

**PLANNING DEPARTMENT TRANSMITTAL
TO THE CITY CLERK'S OFFICE**

CITY PLANNING CASE:	ENVIRONMENTAL DOCUMENT:	COUNCIL DISTRICT:
CEQA Appeal	ENV-2017-2808-CE	13 – O'Farrell
PROJECT ADDRESS:		
5975 West Santa Monica Boulevard (1106 North Gordon Street)		
APPLICANT	TELEPHONE NUMBER:	EMAIL ADDRESS:
Larry Neuberg Hollywood Distillery, Incorporated 5975 West Santa Monica Blvd. Los Angeles, CA 90038 <input type="checkbox"/> New/Changed	N/A	N/A
APPLICANT'S REPRESENTATIVE	TELEPHONE NUMBER:	EMAIL ADDRESS:
Matt Goulet Land Use Developers Group 6001 Santa Monica Blvd. Los Angeles, CA 90038	(213) 457-7178	matt@landusedevelopers.com
APPELLANTS	TELEPHONE NUMBER:	EMAIL ADDRESS:
Susan Hunter Save Hollywood 6500 Sunset Blvd. Los Angeles, CA 90028	(949) 295-0206	heysyzhunter@gmail.com
APPELLANT'S REPRESENTATIVE	TELEPHONE NUMBER:	EMAIL ADDRESS:
PLANNER CONTACT INFORMATION:	TELEPHONE NUMBER:	EMAIL ADDRESS:
JoJo Pewsawang	(213) 978-1214	jojo.pewsawang@lacity.org
ENTITLEMENTS FOR CITY COUNCIL CONSIDERATION		
N/A		

FINAL ENTITLEMENTS NOT ADVANCING:

N/A

ITEMS APPEALED:

CEQA Appeal

ATTACHMENTS:

REVISED:

ENVIRONMENTAL CLEARANCE:

REVISED:

- Letter of Determination
- Findings of Fact
- Staff Recommendation Report
- Conditions of Approval
- Ordinance
- Zone Change Map
- GPA Resolution
- Land Use Map
- Exhibit A - Site Plan
- Mailing List
- Land Use
- Other _____

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- Categorical Exemption
- Negative Declaration
- Mitigated Negative Declaration
- Environmental Impact Report
- Mitigation Monitoring Program
- Other _____

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NOTES / INSTRUCTION(S):

Related Case: ZA-2017-2807-CUB-1A

FISCAL IMPACT STATEMENT:

- Yes No

*If determination states administrative costs are recovered through fees, indicate "Yes".

PLANNING COMMISSION:

- | | |
|--|--|
| <input type="checkbox"/> City Planning Commission (CPC) | <input type="checkbox"/> North Valley Area Planning Commission |
| <input type="checkbox"/> Cultural Heritage Commission (CHC) | <input type="checkbox"/> South LA Area Planning Commission |
| <input checked="" type="checkbox"/> Central Area Planning Commission | <input type="checkbox"/> South Valley Area Planning Commission |
| <input type="checkbox"/> East LA Area Planning Commission | <input type="checkbox"/> West LA Area Planning Commission |
| <input type="checkbox"/> Harbor Area Planning Commission | |

PLANNING COMMISSION HEARING DATE:	COMMISSION VOTE:
JULY 24, 2018	5-0
LAST DAY TO APPEAL:	APPEALED:
CEQA APPEAL	Yes – 8/10/18
TRANSMITTED BY:	TRANSMITTAL DATE:
ROCKY WILES	August 16, 2018



CENTRAL LOS ANGELES AREA PLANNING COMMISSION

200 North Spring Street, Room 532, Los Angeles, California, 90012-4801, (213) 978-1300

www.planning.lacity.org

LETTER OF DETERMINATION

MAILING DATE: AUG 01 2018

Case No. **ZA-2017-2807-CUB-1A**

CEQA: ENV-2017-2808-CE

Plan Area: Hollywood

Council District: 13 – O'Farrell

Applicant: Larry Neuberg, Hollywood Distillery Incorporated
Matt Goulet, Land Use Developers Group

Appellant: George Abrahams, Save Hollywood

At its meeting of **July 24, 2018**, the Central Los Angeles Area Planning Commission took the actions below in conjunction with the approval of the following:

The sale, dispensing and instructional tasting of a full line of alcoholic beverages for on-site and off-site consumption in conjunction with a tasting room within a craft distillery manufacturing operation.

1. **Determined**, based on the whole of the administrative record, that the project is exempt from CEQA, pursuant to State CEQA Guidelines Section 15301, City CEQA Guidelines, Section 1, Class 1, Category 22, and that there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies;
2. **Denied** the appeal and **sustained** the Zoning Administrator's determination to approve, pursuant to Los Angeles Municipal Code Section 12.24 W.1, a Conditional Use Permit to allow the sale, dispensing, and instructional tasting of a full line of alcoholic beverages for on-site and off-site consumption in conjunction with a tasting room within a craft distillery manufacturing operation;
3. **Adopted** the attached Conditions of Approval by the Zoning Administrator; and
4. **Adopted** the attached Findings of the Zoning Administrator, as amended by the Commission.

This action was taken by the following vote:

Moved: Mendez
Second: Barraza
Ayes: Chung Kim, Delgado, Gold

Vote: 5 - 0

Rocky Wiles, Commission Office Manager
Central Los Angeles Area Planning Commission

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

Effective Date/Appeals: The decision of the Central Los Angeles Area Planning Commission is not appealable and shall become final at the expiration of the next five meetings of the Council, after the mailing date of this determination during which the Council has convened in regular session, pursuant to Charter Section 245.

Notice: An appeal of the CEQA clearance for the Project pursuant to Public Resources Code Section 21151(c) is only available if the Determination of the non-elected decision-making body (e.g., ZA, AA, APC, CPC) **is not further appealable** and the decision is final. The applicant is advised that any work undertaken while the CEQA clearance is on appeal is at his/her/its own risk and if the appeal is granted, it may result in (1) voiding and rescission of the CEQA clearance, the Determination, and any permits issued in reliance on the Determination and (2) the use by the City of any and all remedies to return the subject property to the condition it was in prior to issuance of the Determination.

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.

Attachment: Conditions of Approval, Amended Findings

c: Henry Chu, Associate Zoning Administrator

CONDITIONS OF APPROVAL

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. Authorized herein is the sale, dispensing and instructional tasting of a full line of alcoholic beverages for on- and off-site consumption at a 4,299 square-foot craft distillery with a maximum 49 indoor seats from the effective date of this grant.
7. The hours of distillery operations have been proposed to extend for 24 hours on a daily basis and have been approved for such uses provided that public uses or access is strictly prohibited after 11 p.m. and before 10 a.m. on a daily basis. The hours of public access to the facility, for the purposes of providing factory tours and offering distilled spirit tastings, have been proposed to extend from 10 a.m. to 11 p.m., Monday through Sunday, and have been approved for such use contingent upon Department of Building and Safety and Fire Department determinations. The hours of operation shall exclude any activity which is issued film permits by the City.
8. Prior to the utilization of this grant, a camera surveillance system shall be installed to monitor the interior, entrance, exits and exterior areas, in front of and around the premises. Recorded tapes/images shall be maintained for a minimum period of 30 days. The tapes shall be furnished to the Los Angeles Police Department upon request. The plan must be reviewed and approved by the Police Department. The approved plan will be maintained by the DEPARTMENT OF CITY PLANNING and be made available to the Police Department and the Department of Building and Safety for the purpose of verification or inspections.
9. Only the rear door, located along the northwest side of the premises, shall be used for patron access. All other doors shall be equipped on the inside with an automatic locking device and shall be kept closed at all times other than to permit temporary access for delivery of supplies and trash removal. These doors shall not consist solely of a screen or ventilated security door but shall be solid.
10. Within six months of the date of this determination and within six months of hire, all personnel acting in the capacity of a manager of the premise and all personnel who sell alcoholic beverages shall attend Standardized Training for Alcohol Retailers (STAR) session sponsored by the Los Angeles Police Department. All employees who sell alcoholic beverages shall attend follow-up STAR classes every 24 months. Upon completion of the

- training, the applicant shall provide evidence to the Zoning Administrator that such training was provided.
11. An electronic age verifications 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.
 12. The applicant shall not sublet the premises to outside “promoters” for any activity. The premises shall not be used exclusively for private parties in which the general public is excluded. The distillery operator(s) shall at all times retain operational control of the premises and utilize only the establishment’s regular employees, own security staff and bar tenders for any private or special event.
 13. The establishment staff shall maintain an employee whose responsibility it will be to book events at the venue. Such bookings shall not be permitted to be handled by any outside promoters.
 14. There shall be NO live entertainment of any type, including but not limited to live music, karaoke, topless entertainment, male or female performers or fashion shows.
 15. All exterior portions of the site shall be adequately illuminated in the evening so as to make discernible the faces and clothing of persons utilizing the space. Lighting shall be directed onto the site and no floodlighting shall be located as to be seen directly by persons on adjacent properties.
 16. There shall be no pool table or billiards table, electronic games, coin-operated games, dart games, or video machines maintained upon the premises at any time.
 17. No employee or agent shall be permitted to accept money or any other thing of value from a customer for the purpose of sitting or otherwise spending time with customers while in the premises, nor shall the licensee provide, permit, or make available, either gratuitously or for compensation, male or female patrons who act as escorts, companions, or guests of, and for, the customer.
 18. No amplified music with the exception of ambient music is permitted. Employment of a Disc-Jockey is not permitted. Any ambient music, sound or noise emitted that is under the control or influence of the petitioner(s) shall not be audible beyond the subject premises. No music, sound or noise shall be emitted from the subject premises at a level prohibited by the noise regulations of the Los Angeles Municipal Code. Any sound or noise emitted, that is under the control of the petitioner(s), which is audible beyond the exterior of the subject property, shall constitute a violation of Section 116.01 of the LAMC, including any loud, unnecessary or unusual noise that disturbs the peace or quiet of any neighborhood or that causes discomfort. The establishment operators shall make an effort to control any unnecessary noise made by distillery staff or any employees contracted by the distillery, or any noise associated with the operation of the establishment, or equipment of the facility.
 19. The owner/premises operator shall at all times maintain the abutting sidewalk, parking lot and access pathways that immediately front the subject facility free of obstruction.
 20. Petitioner(s) shall install and maintain security cameras and a three-month video library that covers all common areas of the business, high-risk areas, sidewalk areas, and entrances or exits. The videotapes shall be made available to police upon request.
 21. The Petitioner(s) shall be responsible for maintaining free of litter, the direct area and adjacent area to the premises over which they have control. Any graffiti painted or marked

- upon the premises or on any adjacent area under the control of the Petitioner(s) shall be removed or painted over within 24 hours of being applied.
22. There shall be no Adult Entertainment of any type pursuant to L.A.M.C. Section 12.70.
 23. Loitering shall be prohibited on or around these premises as well as the properties adjacent to the subject premises. The applicant shall be responsible for ensuring that persons are dissuaded from loitering on or immediately around the subject premises. "No Loitering or Public Drinking" signs shall be posted containing the predominant language of the establishment's clientele. Any outdoor areas under the control of the applicant and those areas which are adjacent to the subject site shall be routinely patrolled by employees of the distillery or security personnel for the purpose of monitoring loitering.
 24. Any problems associated with the distillery operation shall immediately be reported to the distillery manager who shall correct/remedy the problems.
 25. The approved conditions shall be retained on the premises at all times and produced upon request of the Police Department, the Department of Building and Safety or City Planning. All licenses, permits and conditions shall be posted in a conspicuous location at the facility. Additionally, copies of the ABC operating conditions and conditional use permit conditions shall be provided to all employees working in the distillery. Distillery employees are required to be knowledgeable of the establishment operating conditions and shall sign a document acknowledging that they have read and understood all of the ABC and conditional use permit conditions. Said acknowledgment form(s) shall be maintained at the location by the operator and/or manager who shall present the document(s) to Police Department personnel, ABC Investigators or any other City agency upon request.
 26. A copy of the business permit, insurance information, and a valid emergency contact phone number for the valet and security company service(s) used by the business operator, if at all used, shall be maintained on the premises and presented upon request to any law enforcement officer.
 27. There shall be no Dance Floor arrangement permitted in the subject premises. Patron dancing is not permitted nor shall the Petitioner(s) accommodate or endorse dancing features in any fashion.
 28. Prior to effectuation of this grant and prior to the commencement of operations, the applicant(s) shall be required to provide the Police Department with a security plan that satisfactorily conforms to Police Department and City Planning standards. The security plan shall include a delineation of the video surveillance arrangements for both the licensed premises and the adjoining areas developed by the applicant. The security plan shall also include a delineation of the security personnel scheme including specifications pertaining to staffing, structure and arrangement of security guards for both the licensed premises and the adjoining areas developed by the applicant. The applicant's security plan will be included in the ZA Case File following Police Department and City Planning approval
 29. All establishment security guards fulfilling security plan requirements shall not have any other activities other than those that are security related. Security personnel shall be licensed in accordance with State Law and Police Commission standards and maintain valid Bureau of Security and Investigative Services Guard Credentials along with active American Red Cross first-aid credentials. Establishment security personnel shall be dressed in such a manner as to be readily identifiable as facility security guards to patrons and law

enforcement personnel.

30. Following commencement of operations and after ninety day period in which the premises has been subjected to public use the applicant shall file a security plan approval review application with the Los Angeles Police Department for the purposes of evaluating the effectiveness of the applicant's existing security plan. The applicant shall provide a summary and supporting documentation to attest to the effectiveness of the current security plan. Upon review of the applicant's submission the Police Department or the Zoning Administration may modify and either add to or relegate from the current plan.
31. No portion of the location shall be deemed to be "private", for the purpose of dispensing alcoholic beverages to selected patrons. At no time shall any form of membership card or compensation be a prerequisite for admission to the business, or to any sub-portion of the business.
32. The applicant/distillery operator shall identify a contact person and provide a 24-hour "hot line" telephone number for any inquiries or complaints from the community regarding the subject facility.
33. Prior to the utilization of this grant, the phone number shall be posted on the site so that is readily visible to any interested party. The hot line shall be: posted at the entry, and the cashier or customer service desk, responded to within 24-hours of any complaints/inquiries received on this hot line, and the applicant shall document and maintain a log of complaints received, the date and time received and the disposition of the response. The log shall be made available for review by the Los Angeles Police Department and the Zoning Administrator upon request.
34. The business operator and/or the operator's agents shall comply with California Labor Code Section 6404.5(b) which prohibits the smoking of tobacco or any non-tobacco substance, including from electronic smoking devices, within any place of employment.
35. The applicant shall be responsible for maintaining free of debris or litter the area adjacent to the premises over which they have control, including the sidewalk in front of the establishment.
36. Prior to the utilization of this grant, an electronic age verification device shall be purchased and retained on the premises to determine the age of any individual attempting to purchase alcoholic beverages and shall be installed on at each point-of-sales location. This device shall be maintained in operational condition and all employees shall be instructed in its use.
37. The number of special events permitted on the subject property shall be limited to a maximum of 48 events per year. A special event is any event which is held weekly, monthly or annually, which represent occasions that include any changes in the standard mode and character of the distillery operation or outside advertisement demonstrating a change in the mode and character of the normal distillery operation or otherwise represent any private uses of the facility wherein the general public is excluded. The applicant shall seek approval from the Hollywood Vice Unit for all special events 14 days in advance of the date of each special event. LAPD shall respond to requests for special events in writing. Outside advertisement as it pertains to this provision shall include any promotional material or notification commissioned by any entity that is not directly associated with the operation or under the direct employ of the applicant(s).
38. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant and/or the ABC license

of the location, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator (Upon his/her initiative, or upon written request by LAPD or Department of ABC) reserves the right to call for a public hearing requiring the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19-01-I (Miscellaneous Plan Approval), the purpose of which will be to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office and the Los Angeles Police Department's corresponding division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review, the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

39. Within the first six months of utilizing this grant at this establishment, all employees involved with the sale of full line of alcohol 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 referencing Case No. ZA 2017-2807(CUB), from the Police Department to the Department of City Planning as evidence of compliance. In the event there is a change in the licensee, within six months of such change, this training program shall be required for all new staff. The STAR training shall be conducted for all new hires within two months of their employment.
40. The applicant shall be responsible for monitoring both patron and employee conduct on the premises and within the parking areas under his control to assure behavior that does not adversely affect or detract from the quality of life for adjoining residents, property owners, and businesses.
41. Parking shall be subject to the determination of the Department of Building and Safety. Any off-site parking shall be provided pursuant to the requirements of Los Angeles Municipal Code Sections 12.21-A,4(g) and 12.26-E, 1(b). No variance from the parking requirements has been granted herein.
42. Prior to the utilization of this grant, a telephone number and email address shall be provided for complaints or concerns from the community regarding the operation. The telephone number and email address shall be posted at the following locations:
 - a. Entry, visible to pedestrians
 - b. Customer service desk, front desk or near the hostess station

The applicant shall maintain a log of all calls and emails, detailing: (1) date complaint received; (2) nature of complaint, and (3) the manner in which the complaint was resolved. This log shall be made available to law enforcement personnel upon request and presented as part of the application if and when a new application to continue the operation is submitted to the Department of City Planning. Complaints shall be responded to within 24-hours.

43. These conditions of approval shall be retained on the property at all times and shall be produced immediately upon the request of the Police Department or the Department of Building and Safety.

44. Within 30 days of the effective date of this grant, the applicant shall notify the Beverage and Entertainment Streamlined Program (BEST) via email or U.S. Mail when operations are scheduled to begin and shall submit a copy of the Certificate of Occupancy for the Case File. The notification shall be submitted to planning.ccu@lacity.org, with the subject of the email to include the case number, "**ZA 2017-2807-CUB/Operation Notification**". The applicant shall also submit (attached or mailed) evidence of compliance with any conditions which require compliance "prior to the beginning of operations" as stated by these conditions.
45. Should there be a change in the ownership and/or the operator of the business, the property owner and the business owner or operator shall provide the prospective new property owner and the business owner/operator with a copy of the conditions of this action prior to the legal acquisition of the property and/or the business. Evidence that a copy of this determination including the conditions required herewith has been provided to the prospective owner/operator shall be submitted to the Department of City Planning in a letter from the new operator indicating the date that the new operator/management began and attesting to the receipt of this approval and its conditions. The new operator shall submit this letter to the Department of City Planning within 30-days of the beginning day of his/her new operation of the establishment along with any proposed modifications to the existing the floor plan, seating arrangement or number of seats of the new operation.
46. Prior to the utilization of this grant, the manager of the facility shall be made aware of the conditions and shall inform his/her employees of the same. A statement with the signature, printed name, position and date signed by the manager and his/her employees shall be provided to the Department of City Planning. The statement shall state,

*We, the undersigned, have read and understood the conditions of approval to allow the sale and dispensing of a full line of alcohol for on-site and off-site consumption, in conjunction with the operation, known as **The Hollywood Distillery**, and agree to abide and comply with said conditions.*

A copy of the conditions of this letter of determination, business permit and insurance information shall be retained on the premises at all times and produced upon request by the Police Department, the Department of Building and Safety or the State Department of Alcoholic Beverage Control.

47. The Zoning Administrator reserves the right to require that the 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 within 30 days of the date of legal acquisition by the new owner or operator. 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.
48. **MViP – Monitoring, Verification and Inspection Program.** At any time, before, during, or after operating hours, a City inspector may 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 used to rate the operator according to the level of compliance. If a violation exists, the owner/operator will be notified of the deficiency or violation and will be

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 therein, may result in denial of future requests to renew or extend this grant.

49. **INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.**

Applicant shall do all of the following:

- a. 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.
- b. 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.
- c. 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 (b).
- d. 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 (b).
- e. If the City determines it necessary to protect the City's interests, 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, commission, 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.

FINDINGS

As Amended by the Central Los Angeles Area Planning Commission on July 24, 2018

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.**

The applicant is requesting a conditional use to authorize the sale, dispensing, and distilling of a full line of alcoholic beverages for on- and off-site consumption at a proposed craft distillery (Hollywood Distillery). The site is presently developed with a 4,500 square-foot warehouse building and a nine-stall rear surface parking lot, accessible from Gordon Street.

The project will involve the change of use of an existing warehouse building to a distillery. The project will activate the site with a viable commercial enterprise that includes a 4,299 square-foot craft distillery, tasting room, and kitchen operations with 201 square feet of incidental storage. The distillery will include interior seating within the tasting room for 49 patrons with hours of operation from 9 a.m. to 2 a.m., daily. The project will also include 12 bicycle parking spaces (3 short term and 9 long term spaces), providing options for alternative modes of transportation to get to the site.

The project will enhance the built environment by bringing in a unique use to the area that could serve as a catalytic project for investment into the area. The proposed use will allow for the growth of a new industry in California by allowing for the development of a 4,299 square-foot craft distillery while offering a place to gather. Craft distilleries are akin to microbreweries and vineyards that allow for the production of alcoholic beverages. The use will create local manufacturing and service jobs and will provide a social, cultural, and educational amenity for the community. The operation will allow visitors to learn of the distillery process and the spirits industry through educational tours, and offer a place where visitors can sample the craft distillery within the controlled tasting room, and purchase craft distillery products for off-site consumption along with other products related to the operation from the gift shop.

Unlike a bar or pub, entrance into the area is controlled, and special arrangements will need to be made for visitors to enter and tour the facility. The tour and tasting portion of the operation occurs within a certain timeframe that will require visitors to leave by a certain time, essentially controlling the departure of visitors as well. The operation brings an activity for tourists and residents of the area while manufacturing craft distillery products that are manufactured in the City of Los Angeles to be exported out. The exported product itself can bring pride and recognition to Hollywood and the City of Los Angeles. Also, the project will add to the number of providing manufacturing jobs and create a manufacturing use in an area zoned for such uses.

In addition, the project will improve the aesthetics the northeast corner Santa Monica Boulevard and Gordon Street. The project will improve the exterior of the existing building by adding wood siding and windows. A tower component that stands 10 feet taller than the 26-foot-tall portion of the distillery building will be designed to pay homage to the studios in the immediate vicinity. The applicant also states that botanicals will be grown on-site and used as ingredients in the distillery manufacturing process. Submitted plans reveal that landscaping along the south elevation that can help the aesthetics of the site.

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

The subject site is developed with a 4,500 square-foot, 26-foot tall, warehouse building that fronts Santa Monica Boulevard. The project will change the use of an existing warehouse for a craft distillery manufacturing operation with a tasting room and gift shop. Tenant improvements will be made to the building with the exception of the construction of a new water tower sign that reached 36 feet. The existing building will also be reskinned and repainted to improve its overall appearance. The project will also introduce new landscaping and add additional lighting to the building's exterior to further improve safety in the neighborhood. The rear parking area includes an eight-foot in height block wall to buffer the use from the adjoining school.

The operation will be entirely enclosed. There are no outdoor seats for the controlled tasting room, and the distillery manufacturing operation will be subject to Code standards.

The project will result in a net loss of 201 square feet at the warehouse building, due to the utilization of 201 square feet for storage of barrels and raw materials. The proposed 4,299 square-foot craft distillery will produce various spirits including vodka, gin, and whiskey. The facility will offer educational tours and also include a tasting room where patrons can sample products. A limited menu of food will also be available to compliment alcohol tastings at the venue. The applicant will apply for a Type 74 (Craft Distiller) and a Type 6 (Still) ABC license, which will result in further oversight.

With the sale and dispensing of alcohol for on- and off-site consumption, the operation has been conditioned numerous conditions of approval to address the potential to further degrade adjoining properties. Alcohol will not be served outdoors, and the operator will be subject to the conditions of this grant as well as the regulations of Alcoholic Beverage Control for a Type 6 (Still) and Type 74 (Craft Distiller) licenses. The license limits distilling quantities, consumption amounts, and permits food and beverage sales at on-site restaurants.

These conditions that help safeguard the public welfare and ensure that there are no adverse impacts to the community. These conditions regulate hours of operation, noise, security, and other operational aspects of the craft distillery and tasting room. Accordingly, the project's location, size, height, operations and other significant features will not adversely affect the public health, welfare of safety. Approval of the request will allow the site to provide a unique use that combines alcohol manufacturing and tasting and food service as an amenity for the local community.

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

The General Plan is the City's roadmap for future growth and development. The General Plan Elements establish goals, policies, purposes, and programs that provide for the regulatory environment in managing the City, and for addressing environmental concerns and problems. The majority of the policies derived from these elements are implemented in the form of Municipal Code requirements. The General Plan is comprised of the Framework Element, seven state-mandated elements, and four additional elements. The Framework Element establishes the broad overall policy and direction for the General Plan.

Objective 3.14 of the Framework Element sets a goal to allow "Industrial growth that provides job opportunities for the City's residents and maintains the City's fiscal viability."

Objective 3.14 encourages the city to "provide land and supporting services for the retention of existing and attraction of new industries."

The proposed use will allow for the growth of a new industry in California by allowing for the development of a 4,299 square-foot craft distillery. Craft distilleries are akin to microbreweries and vineyards that allow for the production of alcoholic beverages. The use will create local manufacturing and service jobs and will provide a social, cultural, and educational amenity for the community. The approval of the requested conditional use would allow the site to accommodate a viable industrial/commercial use.

The Land Use Element of the General Plan divides the City into 35 Community Plan areas. The Hollywood Community Plan designates the property for Commercial Manufacturing land uses with corresponding zones of CM, P and Height District No. 1VL. The project is consistent with the following goal and objective of the Hollywood Community Plan:

- Objective 1 To further the development of Hollywood as a major center of population, employment, retail services, and entertainment...
- Objective 4 To promote economic wellbeing and public convenience through designated land for industrial development that can be so used without detriment to adjacent uses of other types, and imposing restrictions on the types and intensities of industrial uses as are necessary to his purpose.

The Community Plan text does not specifically address the requested conditional use for the sale, dispensing, and distilling of a full line of alcohol for on- and off-site consumption. The LAMC allows the Zoning Administrator to approve the use under the authority of Section 12.24 W. 1 if the findings of fact can be made in the affirmative. As conditioned, approval of the conditional use can be deemed to substantially conform to the purpose, intent and provisions of the General Plan and the Hollywood Community Plan. The proposed project will promote economic development and create a viable commercial and industrial enterprise in the Hollywood Community Plan area. The craft distillery will offer tastings of spirits created on-site in addition to tours and a full kitchen. Granting the request with conditions of approval that ensure compatibility with surrounding uses will allow the proposed project to substantially conform with the purpose, intent, and provisions of the General Plan.

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

The proposed use will be comprised of a distillery manufacturing operation with a 1,076 square-foot tasting room with 49 indoor seats. The operation is fully enclosed and should not impact the surrounding community. As stated in the previous finding, the operation will not operate as a bar or pub but primarily as a distillery manufacturing operation. The applicant will allow for visitors to tour the facility and will control entrance into and exit out of the facility. The manufacturing use is permitted in the site's zone and the applicant has requested a conditional use to permit the sale and dispensing of a full line of alcohol for on- and off-site consumption.

Approval of the conditional use request will not adversely affect the welfare of the community. Since the property is zoned for commercial and manufacturing uses, operating characteristics are permitted within the zone. The sales and dispensing of alcohol for on- and off-site consumption will be regulated by the State of California as the applicant will be bounded by the regulations of a Type 6 (Still) and Type 74 (Craft Distiller) license from the California Department of Alcoholic Beverage Control. These licenses regulate the alcohol production, sale, and distribution and instruction tasting aspects of the project. The license limits distilling quantities, consumption amounts, and permits food and beverage sales at on-site restaurants.

In addition to the regulations of the State of California, several conditions have been

imposed in conjunction with the subject conditional use grant. The operation was reviewed by the Los Angeles Police Department and the Associate Zoning Administrator, where the operating characteristics were considered, and conditions imposed to ensure the sale of a full line of alcohol for on- and off-site consumption.

Such conditions include the requirement of security measures such as a surveillance system and deterrence of graffiti. In addition, the grant requires the installation of age verification device at the point of sale to deter underage purchases and drinking. Employees must also undergo training provided by the Los Angeles Police Department STAR (Standardized Training for Alcohol Retailers) Program. Both the Conditions of Approval and the requirements of the State Alcoholic Beverage Control agency are intended to protect the public health, welfare and safety of the community. Therefore, it is expected that the on- and off-site sales of a full line of alcohol at the craft distillery will not adversely affect the welfare of the pertinent community.

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

According to the California Department of Alcoholic Beverage Control (ABC) licensing criteria, three (3) on-site and two (2) off-site consumption licenses are allocated to the subject census tract (Census Tract 1909.02). There is currently one on-site license and one off-site license in this census tract.

According to statistics provided by the Los Angeles Police Department's Hollywood Division Vice Unit, within Crime Reporting District No. 667, which has jurisdiction over the subject property, a total of 172 crimes were reported in 2016 (90 Part I and 82 Part II crimes), compared to the area average of 388 crimes for the same reporting period. Part II Crimes reported include, (16) Narcotics, (0) Liquor Laws, (5) Public Drunkenness, (0) Disturbing the Peace, (1) Disorderly Conduct, (0) Gambling, (13) DUI related, and (19) other offenses. These numbers do not reflect the total number of arrests in the subject reporting district over the accountable year. Arrests for this calendar year may reflect crimes reported in previous years.

The applicant will apply with CA ABC to obtain a valid Type 6 (Still) and Type 74 (Craft Distiller) license in order to be able to produce alcohol for on- and off-site sales and to serve alcohol for on-site consumption. The site is located in an area below the allocated threshold for ABC licenses and will not result in an undue concentration of licenses. The project will not adversely affect community welfare because the craft distillery with tasting room is a desirable use in an area designated for commercial and manufacturing uses.

In this case, the proposed project will provide a convenience to residents, workers, and visitors in the Hollywood area and as conditioned, will not negatively impact the area. The Zoning Administrator has incorporated numerous operational conditions to the grant that address noise, safety and security to ensure the proposed use is conducted with due regard for surrounding properties and to reduce any potential crime issues or nuisance activity.

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

The following sensitive uses are located within 1000 feet of the subject property:

- Hollywood Primary Center – 1115 Tamarind Avenue
- Hollywood Forever Cemetery – 6000 Santa Monica Boulevard
- WIC Family Services Center – 5940 Santa Monica Boulevard

While there are residential dwelling units and other sensitive uses including a school and cemetery located in close proximity to the project site, the surrounding neighborhood has been and continues to be a mixed-use neighborhood with a mixture of studios, warehouses, automotive repair uses, cemetery, school, and residential units.

No letters or public testimony from these residentially zoned communities or from any of the aforementioned sensitive uses stating concern for the sale of a full line of alcohol for on- and off-site consumption were submitted or stated to the Associate Zoning Administrator or staff.

The Zoning Administrator has given consideration to the distance of the proposed use from the residential uses and sensitive uses that are closest to the project site. Conditions of Approval including the requirement to use the front door along Santa Monica Boulevard for access and requirements for STAR training should reduce impacts to the surrounding community. Therefore, the proposed use as conditioned is not expected to detrimentally affect nearby residents.

ADDITIONAL MANDATORY FINDINGS

7. 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.
8. Determine based on the whole of the administrative record, that the Project is exempt from CEQA pursuant to State CEQA Guidelines Sections 15301 and 15305, City CEQA Guidelines, Section 1, Class 1, Category 22 and Class 5, Category 34, and that there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies. The Project does not increase the square footage or height of the existing building, and involves the granting of a conditional use, which authorizes the sale, dispensing, and instructional tasting of a full line of alcoholic beverages for on- and off-site consumption in conjunction with a tasting room within a craft distillery manufacturing operation.