Central Avenue, which borders the project site to the west, is a two-way north-south street providing two travel lanes in each direction. It is classified as an Avenue I with a designated right-of-way width of 100 feet (70-foot roadway with 15-foot wide sidewalks on each side). The street currently has a right-of-way width of 80 feet.

Two Metro Rapid Bus Lines (720 and 760) and four Metro Local Bus Lines (18, 53, 60, 62) serve the project area and connect to the Pershing Square Metro station (Red Line and Purple Line).

Previous Zoning Related Cases on the site/ in the area (1,000-foot radius) include:

Subject Property:

Case No. ZA-2015-4211-MCUP-CUX-ZV – On March 27, 2018, the Zoning Administrator dismissed a variance to allow outdoor dining on rooftop levels; approved a Master Conditional Use to permit: 1) the sale and dispensing of a full line of alcoholic beverages for on-site consumption in a maximum of 19 restaurants; 2) the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings at one retail store; 3) the sale and dispensing of a full line of alcoholic beverages for on-site consumption at one rooftop event space; 4) the sale and dispensing of a full line of alcoholic beverages for on-site consumption and beer manufacturing at one restaurant/brewery; 5) the sale and dispensing of a full line of alcoholic beverages for off-site consumption at one market; and 6) the sale and dispensing of beer and wine for on- and off-site consumption at one outdoor public market; and approved a Master Conditional Use to permit public dancing in a maximum of five establishments, on the subject site (ROW DTLA).

Surrounding Properties

Case No. CPC-2013-2993-GPA-VZC-HD-DB-MCUP-SPR – On August 10, 2017, the City Planning Commission approved a Master Conditional Use to permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption within three establishments, in conjunction with other approvals to allow the construction of a new 336,304 square-foot mixed-use project comprised of 344 live-work units, 7,458 square feet of leasing/amenity area, 24,774 square feet of creative office uses and resident production space, and 4,042 square feet of restaurant space, located at 1525 East Industrial Street (Camden USA, Inc.).

Case No. ZA-2014-2677-CUB – On June 1, 2015, the Zoning Administrator approved a Conditional Use to permit the sale and dispensing of beer for on- and off-site consumption in conjunction with a 9,422 square-foot brew pub/microbrewery, located at 1581 East Industrial Street (Iron Triangle Brewing Company).

Case No. ZA-1998-0230-CUB – On June 9, 1998, the Zoning Administrator approved a Conditional Use to permit the sale of a full line of alcoholic beverages for off-site consumption as an accessory use to a grocery warehouse, located at 750 South Alameda Street (Canton Foods Incorporated).

PUBLIC HEARING

On October 10, 2017, the Zoning Administrator conducted a public hearing for the underlying Master Conditional Use Permit (Case No. ZA-2015-4211-MCUP-CUX-ZV) as well as for six Master Plan Approvals (MPAs), including the instant request herein. A summary of testimony received can be found in the "Public Hearing" section of the Letter of Determination for Case No. ZA-2015-4211-MCUP-CUX-ZV.

CONDITIONS IDENTIFIED FOR CONSIDERATION BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL RELATIVE TO THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

In approving the instant grant, the Zoning Administrator has not imposed Conditions specific to the sale or distribution of alcoholic beverages, even if such Conditions have been volunteered or

negotiated by the applicant, in that the Office of Zoning Administration has no direct authority to regulate or enforce Conditions assigned to alcohol sales or distribution.

The Zoning Administrator has identified a set of Conditions related to alcohol sales and distribution for further consideration by the State of California Department of Alcoholic Beverage Control (ABC). In identifying these conditions, the Office of Zoning Administration acknowledges the ABC as the responsible agency for establishing and enforcing Conditions specific to alcohol sales and distribution. The Conditions identified below are based on testimony and/or other evidence established in the administrative record, and provide the ABC an opportunity to address the specific conduct of alcohol sales and distribution in association with the Conditional Use granted herein by the Zoning Administrator.

- Alcohol shall not be consumed on any adjacent property under the control of the applicant.

AUTHORITY FOR PLAN APPROVAL

Section 12.24-M of the Los Angeles Municipal Code provides in part:

"M. Development of Uses

1. **Development of Site.** On any lot or portion of a lot on which a deemed-approved conditional use is permitted pursuant to the provisions of this section, new buildings or structures may be erected, enlargements may be made to existing buildings, and existing uses may be extended on an approved site, as permitted in Subsection L of this section, provided that plans therefore are submitted to and approved by the Zoning Administrator, the Area Planning Commission or the City Planning Commission, whichever has jurisdiction at the time."

BASIS FOR CONDITIONAL USE PERMITS

A particular type of development is subject to the conditional use process because it has been determined that such use of property should not be permitted by right in a particular zone. All uses requiring a conditional use permit from the Zoning Administrator are located within Section 12.24 W of the Los Angeles Municipal Code. In order for sale of alcoholic beverages to be authorized, certain designated findings have to be made. In these cases, there are additional findings in lieu of the standard findings for most other conditional use categories.

FINDINGS

Following (highlighted) is a delineation of the findings and the application of the relevant facts to same:

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.**

Pursuant to Case No. ZA-2015-4211-MCUP-CUX-ZV, the Zoning Administrator approved a Master Conditional Use Permit authorizing the sale of alcoholic beverages on the subject site, including the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings in conjunction with a retail store (Flask & Field) located at Building 2 (Retail Store 180) of ROW DTLA. While the sale of alcoholic

beverages is already authorized on the Site by the MCUP, the Plan Approval enables the Zoning Administrator to consider more closely the nature of each operation and to impose further conditions as necessary.

The Applicant notes that the establishment will provide instructional tasting service to teach customers wine selection, flavor characteristics, wine pairing, local wine producers, and the wine making process. As such, the Project provides an amenity that distinguishes itself from other uses on the Site. Hours are 9 a.m. to 9 p.m. and limited seating for 12 indoors as well as more seating for 50 outdoors is permitted.

The subject grant does not represent the introduction of a use uncommon to the area, as there are several restaurants, bars, and retail establishments in the vicinity that offer the sale of alcoholic beverages as part of their operations. The availability of alcoholic beverages for on-site tasting or for retail purchases, provides an amenity and a service. By improving the viability and desirability of the establishments at the Project site and providing residents and visitors the desired amenity of alcoholic beverages for sale, the Project performs a function and provides a service that is beneficial not only to the community but also to the City and region as a whole.

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 properties adjacent to the project site include light industrial, commercial/retail, and restaurant uses. The adjacent property to the north, across 7th Street, is zoned M2-2D and is used as a Metro bus refueling station and yard. The adjoining property to the south is zoned M2-2D and developed with the Los Angeles Wholesale Produce Market. The adjacent properties to the east, across Alameda Street, are zoned M3-1-RIO and are developed with a restaurant, warehouses, and a Greyhound bus terminal. The adjacent properties to the west, across Central Avenue, are zoned M2-2D and comprised of warehousing and retail uses.

As noted, the instant request is for a Plan Approval to permit the sale of alcoholic beverages on the subject site, including the sale and dispensing of a full line of alcoholic beverages for off-site consumption with instructional on-site tastings in conjunction with a retail store (Flask & Field). The request does not alter the location, size, height, or other significant features of the existing on-site buildings. With respect to the operations of the establishment, the instant Plan Approval includes tailored conditions designed to address the specific characteristics of Flask and Field. It is noted that the establishment is only 1,255 square feet in area with a 622 square-foot outdoor patio located internal to the site. Additionally, the restrictions on hours of operation from 9 am to 9 pm, daily, is expected to further ensure compatibility with the surrounding area. Conditions also include mandatory STAR training, electronic age verification devices, security and camera surveillance system, along with a prohibition of live entertainment. Additionally, the store is located within an existing development complex, which is a controlled environment with 24-hour security.

The use is not located directly adjacent to any properties that could be degraded by the grant of alcohol sales at an existing approved retail use. Approval of the conditional use will contribute to the viability of the development complex and help to reinvigorate the site and vicinity with higher quality establishments. Thus, as conditioned, 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.

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

The Central City Community Plan designates the property for Light Manufacturing with corresponding zones of MR2 and M2 and Height District 2-D

The Site is located within a highly urbanized area of the City of Los Angeles surrounded by light industrial uses along major roadway corridors. The property is zoned M2-2D which is one of the corresponding zones for the Light Manufacturing land use designation of the Community Plan. The proposed alcohol sales in the M2 Zone are permitted through a Conditional Use process, provided that the Zoning Administrator makes the required findings herein.

Although the Central City Community Plan is silent with regards to alcohol sales specifically, the Project would be in substantial conformance with objectives of the Plan that encourage a mix of uses that create an active environment, that promote night life and that enhance the pedestrian environment and linkages in the South Markets area. The additional amenities that the request allows in permitted uses will further the Plan's objectives. Given the oversight created by the conditions of approval and the instant and subsequent review of each proposed establishment on a case by case basis, the request is in keeping with the purpose, intent and provisions of the General Plan and the Central City Community Plan.

4. **The proposed use will not adversely affect the welfare of the pertinent community or result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages, including beer and wine, giving consideration to the applicable State laws and to the California Department of Alcoholic Beverage Control's guidelines for undue concentration; and giving consideration to the number and proximity of these establishments within a one thousand foot radius of the site, the crime rates in the area and whether revocation or nuisance proceedings have been initiated for any use in the area.**

According to the California State Department of Alcoholic Beverage Control licensing criteria, one (1) on-site and zero (0) off-site licenses are allocated to the subject Census Tract No. 2260.02, which had a population of 1,604 as of December 2017. There are currently 13 on-site and 9 off-site licenses within this census tract.

Overconcentration can be undue when the addition of a license will negatively impact a neighborhood. Overconcentration 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. While the request would appear as an overconcentration of licenses, the request involves a number of establishments which will be monitored as a part of the entire complex's operational oversight as well as by specific conditions imposed upon each Plan Approval.

Statistics from the Los Angeles Police Department reveal that in Crime Reporting District

No. 1307, which has jurisdiction over the subject property, a total of 186 crimes were reported in 2017 compared to the citywide average of 176 crimes and the High Crime Reporting District average of 211 crimes. Part 1 Crimes for the reporting district included: Homicide (3), Rape (3), Robbery (24), Aggravated Assault (57), Burglary (17), Auto Theft (22), and Larceny (112). Part 2 Arrests for the reporting district include: Other Assaults (1), Forgery (2), Fraud (1), Received Stolen Property (7), Weapon Possession (6), Prostitution (7), Sex Offenses (1), Drugs (136), Liquor Laws (68), Drunkenness (1), Disturbing the Peace (21), Gambling (13), DUI (6), and Moving Traffic Violations (47).

The numbers are above the citywide average and the district average. However, there is no evidence submitted for the record indicating or suggesting any link between the subject site and the neighborhood's crime rate. Further, there is no specifically established link between the above information and the property, since the statistics cover an entire district and do not pertain particularly to the subject site. Nonetheless, the grant includes a number of conditions, including a requirement for a security plan to be approved by the Police Department prior to the effectuation of the grant. It is noted that the Police Department also submitted a letter dated October 19, 2017 indicating no opposition to the Project. As noted, conditions have been imposed to safeguard the community and to provide for reasonable operation as part of the Master Conditional Use Permit. Additionally, individual establishments such as this one can be addressed in more detail in the subject Plan Approval process, which is an opportunity to consider more specific operational characteristics. Thus, as conditioned, it is not anticipated that the sale of alcoholic beverages will affect the economic welfare of the community.

5. **The use will not detrimentally affect nearby residentially zoned communities in the area 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.**

No residentially zoned communities are located in the immediate area around the Project site. There are at least two other establishments which also sell alcohol within 1000 feet of the site. Additionally, the following sensitive uses are located within 1,000 feet of the subject site:

- Para Los Niños, 1617 East 7th Street
- Inner City Arts, 720 Kholer Avenue

While there are sensitive uses located in proximity to the project site, the Project will include comprehensive security measures to discourage loitering, theft, vandalism and other nuisances. The Applicant will continue to operate 24-hour security on the Site with an on-site command center and over 100 cameras. Further, conditions for this specific establishment have been imposed as will be the case for each of the other individual establishments in the complex which will require a Plan Approval.

Furthermore, the proposed use will not detrimentally affect nearby sensitive uses because the urban environment mostly contains industrial and commercial buildings. The sale of alcoholic beverages is incidental to the primary operations of the establishments which represent restaurants and retail venues. All the establishments will be within a contained environment wherein the property owner retains responsibility for strict oversight. The grant includes conditions designed to not authorize uses of the property which might

create potential nuisances. Such imposition of conditions will make the request a more compatible and accountable neighbor to surrounding uses than would otherwise be the case.

ADDITIONAL MANDATORY FINDINGS

4. 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 C, areas of minimal flooding.
5. Determined based on the whole of the administrative record, that the Project is exempt from CEQA pursuant to CEQA Guidelines, Sections 15301 and 15302 (Class 1 and Class 2 categorical exemptions), and substantial evidence in the City's record demonstrates that none of the exceptions to a categorical exemption in CEQA Guidelines, Section 15300.2 applies. Thus, no further environmental analysis of the proposed discretionary permits is required under CEQA.

The issues raised regarding the City's CEQA compliance for the Project are summarized Letter of Determination for Case No. ZA-2015-4211-MCUP-CUX-ZV.

Inquiries regarding this determination may be directed to Michael Sin, Project Planner, at (213) 978-1345 or michael.sin@lacity.org.



LOURDES GREEN
Associate Zoning Administrator

LG:MS

Cc: Councilmember Jose Huizar
Fourteenth District
Adjoining Property Owners