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August 8, 2018

Death & Co LA LLC (A)
830 Traction Avenue
Los Angeles, CA. 90013

Rock Hill Holdings LLC (O)
1525 South Broadway
Los Angeles, CA 90015

Eddie Navarrette (R)
F.E. Design & Consulting
327 East 2nd Street, Suite 222
Los Angeles, CA 90012

CASE NO. ZA-2017-5059-MPA
APPROVAL OF PLANS
818 East Third Street
Central City North Planning Area
Zone : M3-1-RIO
C.D. : 14 - Huizar
D.M. : 129A215
CEQA: ENV-2016-4498-CE
Legal Description: Lots 28, FR-15-18,
Block H, Thomas Tract

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

an approval of plans to permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a bar located in a M3-1-RIO Zoned property,

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 Development Services Center approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Development Services Center for inclusion in the case file.
7. Approved herein is the sale and dispensing of a full-line of alcoholic beverages for on-site consumption, in conjunction with a new 3,009 square-foot bar with a maximum seating number of 108 seats, located at the basement level of the building.
8. The hours of operation shall be limited to 12:00 a.m. to 2:00 a.m., daily. No after-hours use is permitted, except routine clean-up. This includes but is not limited to private or promotional events, special events, excluding any activities which are issued film permits by the City.
9. The project shall also comply with applicable conditions in the Master Conditional Use Permit, Case No. ZA-2016-4497-MCUP-ZV.
10. The applicant shall submit plans to the Fire Department for their review and approval prior to initiating condition clearance at the Planning Department Development Services Center.
11. Any use of the restaurant for private events, including corporate events, birthday parties, anniversary parties, weddings or other private events which are not open to the general public, shall be subject to all the same provisions and hours of operation stated herein.
12. 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.
13. There shall be no use of the subject premises which involve Section 12.70 of the Los Angeles Municipal Code uses (Adult Entertainment). At no time will the premises host raves, a dance club, night club, after-hours establishment or other similar events.
14. No conditional use for dancing has been requested or approved herein. No live entertainment and/or patron dancing shall be permitted inside the location.

15. Doors shall be provided with sound seals, vestibules shall be provided with sound absorptive ceilings, ceilings shall be provided with sound/acoustic material and sound absorption material shall be placed on the walls.
16. Any music, sound or noise emitted under the control of the applicant shall not constitute a violation of Section 116.01 of the Los Angeles Municipal Code (LAMC). Amplified music and/or live entertainment shall not be audible beyond that part of the structure which is under the control of the applicant.
17. A clearly identifiable manager shall oversee operations of the bar areas. The manager should have a name tag/employee badge identifying him/her as the manager.
18. The applicant owner and on-site manager(s) shall comply with all applicable laws and conditions and shall properly manage the facility to discourage illegal and criminal activity on the subject premises and any accessory parking areas over which they exercise control.
19. The manager and all employees of the facility shall be knowledgeable of the conditions herein. Additionally, a copy 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 this grant. Said form shall be maintained at the location by the owner and/or manager who shall present it to Police personnel, ABC investigators or any other City agency upon request.
20. The operator shall be responsible for mitigating the potential negative impacts of its operation on surrounding uses, especially noise derived from patron entry and exiting.
21. The operator will be responsible to constantly monitor to ensure patrons do not take alcoholic beverages beyond the bar area out of the business.
22. There shall be a sign at all bar exits which reads "No alcohol consumption permitted beyond this point."
23. No alcoholic beverages shall be sold for off-site consumption.
24. No cover charge or admission fee or minimum drink purchase.
25. All guests and operators shall comply with smoking regulations set forth by the State of California and the City of Los Angeles.
26. No pool tables or coin operated electronic, video or mechanical amusement devices shall be maintained on the premises.
27. **Within the first SIX months of the effective date of this action**, all employees involved with the sale of alcoholic beverages who have not received such training

- within the past year, 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 Zoning Administrator 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.
28. No employee or agent shall be permitted to accept money or any other item of value from a customer for the purpose of sitting or otherwise spending time with the customers while on the premises. No female or male patrons shall be made available to act as escorts, companions or guests of customers.
 29. No enclosed customer booths shall be permitted. If booths exist and are separated by a partition, said booths shall be completely open on at least one side.
 30. Parking shall be provided in compliance with the Municipal Code and to the satisfaction of the Department of Building and Safety, and the restrictions imposed in CASE NO. ZA-2016-4497-MCUP-ZV.
 31. 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.
 32. The applicant install and maintain a video surveillance system to capture and record images of all common interior areas of the property (excluding bathrooms) and exterior areas surrounding the property. All recordings captured by the video surveillance system should be kept for a minimum of 30 days and made available to the Los Angeles Police Department if requested.
 33. Adequate interior and exterior lighting should be installed in all areas within the Business conforming to the applicable laws and or building code. The lighting should be such that it renders all objects and persons clearly visible at all entrances to the bar. Replace any damaged or broken lights within 24 hours.
 34. The applicant/business operator shall be responsible for maintaining free of litter, the area adjacent to the premises over which they have control. Trash storage bins shall be located within a gated, covered enclosure constructed of materials to match the exterior wall materials of the building. Trash/recycling containers shall be locked when not in use. Trash/recycling containers shall not be placed in or block access to required parking.
 35. All licenses, permits, and conditions shall be posted in a conspicuous location at the facility. Additionally, a copy shall be provided to all employees who shall sign an acknowledgment form stating that they have read and understood all of the Department of Alcoholic Beverage Control (ABC) and conditional use permit conditions. Said form shall be maintained at the location by the owner and/or

manager who shall present it to Police personnel, ABC investigators, or any other City agency upon request.

36. These conditions of approval as well as a copy of any Business permit, insurance information, security, any valet parking documentation and any emergency contact phone numbers shall be retained on the property at all times and shall be produced immediately upon the request of the Zoning Administrator, the Police Department, the Department of Building and Safety or other enforcement agency.
37. The applicant/restaurant 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. Prior to the utilization of this grant, the phone number shall be posted on the site so that it 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. 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.
38. 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 floor plan, seating arrangement or number of seats of the new operation.
39. 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 is submitted showing 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 list, 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 review, the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct a public hearing including consideration for nuisance abatement/revocation purposes.

40. **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.

41. **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 **AUGUST 23, 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:

Downtown	San Fernando Valley	West Los Angeles
Figueroa Plaza 201 North Figueroa Street, 4th Floor Los Angeles, CA 90012 (213) 482-7077	Marvin Braudy San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251 Van Nuys, CA 91401 (818) 374-5050	1828 Sawtelle Blvd. 2 nd 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 staff assigned to this case. 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, and the statements made at the public hearing on June, 12, 2018 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 Plan Approval under the provisions of Section 12.24-M 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 on-site consumption in conjunction with a basement bar (Death and Co.) located in Building 2 (818 East Third Street) at the Third and Traction site (Site). The Site is an existing building and no on-site parking. The sale of alcoholic beverages is already authorized on the Site by the underlying approved Master Conditional Use Permit (Case No. ZA-2016-4497-MCUP-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 as well as limiting the seating numbers and hours of operation.

The subject property is a level, approximately 14,571-square-foot assemblage of five (5) irregularly-shaped lots located in the Arts District neighborhood. The project site (Site) has a frontage of 121 feet along the south side of East 3rd Street and borders approximately 69 feet along the east side of Traction Avenue. The Site is presently fully developed with a one-story building (Building 1, 802-806 East Third Street), a four-story building (Building 2, 814-818 East Third Street), and a 1,800 square-foot courtyard proposed for outdoor dining. The buildings have a combined total building area of 31,596 square feet and were originally constructed as industrial and manufacturing buildings in 1910. The property was not constructed with on-site parking spaces, and currently, there are no parking spaces on-site. A summary of the Project's square footage and seat allocations is provided in Table 1 below.

Table 1. Proposed Restaurant Floor Area and Seating Allocation

Address	Building	Approx. Floor Area In Square Feet	Max. Indoor Seating	Max. Outdoor Seating
818 East Third Street	Building 2	3,009	108	Not applicable

Zoning and Land Uses

The Site is located in a highly urbanized area within the Central City North Community Plan and is surrounded by commercial uses. The property is zoned M3-1-RIO with a General

Plan Land Use designation of Heavy Manufacturing. The M3 Zone is the corresponding zone of the Heavy Manufacturing land use designation. The proposed commercial and retail uses are permitted by right in the M3 Zone. The proposed alcohol in the M3 Zone is permitted through a Conditional Use process, provided that the Zoning Administrator makes the required findings herein. The Site is located within the East Los Angeles State Enterprise Zone, a designated Transit Priority Area, a designated Transit Oriented Communities Area (Tier 3), Central City Parking District, and River Improvement Overlay District (RIO). The Site is approximately one mile from the nearest freeway (U.S. 101).

Adjacent Land Uses

The properties adjacent to the project site include commercial/retail, multi-family, church, and restaurant uses. The adjacent properties to the north, across East 3rd Street, are zoned [Q]C2-2D RIO and M3-1-RIO and are developed with a multi-story, 192-unit condominium building and the Saint Francis Xavier Chapel Japanese Catholic Center, respectively. The adjoining property to the south, across Traction Avenue, is zoned M3-1 RIO and is developed with a multi-tenant commercial building, with uses such as restaurants, a convenience store, and an acting studio. The adjoining properties to the east and west of the subject property are both zoned M3-1 RIO and are developed with one-story commercial buildings.

Streets and Circulation

East 3rd Street, adjoining the property to the north, is a two-way east-west street providing one travel lane in each direction. It is a designated Collector Street with a dedicated right-of-way width of 66 feet (40-foot roadway with 13-foot wide sidewalks on each side) and is improved with curb, gutter and sidewalk on both sides.

Traction Avenue, adjoining the property to the south, is a two-way north-south street providing one travel lane in each direction. It is a designated Collector Street with a dedicated right-of-way width of 66 feet (40-foot roadway with 13-foot wide sidewalks on each side) and is improved with curb, gutter and sidewalk on both sides.

The Site is located within 1,500 feet of the Traction and Hewitt, 3rd and Alameda, and Hewitt and 2nd Dash Bus Stops, connecting the project area to downtown via the Dash A Bus Line. A Little Tokyo/Arts District Metro Gold Line Station is 1,500 feet from the Site and connects the project area to Union Station.

Previous related actions on the site/in the area include:

Subject Property:

16016-10002-15325 – On November 14, 2017, the Department of Building and Safety issued a building permit for the relocation of two basement bathrooms, the removal of one basement bathroom, occupied roof deck and second stairway connecting the fourth floor to roof.

16016-10000-15325 – On August 14, 2017, the Department of Building and Safety issued a building permit for interior and exterior tenant improvements for Buildings 1 and 2. The scope of work includes building connections, installation of a new roof deck, elevator and stairs.

Surrounding Properties (1,000-foot radius):

Case No. ZA-2012-3147-CUB-CUX - On April 8, 2014, the Zoning Administrator approved a Conditional Use to allow the sale of a full line of alcoholic beverages in an existing 4,343 square foot restaurant with patron dancing and live entertainment located in the M3-1 Zone, located at 734-738 East 3rd Street.

Case No. ZA-2013-1326-CUB-CUX-CU - On August 28, 2013, the Zoning Administrator approved a Conditional Use to allow the sale of a full line of alcoholic beverages and public dancing in conjunction with a gallery style, tavern and bar and vintage penny arcade located at 718 East 3rd Street/707 East 4th Street.

Case No. ZA-2012-1655-CUB-ZV - On June 11, 2013, the Zoning Administrator approved a Conditional Use to permit the sale and dispensing of a full line of alcoholic beverages for on-and off-site consumption, in conjunction with a proposed brew pub, also having live entertainment, and; a request for a conditional use to permit hours of operation before 7 a.m. and after 11 p.m. and the use and maintenance of 27 skee-ball lanes and two pool tables or two ping pong tables, all as otherwise not permitted within a mini-shopping center; and a withdraw request for consideration of a Zone Variance to allow the conversion of approximately 3,073 square feet of basement storage area into a bar and lounge use, resulting in a Floor Area Ratio greater than the 1.5:1 otherwise permitted in Height District No. 1. A request from a Zone variance from the code to allow a Floor Area Ratio of less than 3:1 but greater than the maximum allowed 1.5:1 otherwise permitted in Height District No. 1 - only in conjunction with the conversion of approximately 7,287 square feet of an existing 10,500 square foot basement, for the property located at 828 East Traction Avenue.

Case No. ZA 2012-1651-CUB - On June, 3, 2013, the applicant withdrew the request for a basement bar, located at 826 East Traction Avenue.

PUBLIC HEARING

A Notice of Public Hearing was sent to nearby property owners and occupants residing within 500 feet of the subject site for which an application had been filed with the Department of City Planning. All interested persons are invited to attend the public hearing at which they could listen, ask questions, or present testimony regarding the project. Zoning Administrator Jack Chiang conducted a public hearing in Los Angeles City Hall on Tuesday June 12, 2018, at approximately 9:00 a.m.

The applicant of the Master Conditional Use provided the following comments:

- The applicant has several hospitality projects in the Downtown Los Angeles.
- The project site contains two buildings on an irregularly shaped parcel.
- The Arts District has a resurgence of projects with a pedestrian focused use.

- Both buildings will undergo structural improvement and retain the work-live character as there are four dwelling units located on the third and fourth floors.
- The proposed four bar and restaurant spaces will be located on the basement, ground floor and the second floor levels. The Conditional Use includes two licenses for full-line and two licenses for beer and wine.
- The applicant has engaged a two-year public outreach effort including a support to the local art program, meetings with Council District and the Neighborhood Council.
- The applicant met with LAPD a year ago about the project.
- The applicant will accept all Neighborhood Conditions.
- The project will provide parking located an off-site location more than 750 feet, but less than 1,500 feet of distance, through the variance request for a parking lease.
- The applicant has a relation with the property owner who owns 401 E. 2nd Street to provide the required parking spaces.
- The restaurant located on the rooftop will be a high end, meal focused, reservation based establishment. The applicant will conduct an acoustic analysis to ensure there will be no noise impact.

The applicant of the Plan Approval provided the following comments:

- The applicant opened their first establishment 11 years ago in New York, it was featured in various magazines.
- The applicant pride themselves on providing a great environment for their customers.
- This is their first Los Angeles location.
- The applicant wants to bring a great hospitality experience to their customers.
- Although this is a bar, there is a kitchen for food service as the applicant also wants to focus on food.
- The Neighborhood Council supports this project.
- The applicant also met with Council District Fourteen and the LAPD which they found no issue with the project.

Council District No. 14 provided the following comments:

- The Council District No. 14 supports the project.
- The Council District has the confidence that the operator will be a responsible one.

At the closing of the hearing the Zoning Administrator stated that he is inclined to approve the project as requested, but he will take the case under advisement for 30 days and wait for the LAPD to respond for a comment.

PUBLIC CORRESPONDENCE

Los Angeles Police Department has issued a non-opposition letter to the project on June 18, 2018. LAPD has not recommended any conditions except limiting the hours of operation to 12:00 p.m. to 2:00 a.m., daily, and a maximum seating number of 108 seats. The Department states that the Downtown area has undergone an extensive revitalization and the Department has been supportive of the effort as long as the proposed use would not likely burden emergency services.

The Historic Cultural Neighborhood Council submitted a letter dated June 30, 2017 stating their unanimous support for the project so long as certain operational conditions are met. A number of these conditions have been incorporated as conditions of approval herein.

Saint Francis Xavier Chapel Japanese Catholic Center submitted a letter dated August 11, 2017 stating community outreach and good faith effort between the applicant, Rock-Hill Holdings, LLC, and the Catholic Center. The Center stated its support for the project as long as certain operational conditions were met.

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.

- There shall be no "Happy Hour" during which time beverages are sold at discounted prices.
- Or, applicant will retain the ability to offer "happy hour" during which time beverages or foods are sold at discounted prices from only the hours of 3:00 p.m. to 6:00 p.m. daily.
- No employee or agent shall solicit or accept any alcoholic or non-alcoholic beverages from any customer while in the premises-
- There shall be no minimum drink required of patrons.
- No person under 21 years of age shall sell or serve alcoholic beverages.
- There shall be no sales of table(s) and/or seating where alcoholic beverages are in any way included in the sale cost of the seating.
- The quarterly gross sale of alcoholic beverages shall not exceed the gross sales of food during the same period. The Petitioner(s) shall at all times maintain records which reflect separately the gross sales of alcoholic beverages of the licensed business. Said records shall be kept no less frequently than on a quarterly basis and shall be made available to the police department upon demand.
- There shall be no exterior advertising of any kind of type, including advertising directed to the exterior from within, promoting or indicating the availability of alcoholic beverages, except that the restaurant may post a menu.

- Sales and delivery of alcoholic beverages to consumers shall be made from behind a counter where an employee will obtain the product. No self-service of alcoholic beverages by patrons will be permitted. A waitress or waiter shall conduct all alcoholic beverage service.
- There shall be no "bottle service" of distilled spirits; "Magnum: sized wine/champagne, nor "Buckets" of beer allowed.
- Portable bars are prohibited.

AUTHORITY FOR PLAN APPROVAL

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

"M. Development of Uses. (Amended by Ord. No. 173,992, Eff. 7/6/01)

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, existing uses may be extended on an approved site, as permitted in Subsection L of this Section, provided plans are submitted to and approved by the Zoning Administrator, the Area Planning Commission, or the City Planning Commission, whichever has jurisdiction at that 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 plan approval from the Zoning Administrator are located within 12.24-M of the Los Angeles Municipal Code. In order for the sale of a full line of alcoholic beverages for on-site consumption 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.

CONDITIONAL USE 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.**

Pursuant to Case No. ZA-2016-4497-MCUP-ZV, the Zoning Administrator approved a Master Conditional Use Permit (MCUP) authorizing the sale of alcoholic beverages on the subject property for a number of venues, including the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a bar located at the basement level in Building 2 (818 East Third Street). 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 as well as limiting number of seats and the hours of operation. The subject request for alcoholic beverage sales is associated with an establishment that is characterized as a high-end cocktail bar. The subject request is for up to 118 seats with a 3,009 square feet of floor area. However, the final seating number and the hours of operation is reduced pursuant to the LAPD recommendation on a letter dated June 18, 2018.

A variety of commercial uses are an intrinsic part of the service amenities necessary for the conservation, development, and success of a vibrant neighborhood. The imposition of a number of conditions addressing operational and alcohol-related issues will assure that the service of a full line of alcohol will not be disruptive to the community. The availability of a full line of alcoholic beverages for on-site consumption will offer a quality bar that caters to the local community and visitors to the Arts District. The request does not represent the introduction of a use uncommon to the area, as there are restaurant and bars in the vicinity that sell alcoholic beverages. Although the sale of alcoholic beverages would not be incidental to food sales, a food menu with upscale bar snacks is proposed as part of the project. The applicant stated that the bar also wants to focus on food, and there is a kitchen within the tenant space. The proposed bar will promote pedestrian activity as the establishment is within walking distance to residential, retail, commercial, and office uses. By improving the viability and desirability of the establishments at the Project site and providing residents and visitors the desired amenity of alcoholic beverages, 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 commercial/retail, multi-family, church, and restaurant uses. The adjacent properties to the north, across East 3rd Street, are zoned [Q]C2-2D RIO and M3-1 RIO and are developed with a multi-story, 192 unit condominium building and the Japanese Catholic Church Center, respectively. The adjoining property to the south, across Traction Avenue, is zoned M3-1-RIO and is developed with a multi-tenant commercial building, housing restaurants, convenience store and an acting Studio. The adjoining property to the west of the subject property is zoned M3-1 RIO and is developed with a one-story commercial building occupied by a restaurant.

The proposed bar is located within a highly urbanized setting in the Arts District of Downtown Los Angeles. The immediate area surrounding the Project Site is a mix of retail, restaurants, other commercial uses, industrial and adaptive reuse buildings with residential uses. The request for the sale of alcohol for on-site consumption will be compatible with surrounding uses as the proposed bar will provide a place for business people, residents, guests and visitors to eat, drink, socialize, do business and shop.

Also, the request to sell alcoholic beverages 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 Death and Co. Bar. Conditions and a prohibition of live entertainment. The approval for the proposed Project will not adversely affect the welfare of the community. The establishments serving alcoholic beverages will be carefully controlled. Security plans, floor plans, seating limitations and other recommended conditions, as well as the mode and character of the operation are restricted by imposed conditions. This will ensure that the Project will not adversely affect the welfare of the 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 in the form of LAMC 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. The Land Use Element of the City's General Plan divides the City into 35 Community Plan areas. The site is located within the Central City North Community Plan, which designates the property for Heavy Industrial land uses with a corresponding zone of M3 and Height District No. 1.

Approval of the conditional use permit for the proposed venues is consistent with the following commercial objectives of the Central City North Community Plan:

Objective 2-1: To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.

Objective 2-2: To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.

The proposed project is also consistent with Policy 7.3.2 of the Framework Element which states "retain existing neighborhood commercial activities within walking distance of residential areas."

As conditioned, the proposed sale of a full line of alcoholic beverages located within walking distance of residences and businesses can be deemed to substantially conform to the purpose, intent and provisions of the General Plan and the Central City North Community Plan. The subject property is planned and zoned for commercial and industrial uses. The conditional authorization for the sale of alcoholic beverages on-site is allowed through the approval of the Zoning Administrator subject to certain findings. The required findings in support have been made herein.

ALCOHOLIC BEVERAGE FINDINGS

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

The Property is zoned for commercial use and will be utilized as such with the addition of the sale and dispensing of alcoholic beverages for on-site consumption. No live entertainment is proposed, and the conditions that are a part of this grant will ensure that the development will not adversely affect the community. In addition, the project is highly supported by the community and the Fourteenth Council District. A local community organization sent a letter to support the project. At the June 12, 2018, public hearing, no interested party attended the hearing to speak against the project. LAPD also issued a letter of non-opposition for the project as a support to the Downtown Los Angeles revitalization effort. Furthermore, the project will provide abundant of new service and hospitality jobs to the local community. The project is located on the basement level where the noise and music is unlikely to emit beyond the premises. The Zoning Administrator also imposed several security conditions in the grant to ensure the safety and the welfare of the immediate community. Therefore, it is anticipated that the proposed project will not adversely affect the welfare of the 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, 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 State of California Department of Alcoholic Beverage Control (ABC) licensing criteria, 3 on-sale and 1 off-sale licenses are allocated to subject Census Tract No. 2060.31. There are currently 21 on-site and 3 off-site licenses in this Census Tract. Within a 1,000-foot radius of the subject property, the following types of alcoholic beverage licenses are active or pending:

- (2) Type 20 Off-Sale Beer and Wine
- (1) Type 21 Off-Sale General
- (4) Type 41 On-Sale Beer and Wine - Eating Place
- (10) Type 47 On-Sale General - Eating Place
- (7) Type 48 On-Sale General - Public Premises

Statistics from the Los Angeles Police Department reveal that within Crime Reporting District No. 139, which has jurisdiction over the subject property, a total of 182 crimes were reported in 2017 (147 Part I and 35 Part II crimes) compared to the citywide average of 191 crimes and the High Crime Reporting District average of 292 crimes for the same reporting period.

Part 1 Crimes reported by LAPD include, Homicide (0), Manslaughter (0), Rape

(8), Robbery (6), Aggravated Assault (5), Burglary (20), Vehicle Theft (12), and Larceny (96). Of the 191 total crimes reported for the reporting district, one arrest was made for liquor laws, drunkenness, and distributing the peace, six arrests were made for narcotics, and five arrests were made for driving under the influence.

Part II Crimes reported include, Other Assault (3), Forgery/Counterfeit (0), Embezzlement/Fraud (0), Receive Stolen Property (0), Weapons Violation (1), Prostitution Related (0), Sex Offenses (3), Offenses Against Family/Child (0), Narcotic Drug Laws (6), Liquor Laws (1), Public Drunkenness (1), Disturbing the Peace (0), Disorderly Conduct (2), Gambling (0), DWI related (5), Moving Traffic Violations (3) and other offenses (5).

In these active areas where there is a demand for licenses beyond the allocated number and where an over-concentration of licenses is suggested, the ABC has recognized that high-activity retail and commercial centers located within revitalized hubs are supported by a significant employee population, in addition to the increasing resident population base in the area. The ABC has discretion to approve an application if there is evidence that normal operations will not be contrary to public welfare and will not interfere with the quiet enjoyment of property by residents. In addition, the Zoning Administrator is imposing conditions of approval in order to prevent public drinking, driving under the influence, and public drunkenness.

The above statistics indicate that the crime rate in the reporting district where the subject site is located is lower than both the city average for offenses and for high crime rate. Negative impacts commonly associated with the sale of alcoholic beverages, such as criminal activity, public drunkenness, and loitering are mitigated by the imposition of conditions requiring surveillance, responsible management and deterrents against loitering. The conditions will safeguard the welfare of the community. As noted, conditions have been imposed to safeguard the community and to provide for reasonable operation as part of the Plan Approval. Thus, as conditioned, it is not anticipated that the sale of alcoholic beverages will affect the economic welfare of the community.

6. **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.**

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

Arts District Park	501 South Hewitt Street
Centenary United Methodist Church	300 South Central Avenue
St. Francis Xavier Catholic Church	222 South Hewitt Street
Exodus3 LA	801 East 4 th Place

Zenshuji Soto Mission	123 South Hewitt Street
Park Little Tokyo	129 South Hewitt Street
Southern California Institute of Architecture	960 East 3rd Street

There are no residentially zoned areas in the vicinity of the proposed project, as it is surrounded by commercial and industrial zoned properties. Nonetheless, there has been substantial residential development in the immediate area under adaptive reuse of M3 zoned buildings and the addition of new multiple-family apartments and condominiums. This conditional use grant has given consideration to the proximity of residential uses in this once heavily industrial part of Downtown, and numerous conditions have been imposed which are intended to provide compatibility of the subject use with the residential community. As conditioned, the proposed use is not anticipated to have adverse effects upon nearby residential uses. The site is located in the Arts District where the diversity amongst the uses is not uncommon. This grant has placed numerous conditions on the proposed project and not authorized uses of the property which might create potential nuisances for the surrounding area. Such imposition of conditions will make the use more compatible and a more accountable neighbor to the surrounding uses than would otherwise be the case.

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 X, areas outside of a flood zone.
8. DETERMINED based on the whole of the administrative record, that the Project is exempt from CEQA pursuant to CEQA Guidelines, Section 1, Class 1, Category 22, Log Reference No. ENV-2016-4498-CE, April 2, 2018, and there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies.

Inquiries regarding this matter shall be directed to Chi Dang, Planning Staff for the Department of City Planning at (213) 978-1307.



JACK CHIANG
Associate Zoning Administrator

JC:JC:MS:CD

Cc: Councilmember Jose Huizar
Fourteenth District
Adjoining Property Owners

LISA M. WEBBER
INTERIM CHIEF ZONING ADMINISTRATOR

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August 27, 2018

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Los Angeles, CA. 90013

Rock Hill Holdings LLC (O)
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Los Angeles, CA 90015

Eddie Navarrette (R)
F.E. Design & Consulting
327 East 2nd Street, Suite 222
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CASE NO. ZA-2017-5059-MPA
LETTER OF CORRECTION
818 East Third Street
Central City North Planning Area
Zone : M3-1-RIO
C.D. : 14 - Huizar
D.M. : 129A215
CEQA: ENV-2017-5060-CE
Legal Description: Lots 28, FR-15-18,
Block H, Thomas Tract

On August 8, 2018, the Zoning Administrator approved an Approval of Plans for the establishment of a new bar located at the basement level of an existing building. On August 23, 2018, the applicant contacted the Zoning Administrator in regards to several discrepancies in the determination. Applicant stated that the final seating number of the bar should be 118 seat, and the the correct hours of operation is from 12 p.m. to 2 a.m. The determination also refers the bar establishment as a restaurant in a few conditions, the applicant would like conditions to reflect the exact use. Also, the applicant requested the deletion of Condition No. 37 since the bar is located at the basement level without dancing and live music and that the floor and the ceiling of the existing building are robust, thus requiring an extensive noise insulation work is unwarranted .

The Zoning Administrator reviewed Condition Nos. 7, 8, 11, 15, and 37 and the application file, and considered the applicant's request is reasonable. However, the Zoning Administrator will only modify Condition No. 15 in lieu of deleting it to assure any possible noise impact will be mitigated. Therefore, the Zoning Administrator is hereby modifying Condition Nos. 7, 8, 11, 15, and 37 to read as follows:

- 7. MODIFY** - Approved herein is the sale and dispensing of a full-line of alcoholic beverages for on-site consumption, in conjunction with a new 3,009 square-foot bar with a maximum seating number of 118 ~~408~~ seats, located at the basement level of the building.

8. **MODIFY** - The hours of operation shall be limited to 12:00 p.m. ~~a.m.~~ to 2:00 a.m., daily. No after-hours use is permitted, except routine clean-up. This includes but is not limited to private or promotional events, special events, excluding any activities which are issued film permits by the City.
11. **MODIFY** - Any use of the bar restaurant for private events, including corporate events, birthday parties, anniversary parties, weddings or other private events which are not open to the general public, shall be subject to all the same provisions and hours of operation stated herein.
15. **MODIFY** - Doors shall be provided with sound seals, vestibules shall be provided with sound absorptive ceilings, ceilings shall be provided with sound/acoustic material and sound absorption material shall be placed on the walls, at locations where substantial sound is found to emit from the premises.
37. **MODIFY** - The applicant/ bar restaurant-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. Prior to the utilization of this grant, the phone number shall be posted on the site so that it 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. 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.

All other terms and conditions of ZA-2017-5059-MPA shall remain as originally granted.



JACK CHIANG
Associate Zoning Administrator

JC:JC:MS:CD

Cc: Councilmember Jose Huizar
Fourteenth District
Adjoining Property Owners