

FINDINGS

General Plan/Charter Findings

1. General Plan Land Use Designation.

The project site is located within the Central City North Community Plan, which was last updated by the City Council on December 15, 2000. The subject property is an irregularly-shaped site, which is comprised of two parcels consisting of approximately 29,593 square feet of net lot area. The Community Plan designates the site with a land use designation of Commercial Manufacturing, with the following corresponding zones: CM and P. The site is presently zoned CM-1-RIO and is thus consistent with the land use designation.

As proposed, the amendment would re-designate the project site from Commercial Manufacturing to Regional Commercial, which lists the following corresponding zones: CR, C1.5, C2, C4, RAS3, RAS4, R3, R4, and R5. The requested zone and height district change to (T)(Q)C2-2-RIO for the project site would be consistent with the adoption of the recommended plan amendment and would be in substantial conformance with the purpose, intent, and provisions of the General Plan as it is reflected within the Central City North Community Plan.

2. General Plan Text. The development of the project represents the opportunity to achieve the overarching goals of the Central City North Community Plan, which include improving the function, design, and economic vitality of the commercial corridors and uses a development opportunity site for needed job producing uses that will improve the economic and physical condition of the Central City North area. The proposed development furthers the following Community Plan goals, objectives and policies:

Goal 2: A strong and competitive commercial sector which best serves the needs of the community through maximum efficiency and accessibility while preserving the historic commercial and cultural character of the district.

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

Policy 2-1.2: Protect commercially planned/zoned areas from encroachment by residential only development.

Policy 2-1.4: Require that projects be designed and developed to achieve a high level of quality, distinctive character, and compatibility with existing uses and development.

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

Policy 2-2.2: New development needs to add to and enhance the existing pedestrian street activity.

Objective 2-4: To enhance the appearance of commercial districts.

Policy 2-4.1: Require that any proposed development be designed to enhance and be compatible with adjacent development.

Policy 2-4.2: Preserve community character, scale, and architectural diversity.

Policy 2-4.4: Landscaped corridors should be created and enhanced through the planting of street trees.

The project maintains and improves the existing building while maximizing the efficient use of the site by bringing a mix of commercial spaces open to the public and a private club. By repurposing the existing building and abandoned rail spur with additional space, the project will bring commercial activity to an area that has seen a large influx of residential developments. The proposed commercial areas open to the public include retail, a restaurant with market, and a coffee shop will support the needs of local residents and strengthen the economic vitality of the area. The project is designed to maximize the ground floor of the building with the aforementioned commercial uses as well as a ground floor courtyard and improved streetscape adding to and enhancing the pedestrian experience of the neighborhood. The private club on the upper levels of the building will bring visitors to the area that will frequent surrounding businesses. The entrance to the automated parking lot is accessed through an interior driveway creating an openness of the frontage along Vignes Street and allowing for street trees to be planted along the sidewalk. Though the project seeks a zone change and height district in order to achieve a floor area ratio of 3.47, the uses proposed are consistent with the policies to reinforce commercial development, grow the economic base, and improve aesthetics.

The project has been designed with high quality architectural elements and will maintain and improve the facade with modern designs to create a distinctive commercial building that will enhance the architectural diversity of this burgeoning commercial area. The project is compatible with the adjacent building to the west, a five-story mixed-use residential and commercial development and will enhance that development by creating a building of similar size with commercial amenities to go along with the new residences.

Goal 5: A community with sufficient open space in balance with development.

Objective 5-1: To preserve existing open space resources and where possible develop new open space.

The project provides for approximately 15,703 square feet of open space when currently the site provides for none. Sixty-five percent of the total open space will be landscaped and approximately 7,336 square feet will be open to the public. The retail pedestrian entry will be comprised of an open courtyard along 2nd Street, which has been designed to act as an extension of the right-of-way and will be amenity to the area.

Policy 2-4.4: Encourage bicycle storage at new and existing non-residential developments and public places.

The project includes 40 bicycle spaces, when 34 are required. Of the provided bicycle parking, 20 are long term and 20 are short-term spaces. This, combined with the proximity to public transit options, will limit create a bicycle and pedestrian-friendly commercial environment.

3. **Framework Element.** The Framework Element for the General Plan (Framework Element) was adopted by the City of Los Angeles in December 1996 and re-adopted in August 2001. The Framework Element provides guidance regarding policy issues for the entire City of Los Angeles, including the project site. The Framework Element also sets forth a Citywide comprehensive long-range growth strategy and defines Citywide policies regarding such issues as land use, housing, urban form, neighborhood design, open space, economic development, transportation, infrastructure, and public services. The Framework Element includes the following goals, objectives, and policies relevant to the instant request:

Goal 3A: A physically balanced distribution of land uses that contributes towards and facilitates the City's long-term fiscal and economic viability, revitalization of economically depressed areas, conservation of existing residential neighborhoods, equitable distribution of public resources, conservation of natural resources, provision of adequate infrastructure and public services, reduction of traffic congestion and improvement of air quality, enhancement of recreation and open space opportunities, assurance of environmental justice and a healthful living environment, and achievement of the vision for a more livable city.

Objective 3.4: Encourage new multi-family residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while at the same time conserving existing neighborhoods and related districts.

Policy 3.4.1: Conserve existing stable residential neighborhoods and lower-intensity commercial districts and encourage the majority of new commercial and mixed-use (integrated commercial and residential) development to be located (a) in a network of neighborhood districts, community, regional, and downtown centers, (b) in proximity to rail and bus transit stations and corridors, and (c) along the City's major boulevards, referred to as districts, centers, and mixed-use boulevards, in accordance with the Framework Long-Range Land Use Diagram.

The project site is located 0.3 miles from the existing Little Tokyo/Arts District station of the Metro Gold Line and 0.6 miles from Union Station, in an area served by public transit options. Therefore, the project is located in an area suitable for commercial development at a higher scale. Further, the project is designed to place an emphasis on the quality of the public realm including the experience of pedestrians by improving the ground floor experience of the site and providing areas open to the public. The project will also promote a pedestrian-friendly environment with active commercial uses of a restaurant and market, coffee shop and retail at street level as well as the proposed courtyard open space area. The commercial spaces and open space available to the public are designed to ensure that ground floor commercial uses will benefit from additional connectivity between the project and the neighboring areas and that neighborhood-serving retail will bring convenience to project residents and the community. The character of the area includes mixed-use projects, commercial and retail uses and converted industrial spaces. Therefore, the project's intensity and height will be compatible with the existing development and will not create negative impacts to the adjacent commercial or residential areas. The Project

includes bicycle parking (both long and short term), consistent with the LAMC and California Green Building Code. As such, the project enables a more self-sufficient, pedestrian-oriented lifestyle that will reduce unnecessary vehicle trips in the vicinity and thereby enhance the general welfare. Therefore, the project encourages growth and increased land use intensity in a rapidly growing neighborhood and is near transit nodes, to create a pedestrian-oriented environment while promoting an enhanced urban experience and provide for places of employment.

Goal 7B: A City with land appropriately and sufficiently designed to sustain a robust commercial and industrial base.

Objective 7.2: Establish a balance of land uses that provides for commercial and industrial development which meets the needs of local residents, sustains economic growth, and assures maximum feasible environmental quality.

Goal 7D: A City able to attract and maintain new land uses and businesses.

Objective 7.6: Maintain a viable retail base in the city to address changing resident and business shopping needs.

The project proposes the construction of approximately 20,521 square feet of public retail, 985 square feet of private retail, and 8,463 square feet of restaurant and café uses. Further, the project proposes a gym/spa, artist studios, photo studios, office, and event space, among other uses. This balance of uses is designed to meet the needs of local residents, attract visitors, and sustain the economic growth of the area. Specifically, the project advances the above objectives by concentrating commercial uses in an existing transit and commercial corridor in an area that has recently added a large supply of residential units that would be served by increased job opportunities, retail, and amenities. The variety of commercial uses of the project will create job opportunities for local residents. The members of the private club will also take advantage of neighboring commercial spaces, providing more business opportunities for existing businesses in the area.

4. **The Mobility Element.** The Mobility Element (Mobility Plan 2035) of the General Plan is not likely to be affected by the recommended action herein. 2nd Street and Vignes Street are Collector Streets in the Mobility Element of the General Plan, each dedicated to a half right-of-way width of 30 feet and improved with asphalt, roadway, concrete curb, gutters, and a sidewalk. The alley adjoining the subject property to the north is dedicated to a width of 20 feet and improved with pavement. The project will be required to provide a three-foot dedication of land where there are no existing structures to complete the right-of-way along its entire frontage with 2nd Street. Additionally, conditions to improve 2nd Street and the adjoining alley have been included in this approval. The project is also required to comply with all requirements of the Bureau of Engineering, Department of Urban Forestry, and the Bureau of Street Lighting in matters concerning the public right-of-way.

Furthermore, the project meets the following goals and objectives of Mobility Plan 2035:

Policy 2.3: Recognize walking as a component of every trip, and ensure high-quality pedestrian access in all site planning and public right-of-way modifications to provide a safe and comfortable walking environment.

Policy 2.10: Facilitate the provision of adequate on and off-street loading areas.

The project's design, including ground floor treatment will encourage pedestrian activity within a highly active commercial district through pedestrian-friendly design. Furthermore, the project is required to improve the portion of 2nd Street being dedicated to add additional concrete sidewalk to complete a full-width concrete sidewalk with tree wells.

Policy 3.1: Recognize all modes of travel, including pedestrian, bicycle, transit, and vehicular modes - including goods movement - as integral components of the City's transportation system.

Policy 3.3: Promote equitable land use decisions that result in fewer vehicle trips by providing greater proximity and access to jobs, destinations, and other neighborhood services.

Policy 3.4: Provide all residents, workers and visitors with affordable, efficient, convenient, and attractive transit services.

Policy 3.5: Support "first-mile, last-mile solutions" such as multi-modal transportation services, organizations, and activities in the areas around transit stations and major bus stops (transit stops) to maximize multi-modal connectivity and access for transit riders.

Policy 3.8: Provide bicyclists with convenient, secure and well-maintained bicycle parking facilities.

The project's proximity to the existing Little Tokyo/Arts District Station of the Metro Gold Line, Union Station, and other transit connections will reduce vehicular trips to and from the project, vehicle miles traveled, and improve air pollution; and its ground floor treatment will encourage pedestrian activity within a highly active commercial district through pedestrian-friendly design.

In addition, the project will provide Code required bicycle parking supporting "first-mile, last-mile solutions", enabling workers, visitors, and patrons of the commercial uses improved access to the project.

Policy 5.4: Continue to encourage the adoption of low and zero emission fuel sources, new mobility technologies, and supporting infrastructure.

As conditioned, a minimum of twenty percent of the parking spaces will be installed with electronic vehicle-ready conduits.

Lastly, the Department of Transportation submitted a Traffic Impact Assessment of the proposed project dated June 2, 2016 that determined the impact of the trips generated from the project will be less than significant.

5. **The Sewerage Facilities Element** of the General Plan will not be affected by the recommended action. While the sewer system might be able to accommodate the total flows for the proposed project, further detailed gauging and evaluation may be needed as part of the permit process to identify a specific sewer connection point. If the public sewer has insufficient capacity then the developer will be required to build sewer lines to a point in the sewer system with sufficient capacity. A final approval for sewer capacity and connection permit will be made at that time. Ultimately, this sewage flow will be conveyed to the Hyperion Treatment Plant, which has sufficient capacity for the project.

6. **Charter Finding – City Charter Finding 555.** The General Plan may be amended in its entirety, by subject elements or parts of subject elements, or by geographic areas, provided that the part or area involved has significant social, economic or physical identity.

The project site is located within the Arts District, a neighborhood originally planned and zoned for industrial uses that is rapidly transforming to include new residential, commercial, and mixed-use developments and converted industrial space. The project will adaptively reuse the existing CCBA Building on the site and construct up to a seven-story addition for a new mixed-use commercial development containing public commercial uses and a private membership club intended to operate as a collaborative work and social space for artists and the creative community. The proposed building will be seven stories and approximately 131 feet in height; it will contain 102,679 square feet of floor area at a FAR of 3.47 to 1.

While the proposed development would be taller and greater in mass than the immediately surrounding buildings, the project would be similar in size, scope and scale to recently completed and proposed projects in the general surrounding vicinity and the Arts District as a whole, providing a significant physical identity with other structures in the immediate area as described below. Other buildings that fit the same context include the five-story mixed-use building abutting the project site to the west with a permitted FAR of 3.5 to 1 (the Garey Building), the 4.5-story residential development at Alameda and 2nd Street known as the Savoy with a permitted FAR of 2.32 to 1, and the six-story One Santa Fe mixed-use development approximately 440 feet east of the project site with a permitted FAR of 3 to 1. Moreover, the proposed plan amendment to Regional Commercial and zone change to (T)(Q)C2-2-RIO would make the project site consistent with the neighboring Garey Building site, which is planned for Regional Commercial and zoned (T)(Q)C2-2D-RIO. As such, the project would maintain the existing physical identity of the surrounding area.

The focus on the proposed private membership club to provide a social and work space for artists aligns with the longstanding identity of the Arts District as a place for artists and creative types to live, work, and congregate. As such, the project would maintain the existing social identity of the surrounding area.

The project proposes to provide 27,125 square feet of commercial space open to the public and 73,020 square feet of floor area for the private membership club. The increased commercial activity in the area will allow for more employment opportunities, incentivize local spending and activity, stimulate economic growth, create a pedestrian-friendly shopping area and community, and increase convenience for local residents and workers of the neighborhood. The revitalized site will attract the interest of residents, potential investors, and businesses as the area continues to revitalize. As such, the project will contribute to and strengthen the economic identity of the surrounding area.

7. **Charter Finding – City Charter Finding 556.** When approving any matter listed in Section 558, the City Planning Commission and the Council shall make findings showing that the action is in substantial conformance with the purposes, intent and provisions of the General Plan. If the Council does not adopt the City Planning Commission's findings and recommendations, the Council shall make its own findings.

The project site is located within the Central City North Community Plan, which is one of 35 community plans comprising the Land Use Element of the General Plan. The Community Plan designates the project site with the Commercial Manufacturing land use designation, which lists the following corresponding zones: CM and P. The site is presently zoned CM-1-RIO and is thus consistent with the land use designation.

As proposed, the amendment would re-designate the project site from Commercial Manufacturing to Regional Commercial, which lists the following corresponding zones: CR, C1.5, C2, C4, RAS3, RAS4, R3, R4, and R5. The requested zone and height district change to (T)(Q)C2-2-RIO for the project site would be consistent with the adoption of the recommended plan amendment. The development of the project represents an opportunity to achieve the overarching goals of the Central City North Community Plan, which include improving the function, design, and economic vitality of the commercial corridors and uses a development opportunity site for needed job-producing uses that will improve the economic and physical condition of the surrounding area. As such, the proposed amendment would be in substantial conformance with the purpose, intent, and provisions of the General Plan to strengthen the commercial and economic base of the Community Plan area.

- 8. Charter Finding – City Charter Finding 558.** The proposed Amendment to the Central City North Community Plan will be in conformance with public necessity, convenience, general welfare and good zoning practice.

The proposed amendment to the Central City North Community Plan would re-designate the project site from Commercial Manufacturing to Regional Commercial. The amendment, in conjunction with the requested zone change and height district change to (T)(Q)C2-2-RIO, would allow for the change of use and addition to an existing warehouse building into a seven-story, approximately 102,679 square-foot, commercial development with an FAR of 3.47 to 1.

Public necessity, convenience and general welfare will be better served by adopting the proposed General Plan Amendment and corresponding Zone and Height District Changes, as they would allow the project to provide additional commercial floor area appropriate for the site's location in an area that is vastly transforming with the development of new residential, commercial, and hybrid industrial land uses. Further, the increased floor area allows the project to better serve the needs of the community by conveniently offering a variety of uses in close proximity to transit. The project includes a private club and is open to the public on its ground and second floors, offering retail, a restaurant, and a coffee shop, to activate the sidewalks and capture foot traffic from the nearby Metro Gold Line and offices. The increased commercial activity in the area will allow more employment opportunities, incentivize local spending and activity, stimulate economic growth, create a pedestrian-friendly shopping area and community, and increase convenience for local residents and workers of the neighborhood. The revitalized site will attract the interest of residents, potential investors, and businesses as the area continues to revitalize. The additional floor area is also in furtherance of good zoning practice because it will be a better use of the site and will turn it into a focal point for community activity and interaction, improve the general welfare of the community and the City, and improve design of the existing building while bringing a suite of modern amenities and features.

The project is in conformity with public necessity, convenience, general welfare and good zoning practice because it includes substantial infrastructure improvements and public and common open space. For example, the project will invest in the public realm by including new pedestrian amenities, improved streetscapes, and public open space. The project would convert the existing warehouse building and former railroad spur, into an additional five stories above ground and a basement level, while providing adequate parking spaces to serve the proposed uses. Further, the project includes a courtyard open to the public at street level and will include a number of trees on site. These investments in the ground floor experience will promote pedestrian and bicycle linkages between the project, the regional transit system, and the greater community.

In addition to this, the proposed general plan amendment, zone change, and height district change are considered good zoning practice as the site located directly to the west is currently designated Regional Commercial and zoned (T)(Q)C2-2D-RIO. Thus, the requests herein would create consistency within the surrounding area.

Entitlement Findings

9. Zone Change, Height District Change, and “T” and “Q” Classification Findings.

Pursuant to Section 12.32-C of the Municipal Code, and based on these findings, the recommended action is deemed consistent with public necessity, convenience, general welfare and good zoning practice.

The requested zone change and height district change to (T)(Q)C2-2-RIO would allow for the change of use and addition to an existing warehouse building into a seven-story, approximately 102,679 square-foot, commercial development with an FAR of 3.47 to 1.

Public necessity, convenience and general welfare will be better served by adopting the proposed General Plan Amendment to Regional Commercial and corresponding Zone and Height District Changes, as they would allow the project to provide additional commercial floor area appropriate for the site's location in an area that is vastly transforming with the development of new residential, commercial, and hybrid industrial land uses. Further, the increased floor area allows the project to better serve the needs of the community by conveniently offering a variety of uses in close proximity to transit. The project includes a private club and is open to the public on its ground and second floors, offering retail, a restaurant, and a coffee shop, to activate the sidewalks and capture foot traffic from the nearby Metro Gold Line and offices. The increased commercial activity in the area will allow more employment opportunities, incentivize local spending and activity, stimulate economic growth, create a pedestrian-friendly shopping area and community, and increase convenience for local residents and workers of the neighborhood. The revitalized site will attract the interest of residents, potential investors, and businesses as the area continues to revitalize. The additional floor area is also in furtherance of good zoning practice because it will be a better use of the site and will turn it into a focal point for community activity and interaction, improve the general welfare of the community and the City, and improve design of the existing building while bringing a suite of modern amenities and features.

The project is in conformity with public necessity, convenience, general welfare and good zoning practice because it includes substantial infrastructure improvements and public and common open space. For example, the project will invest in the public realm by including new pedestrian amenities, improved streetscapes, and public open space. The project would convert the existing warehouse building and former railroad spur, into an additional five stories above ground and a basement level, while providing adequate parking spaces to serve the proposed uses. Further, the project includes a courtyard open to the public at street level and will include a number of trees on site. These investments in the ground floor experience will promote pedestrian and bicycle linkages between the project, the regional transit system, and the greater community.

In addition to this, the proposed general plan amendment, zone change, and height district change are considered good zoning practice as the site located directly to the west is currently designated Regional Commercial and zoned (T)(Q)C2-2D-RIO. Thus, the requests herein would create consistency within the surrounding area.

Per LAMC Section 12.32-G, 1 and 2, the current action, as recommended, has been made contingent upon compliance with new “T” and “Q” conditions of approval imposed herein for

the proposed project. The “T” Conditions are necessary to ensure the identified dedications, improvements, and actions are undertaken to meet the public’s needs, convenience, and general welfare served by the actions required. These actions and improvements will provide the necessary infrastructure to serve the proposed community at this site. The “Q” conditions that limits the scale and scope of future development on the site are also necessary to protect the best interests of and to assure a development more compatible with surrounding properties and the overall pattern of development in the community, to secure an appropriate development in harmony with the General Plan, and to prevent or mitigate the potential adverse environmental effects of the subject recommended action

10. Conditional Use Findings.

- a. **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.**

LAMC Section 12.24-W,1 allows a Conditional Use Permit to be granted for the sale and dispensing of alcoholic beverages. The applicant is requesting a Master Conditional Use Permit for the sale and dispensing of alcoholic beverages in connection with the proposed 6,054 square-foot food market/restaurant, 1,859 square-foot café, and 73,020 square-foot private club. The private club will also offer live entertainment. Each use proposes the sale of alcoholic beverages as follows:

- Food Market/Restaurant – Full line of alcoholic beverages for off-site and on-site sales and consumption
- Café – Beer and wine for on-site sales and consumption
- Private Club – Full line of alcoholic beverages for on-site sales and consumption

The project is rehabilitating an existing building and providing additional commercial space that will service the demands of the surrounding area. Furthermore, as the Community Plan encourages the development of substantial, community-serving commercial projects, the proposed project will include a diverse range of such commercial uses, including a publicly accessible food market/restaurant and café and a private club containing a dining area, lounge, and bar.

The project will provide a service that is beneficial to the region by providing food service and amenities to private club members and the public alongside alcoholic beverage options and live entertainment in a neighborhood that is rapidly changing from a commercial industrial area to accommodating residential, commercial, and hybrid industrial uses. The service of alcoholic beverages in food establishments has become accepted as a desirable and expected use that is meant to complement food service. Since alcoholic beverage service is a common and expected amenity with meal service for many patrons, the grant for alcohol sales will be desirable to the public convenience and welfare. The project will provide increased opportunities for quality food and may serve as a central meeting point for the neighborhood.

The sale of alcoholic beverages, whether full-line or beer and wine, is anticipated to be an ancillary use to the tenant uses. As proposed and conditioned herein, the project would enhance the built environment in the surrounding neighborhood and would provide a service that would be beneficial to the community.

- b. **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 property is an approximately 29,593 net square-foot site on the northwest corner of 2nd Street and Vignes Street in the Central City North Community Plan. The Community Plan designates the site with a land use designation of Commercial Manufacturing with a corresponding zone of CM-1-RIO. The requested plan amendment and corresponding zone and height district change would re-designate the project site from Commercial Manufacturing and (T)(Q)C2-2-RIO zoning. The project site is located in a fully developed, urbanized environment.

The surrounding urban environment is predominantly mixed-use developments and converted industrial spaces. The project site is bound on the north by a service alley and then a two-story commercial building currently occupied by Environmental Contracting Corporation. Properties immediately to the east of the project site across Vignes Street include a two-story commercial building and a three-story, 17-unit live-work building known as the Vignes Arts Building. Property to the south across 2nd Street is developed with a commercial building ranging from two stories (along the 2nd Street street frontage) to four stories (toward the rear) in height and providing creative office (currently occupied by R204 Design) and restaurant (Americano, Cerveteca) uses. Property immediately west of the project site is improved with a five-story mixed-use development providing 320 apartment units and 15,290 square feet of retail and restaurant space known as the Garey Building.

The applicant seeks the on-site sale of a full line of alcoholic beverages in conjunction with the proposed development. The project has been designed in a manner to enhance the public realm and improve the aesthetics and safety of the surrounding area. The inclusion of alcohol uses will allow for added vibrancy within the project, which is appropriate for a mixed-use transit-oriented project.

Approval of the proposed conditional use permit for the sale of alcoholic beverages and for the project will not adversely affect the community's welfare. The establishments serving alcohol will be carefully controlled and monitored, while being compatible with immediately surrounding uses which are mixed-use commercial buildings and retail. The proposed project will provide a place for residents and visitors to eat, drink, socialize, and shop; as such, the sale of alcoholic beverages is a normal part of restaurant operation and an expected amenity.

Additionally, the conditions recommended herein will ensure that the establishment will not adversely affect or further degrade the surrounding neighborhood, or the public health, welfare, and safety. The project is not located directly adjacent to any properties that could be degraded by the grant of alcohol uses. In the event that there is live entertainment, the project has been conditioned to limit the level of amplified music along the terrace areas abutting the adjacent residential use to the west. Valet parking has been conditioned to be open during all hours of business operation and for at least one-half hour following the close of business to ensure that patrons will have adequate time to retrieve their vehicles after businesses close for the evening. Additionally, any automobile parking provided in excess of the requirements of the LAMC are required to be open to the public during business hours to prevent the additional parking spaces from being designated exclusively for private club patrons.

Approval of the conditional use will contribute to the success and vitality of the commercial development and help to reinvigorate the site and vicinity. Since the alcohol sales will be incidental to food service and event space, permitting alcohol sales on the site will not be detrimental to the development of the community.

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

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

The Central City North Community Plan designates the site with a land use designation of Commercial Manufacturing, with the following corresponding zones: CM and P. The site is presently zoned CM-1-RIO and is thus consistent with the land use designation. As proposed, the requested plan amendment would re-designate the project site from Commercial Manufacturing to Regional Commercial, which lists the following corresponding zones: CR, C1.5, C2, C4, RAS3, RAS4, R3, R4, and R5. The requested zone and height district change to (T)(Q)C2-2-RIO for the project site would be consistent with the adoption of the recommended plan amendment. In conjunction with the requested Master Conditional Use Permit for the sale of alcoholic beverages, the project would be in substantial conformance with the following policies of the General Plan as it is reflected within the Central City North Community Plan:

Goal 2: A strong and competitive commercial sector which best serves the needs of the community through maximum efficiency and accessibility while preserving the historic commercial and cultural character of the district.

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

Policy 2-1.3: Insure the viability of existing neighborhood stores and businesses which support the needs of local residents and area compatible with the neighborhood.

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

Objective 2-4: To enhance the appearance of commercial districts.

Policy 2-4.1: Require that any proposed development be designed to enhance and be compatible with adjacent development.

The request to serve and sell alcohol at the site will be consistent with these objectives and policies through the creation of a mix of retail, restaurant with market, café and private club uses that would attract a variety of consumers and tenants, actively promoting the area as a key economic center of the community. The proposed project's mix of commercial uses will bring even more pedestrian activity to the area. Alcohol service incidental to food sales is a common amenity in many sit-down restaurants in the neighborhood. Further, it is a common feature to have a retail store with off-site

alcohol sales and a market within a restaurant to promote consumer convenience. The availability of alcohol for on-site consumption provides another option for a wide range of activities on site and as an option for leisure to cultivate community activity and to create an enjoyable experience for area residents. Overall, the project supports bringing commercial activity to an area with large new residential developments, creates a pedestrian-friendly environment, and promotes the welfare and economic well-being of the local residents.

The Central City North Community Plan is silent with regards to alcohol sales. In such cases, the City Planning Commission must interpret the intent of the Plan. The Los Angeles Municipal Code authorizes the City Planning Commission to grant the requested conditional use in the zones corresponding to the Plan land use designation. The proposed project is a permitted use by the requested Plan land use category and zone in the Central City North Community Plan. The conditional authorization for the sale of alcoholic beverages is allowed through the approval of the City Planning Commission subject to certain findings. The required findings in support of the Central City North Community Plan have been made herein. Given the numerous conditions of approval, and the fact that the sale of alcohol is conditioned to be incidental to food service, the proposed use can be deemed to be in harmony with the General Plan.

d. Additional required findings for the sale of alcoholic beverages:

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

The surrounding urban environment is predominantly mixed-use developments and converted industrial spaces. The project site is bound on the north by a service alley and then a two-story commercial building currently occupied by Environmental Contracting Corporation. Properties immediately to the east of the project site across Vignes Street include a two-story commercial building and a three-story, 17-unit live-work building known as the Vignes Arts Building. Property to the south across 2nd Street is developed with a commercial building ranging from two stories (along the 2nd Street street frontage) to four stories (toward the rear) in height and providing creative office (currently occupied by R204 Design) and restaurant (Americano, Cerveteca) uses. Property immediately west of the project site is improved with a five-story mixed-use development providing 320 apartment units and 15,290 square feet of retail and restaurant space known as the Garey Building.

The area surrounding the site is a mix of commercial and residential buildings. The request for on-site alcohol sales will be compatible with the surrounding uses, providing a place for residents, visitors, and shoppers to eat, drink, socialize, and shop. The request for off-site alcohol sales will create convenience for nearby residents. This all contributes to the continued vitality of the neighborhood. Alcoholic beverage service is an expected amenity for many patrons and approval of this grant would increase the available options for desirable dining and social experiences for patrons. The establishments will also benefit the City through the generation of additional sales tax revenue, fees, and employment opportunities.

Diversity amongst uses is common in the immediate surrounding area, and while there are residential dwelling units and other sensitive uses located in close proximity to the subject site, the establishments open to the public serving alcoholic beverages will be part of a controlled and monitored development. The private club will be only accessible to members and their guests and will have security features in place.

In addition, numerous conditions have been imposed to integrate the use into the community as well as protect community members from adverse potential impacts. Additional conditions have been recommended for consideration by the California Department of Alcoholic Beverage Control that regulate the sale of alcoholic beverages to prevent adverse impacts to the neighborhood. Other conditions imposed will maintain the order and ensure cleanliness of the project and its surroundings. Therefore, the granting of the request will not adversely impact the welfare of the pertinent community.

- ii. **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 of 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.**

The proposed commercial development will consist of 102,679 square feet of retail, restaurants, and private membership club uses. The applicant seeks a Master Conditional Use Permit for the site in order to provide the ability to serve alcoholic beverages for on-site consumption at a restaurant, café, and private club and off-site sales at a market within the restaurant.

According to the California State Department of Alcoholic Beverage Control licensing criteria, three licenses (two on-site and one off-site) are allocated to the subject Census Tract No. 2060.31, which had a population of 2,957 of August 2016. There are currently 47 licenses within this census tract, including 34 on-site, 12 off-site, and one instructional tasting alcohol license.

Overconcentration can be undue when the addition of a license will negatively impact a neighborhood. Over concentration is not undue when the approval of a license does not negatively impact an area, but rather such a license benefits the public welfare and convenience. While this may appear as an overconcentration of licenses, ABC does not consider the expectation that restaurants with alcohol service are an expected amenity as part of the commercial developments containing restaurants.

Statistics from the Los Angeles Police Department reveal that in Crime Reporting District No. 1309, which has jurisdiction over the subject property, a total of 398 crimes were reported in 2015 compared to the citywide average of approximately 181 crimes and the high crime reporting district average of approximately 217 crimes for the same period. Part 1 Crimes for the reporting district included: Rape (3), Robbery (16), Aggravated Assault (31), Burglary (14), Auto Theft (49), and Larceny (122). Part 2 Crimes for the reporting district include: Other Assaults (2), Receive Stolen Property (3), Weapons Violations (2), Prostitution (2), Sex Offenses (2), Narcotics/Drug Violations (15), Liquor Laws (1), Drunkenness (3), Disorderly Conduct (10), DWI Related (44), Traffic Violations (16), and Other Violations (59).

While the site is also located in a census tract where the crime rate is substantially higher than the citywide average, no evidence was submitted for the record by the LAPD or adjacent residents indicating or suggesting any link between the subject site and the neighborhood's crime rate. In correspondence with Planning staff, LAPD confirmed that they have no opposition to the proposed project. Further, there is no specifically established link between the above information and the property, since the statistics cover an entire district and do not pertain particularly to the subject site. The incorporation of conditions relative to the specific operation of the establishment was deemed necessary in order to mitigate any possible adverse impact on the welfare of the surrounding area. The public safety measures to mitigate potential nuisance activities have been incorporated into the grant to assure better oversight. Thus, as conditioned, it is not anticipated that the sale of alcoholic beverages for on-site and off-site consumption on the premises would adversely affect the community welfare.

- iii. **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 1,000 feet of the subject site:

- Nishi Hong Wanji Buddhist Temple 815 East 1st Street
- Zenshuji Soto Mission 123 South Hewitt Street
- Japanese Catholic center 222 South Hewitt Street
- Residential Dwelling Units

While there are residential dwelling units and other sensitive uses located in close proximity to the project site, the project will provide adequate security measures to discourage loitering, theft, vandalism and other nuisances. The project proposes to provide CCTV camera security systems, on-site security guards posted at the proposed alcohol uses, an alarm system installed as needed, pedestrian appropriate illumination at entryways, alleys, etc., and controlled access into and out of the parking garage. All sales employees will receive STAR training in responsible alcohol sales; age verification devices and prompts will be part of the Point of Sale system to assist cashiers in prevention of sales to minors.

Furthermore, the proposed use will not detrimentally affect nearby residential properties and other sensitive uses because the urban environment mostly contains mixed-use buildings with residents that both expect and desire more commercial developments. While the sale of alcoholic beverages is important to the restaurants or retailers that will be located within the proposed project's tenant spaces, their sale and service will be incidental to primary operations and, as such, no detrimental effects should be expected from the proposed project.

11. Zone Variance Findings.

In order for a variance to be granted, all five of the legally mandated findings delineated in City Charter Section 562 must be made in the affirmative. Following (highlighted) is a delineation of the findings and the application of the relevant facts of the case to same:

- a. **That the strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.**

The project proposes to adapt and add onto an existing warehouse building to construct a 102,679 square-foot commercial development. As part of the adaptive reuse of the existing building, the project will be restoring the façade and maintaining the interior columns. The project will provide automated parking to accommodate 241 automobiles and 40 bicycles contained within the existing basement level and new fourth level of the proposed structure. Vehicular access to the site is off of Vignes Street: patrons will enter the site via the southerly driveway and leave their cars or bicycles at the valet drop-off area. Upon arrival, a valet attendant will deposit the vehicles onto the automated parking lift toward the northerly end of the site abutting the alley. The attendant will also retrieve the vehicles from the mechanical lift when each patron is ready to depart.

Pursuant to LAMC Section 12.27, the applicant is seeking a Zone Variance to provide a reduced aisle width and backup distance of 19 feet, 8 inches with respect to the automobile parking aisle fronting the automated parking facility loading pallets, a reduced turning radius in connection with the egress turn onto the alley, a reduced end stall width increase of two feet in lieu of the three feet otherwise required by the Municipal Code, and to permit an automated bicycle parking valet for short-term and long-term bicycle parking in lieu of the location and siting requirements set forth in the LAMC.

The variance is necessary because the proposed project adapts and adds onto an existing two-story warehouse building constructed in 1926. The Historic Resources Assessment Analysis prepared for the proposed project found that the addition to the building has the potential to result in adverse impacts related to scale and massing, but with the incorporation of a project design feature to rehabilitate and preserve the existing structure plus a mitigation measure that requires the building to be documented and photographed as it stands today, impacts would be reduced. As such, it is necessary to retain the existing building. The maintenance of the existing building denies adequate parking without the variance, as compliance would require demolition of the existing building, which would amount to a significant hardship and practical difficulties. Retention of the existing structure precludes new construction that can strictly comply with the code as column widths and other structural elements inhibit the necessary space required for vehicular circulation and parking.

Backup distances and egress and ingress distances in relation to the parking component of the project and the adjacent alley cannot be met without fully demolishing the existing structure. Additionally, the existing building footprint prevents the project from providing an additional three feet of end stall width for the westernmost automated parking loading pallet; instead that space will provide two feet.

The general purposes and intent of the zoning regulations is to ensure safe and sufficient parking. The proposed parking facilities are consistent with this intent as professional valet services of cars into a fully automated parking system ensure that the cars will not be damaged and will not impede on foot traffic in the area.

Further, the footprint of the existing structure provides insufficient space to allow for the specifically required bicycle parking space location and site requirements. The project is consistent with the general purposes and intent of Section 12.21(a)(16) as a more secure and convenient bike valet system will be employed providing ample bicycle parking.

As such, the strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.

- b. **There are special circumstances applicable to the subject property such as size, shape, topography, location or surroundings that do not apply generally to other property in the same zone and vicinity.**

Unlike other properties in the vicinity, this project seeks to maintain and add onto an existing structure that is built up to the street frontage. The Historic Resources Assessment Analysis prepared for the proposed project found that the addition to the building has the potential to result in adverse impacts related to scale and massing, but with the incorporation of a project design feature to rehabilitate and preserve the existing structure plus a mitigation measure that requires the building to be documented and photographed as it stands today, impacts would be reduced. As such, it is necessary to retain the existing building. Maintaining the existing building creates a special circumstance which more recent developments in the vicinity have not encountered since the existing site plan must be adapted to accommodate modern needs.

The shortened backup distances and ingress and egress distances proposed and reduced end stall width are specific to the project as the shape and size of the existing building present specific challenges to providing parking. Structural elements of the existing building cannot be removed to allow for the required backup, ingress, and egress distances and end stall width while maintaining the integrity of the building.

The layout of the existing building on the property is specific to this project and creates special circumstances which other properties in the area do not encounter. Specifically, the existing building which covers almost the entire area of the lot and the proposed addition create limited available area to allow for the required location of bicycle parking. The addition of bicycle valet parking in conjunction with the mechanical parking lift alleviates the need for bicycle parking location and siting requirements.

As such, there are special circumstances applicable to the subject property that do not apply generally to other property in the immediate vicinity.

- c. **Such variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of such special circumstances and practical difficulties or unnecessary hardships, is denied the property in question.**

The project seeks to supply adequate car and bicycle parking for employees, visitors, and patrons of the proposed site. The variances requested allow for adequate car and bicycle parking on the site. The maintenance of the existing building denies adequate parking without the variance, as compliance would require demolition of the existing building, which would amount to a significant hardship.

The Central City North area includes a number of older buildings which were built with limited or no parking on-site. Such uses, as they adapt or redevelop, have been granted variances related to parking. In fact, four variances were approved on properties located within 1,000 feet of the project site for reduced or off-site parking in existing buildings undergoing adaptive reuse or seeking conditional use approval for the sale of alcoholic beverages, indicating a recognition that there are difficulties in providing on-site parking in existing buildings within the parameters of today's code requirements for parking. The

requests are illustrative of other variance approvals that have established certain substantial property rights or uses generally possessed by other property.

As such, the requested variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of such special circumstances and practical difficulties or unnecessary hardships, is denied the property in question.

- d. **The granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity in which the property is located.**

Granting of the proposed reduction of backup, ingress, and egress distances and end stall width would not be materially detrimental to the public welfare or injurious to the properties in the vicinity of the project because adequate and safe car parking will still be provided. Professional valet services will load and unload cars into and out of the automated parking system which will mitigate any potential harms that the decreased distances would create.

Granting of the proposed bicycle valet system will be beneficial to the public welfare as more convenient and safe bicycle parking will be provided than what is normally required. The project includes 40 bicycle spaces, when only 34 are required. Further, the parking of bicycles indoors will be a benefit to neighboring properties as the sidewalks will be clear of bicycles impeding pedestrian traffic.

- e. **The granting of the variance will not adversely affect any element of the General Plan.**

The Central City North Community Plan designates the site with a land use designation of Commercial Manufacturing, with the following corresponding zones: CM and P. The site is presently zoned CM-1-RIO and is thus consistent with the land use designation. As proposed, the requested plan amendment would re-designate the project site from Commercial Manufacturing to Regional Commercial, which lists the following corresponding zones: CR, C1.5, C2, C4, RAS3, RAS4, R3, R4, and R5. The requested zone and height district change to (T)(Q)C2-2-RIO for the project site would be consistent with the adoption of the recommended plan amendment. In conjunction with the requested variance for vehicular circulation and parking, the project would be in substantial conformance with the General Plan as it is reflected within the Central City North Community Plan.

The basic use of the property for commercial purposes remains consistent with the requested Regional Commercial land use designation and (T)(Q)C2-2-RIO zone. The variance requests do not change the primary use and are instead vital components necessary to provide for a wholly functioning project.

Granting of the proposed reduction of backup, ingress, and egress distances would not adversely affect any element of the General Plan, as a sufficient and safe parking structure is provided for in the proposed project. The advanced nature of the automated parking and the proposed use of professional valets to accept and return the cars show the proposed project's desire to provide adequate and safe parking.

Granting of the proposed bicycle valet system would not adversely affect any element of the General Plan as sufficient bicycle parking will be provided on site. The increased

safety and convenience of the valet system will further the elements of the General Plan that promote the use of bicycle use.

As such, the granting of the variance will not adversely affect any element of the General Plan.

12. Site Plan Review Findings.

- a. **The project is in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan.**

The Central City North Community Plan designates the site with a land use designation of Commercial Manufacturing, with the following corresponding zones: CM and P. The site is presently zoned CM-1-RIO and is thus consistent with the land use designation. As proposed, the requested plan amendment would re-designate the project site from Commercial Manufacturing to Regional Commercial, which lists the following corresponding zones: CR, C1.5, C2, C4, RAS3, RAS4, R3, R4, and R5. The requested zone and height district change to (T)(Q)C2-2-RIO for the project site would be consistent with the adoption of the recommended plan amendment. The commercial uses proposed as part of the requested development, including retail, restaurant, and office space, are all permitted in the C2 Zone. In conjunction with the requests herein, the project would be in substantial conformance with the General Plan as it is reflected within the Central City North Community Plan.

The development of the project area represents the opportunity to achieve the overarching goals of the Community Plan which include improving the function, design, and economic vitality of the commercial corridors and uses a development opportunity site for needed job producing uses that will improve the economic and physical condition of the Central City North area. The proposed development furthers the following Community Plan goals, objectives and policies:

Goal 2: A strong and competitive commercial sector which best serves the needs of the community through maximum efficiency and accessibility while preserving the historic commercial and cultural character of the district.

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

Policy 2-1.2: Protect commercially planned/zoned areas from encroachment by residential only development.

Policy 2-1.3: *Insure the viability of existing neighborhood stores and businesses which support the needs of local residents and area compatible with the neighborhood.*

Policy 2-1.4: Require that projects be designed and developed to achieve a high level of quality, distinctive character, and compatibility with existing uses and development.

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

Policy 2-2.2: New development needs to add to and enhance the existing pedestrian street activity.

Objective 2-4: To enhance the appearance of commercial districts.

Policy 2-4.1: Require that any proposed development be designed to enhance and be compatible with adjacent development.

Policy 2-4.2: Preserve community character, scale, and architectural diversity.

Policy 2-4.4: Landscaped corridors should be created and enhanced through the planting of street trees.

The project maintains and improves the existing building while maximizing the efficient use of the site by bringing a mix of commercial spaces open to the public and a private club. By repurposing the existing building and abandoned rail spur with additional space, the project will bring commercial activity to an area that has seen a large influx of residential developments. The proposed commercial areas open to the public include retail, a restaurant with market, and a coffee shop will support the needs of local residents and strengthen the economic vitality of the area. The project is designed to maximize the ground floor of the building with the aforementioned commercial uses as well as a ground floor courtyard and improved streetscape adding to and enhancing the pedestrian experience of the neighborhood. The private club on the upper levels of the building will bring visitors to the area that will frequent surrounding businesses. The entrance to the automated parking lot is accessed through an interior driveway creating an openness of the frontage along Vignes Street and allowing for street trees to be planted along the sidewalk. Though the project seeks a zone change and height district in order to achieve a floor area ratio of 3.47, the uses proposed are consistent with the policies to reinforce commercial development, grow the economic base, and improve aesthetics.

The project has been designed with high quality architectural elements and will maintain and improve the facade with modern designs to create a distinctive commercial building that will enhance the architectural diversity of this burgeoning commercial area. The project is compatible with the adjacent building to the west, a five-story mixed-use residential and commercial development and will enhance that development by creating a building of similar size with commercial amenities to go along with the new residences.

Goal 5: A community with sufficient open space in balance with development.

Objective 5-1: To preserve existing open space resources and where possible develop new open space.

The project provides for approximately 15,703 square feet of open space when currently the site provides for none. Of the new open space, approximately 7,336 square feet will be open to the public and 65 percent will be landscaped. The retail pedestrian entry will be comprised of an open courtyard along 2nd Street, which has been designed to act as an extension of the right-of-way and will be amenity to the area.

Policy 2-4.4: Encourage bicycle storage at new and existing non-residential developments and public places.

The project includes 40 bicycle spaces, when 34 are required. Of the bicycle parking, 20 are long term and 20 are short term spaces. This combined with the proximity to public transit options will limit create a bicycle and pedestrian-friendly commercial environment.

- b. **The project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements that is or will be compatible with existing and future development in neighboring properties.**

The arrangement of the proposed development is consistent and compatible with existing and future development in neighboring properties. The subject site is located within the Central City North Community Plan Area and Arts District neighborhood. The surrounding urban environment is predominantly mixed-use developments and converted industrial spaces. The project site is bound on the north by a service alley and then a two-story commercial building currently occupied by Environmental Contracting Corporation. Properties immediately to the east of the project site across Vignes Street include a two-story commercial building and a three-story, 17-unit live-work building known as the Vignes Arts Building. Property to the south across 2nd Street is developed with a commercial building ranging from two stories (along the 2nd Street street frontage) to four stories (toward the rear) in height and providing creative office (currently occupied by R204 Design) and restaurant (Americano, Cerveteca) uses. Property immediately west of the project site is improved with a five-story mixed-use development providing 320 apartment units and 15,290 square feet of retail and restaurant space known as the Garey Building.

The following project elements were designed in a manner that is compatible with both existing and future development of the surrounding area:

Height/Massing

The proposed building will be seven stories and approximately 131 feet in height. With the requested zone and height district change to (T)(Q)C2-2-RIO, the project is permitted to be built with unlimited height and stories, but is limited to an FAR of 6 to 1. The total proposed FAR for the building is 3.47 to 1, consistent with surrounding development. While the building is taller than most of the existing buildings in the immediate area, other buildings that fit the same context include the five-story mixed-use building abutting the project site to the west with a permitted FAR of 3.5 to 1 (the Garey Building), the 4.5-story residential development at Alameda and 2nd Street known as the Savoy with a permitted FAR of 2.32 to 1, and the six-story One Santa Fe mixed-use development approximately 440 feet east of the project site with a permitted FAR of 3 to 1. To reduce the massing of the proposed addition, the building has been setback approximately 14 feet from 2nd Street and 17 feet from Vignes Street at the third floor. Additionally, the ground floor courtyard open space area along 2nd Street will provide additional building relief.

Building Materials

The project employs a distinguishable and attractive building design by utilizing a variety of building materials and distinctive architectural features to add visual interest and to convey the commercial uses of the building. The existing building's façade will be restored. The addition will include glass materials and a large metal unifying frame to recall some of the Arts District's original industrial elements. Smaller vertical elements infill this framework, evoking an industrial feel to the building addition that complements the existing CCBA Building below.

Setbacks

The setbacks applicable to the project are established under LAMC Section 12.14, which has no setback requirements for the requested C2 Zone. The existing building is built to the property line and the project will continue to maintain up to a zero-foot setback around the property at the ground floor. The building addition will be setback an additional minimum of 14 feet from 2nd Street and minimum of 17 feet from Vignes Street at the third floor. Floors 4 through 7 will be stepped back approximately 18 feet from both 2nd and Vignes Streets. Therefore, the proposed setbacks for the project are consistent with the requirements of the LAMC.

Parking & Loading Areas

The project employs an automated parking system whereby valet drivers load cars into lifts that bring the cars into the basement and fourth level with alley loading that seamlessly brings vehicles into and out of their parking spaces without human intervention and without disturbing the flow of pedestrians or visitors to the project. The vehicular entry has been designed to accommodate the existing loading bays from the prior use of the site. An approximately 1,600 square foot loading dock will be provided in the northwest corner of the site along the abutting alley and will not impede the public right-of-way.

Lighting & Building Signage

Lighting and signage will be provided per LAMC requirements. The project utilizes pedestrian lighting to encourage and extend safe pedestrian activities into the evening. Lighting would be shielded downward and/or away from adjacent uses, including lighting for outdoor terraces. The use of pole-mounted lighting or floodlights is not anticipated, according to the applicant. Project lighting would also include visible interior light emanating from the ground-level commercial uses, architectural lighting to highlight architectural features of the retained portions of the existing building, and decorative lighting within the pedestrian plazas and seating areas. Additionally, the project is conditioned to require outdoor lighting to shine downward, be installed with shielding, and be directed onto the project site, so that the light source does not directly illuminate any adjacent properties or the above night skies. The automated parking system does not require vehicles or their headlights to be operating, thereby eliminating the potential for illumination on adjacent uses.

According to the applicant, visual clutter is reduced by placing signs so as not to obscure architectural elements or interfere with building design. Project site signage would include building address identification, commercial retail, wayfinding, and security markings. The private membership club would be identified by a small wall sign either close to the main entry door at the valet parking or on the outer wall of the private membership club. Signage for the retail uses and third floor café would be minimal, if included at all. Commercial signage would minimize glare from fixtures to compliment

architectural features and reduce the potential for light spillover, and no off-site signage is proposed.

Landscaping

Open space and landscaping opportunities are utilized on the site in open areas not used for circulation, building, driveways, and parking. The project will also provide landscaping in a ground floor public space and on terraces on higher levels and will add additional street trees to create a pleasant view and provide adequate shade for pedestrians and transit riders. Though not a requirement for commercial developments under the LAMC, the project adds approximately 15,703 sf of open space (7,336 square feet will be open to the public) of which 65 percent is landscaped.

Trash Collection

All trash and recycling areas are conditioned to be enclosed and not visible to the public. Trash collection will take place off of the alley abutting the project site to the north.

As described above, the project consists of an arrangement of buildings and structures (including height, bulk, and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements that will be compatible with existing and future development on adjacent and neighboring properties.

- c. **That any residential project provides recreational and service amenities in order to improve habitability for the residents and minimize impacts on neighboring properties.**

The proposed project is an entirely commercial use. The project is not a residential project and will not create a demand for recreation and service amenities on neighboring properties.

Environmental Findings

13. **Environmental Finding.** A Mitigated Negative Declaration (MND), along with mitigation measures and a Mitigation Monitoring Program (ENV-2016-1081-MND), were prepared for the proposed project. The MND was circulated for public review on February 16, 2017 through March 8, 2017. During the review period, the Department of City Planning received 20 comment letters, including 19 from nearby residents and one from the Los Angeles Conservancy. Following the close of the MND comment period, five additional letters were received, including correspondence from four concerned residents and one letter of support from the Historic Cultural Neighborhood Council. The issues raised are summarized and responded to below.

Parking

Comments were received regarding potential impacts related to parking. Members of the public were concerned that the project would eliminate the already limited supply of street parking in the area. The proposed project will provide 241 parking spaces on-site, which would be 36 spaces more than the maximum 205 spaces required by the LAMC. Parking will be available to the public as part of the project, so though the project will result in a loss of nine street parking spaces, there will be a net gain in parking for the neighborhood as a result of the proposed development. Accordingly, there will be more parking available as a result of the project than there is currently.

Traffic During Construction and Operations

Members of the public expressed concerns about the project's potential traffic impacts during construction and operations. A traffic study was prepared, approved by the Los Angeles Department of Transportation ("LADOT"), and included as part of the project's environmental clearance. The traffic study takes into account impacts caused by both construction and operations of the project, and analyzes present and future traffic conditions at the 2019 anticipated buildout of the project. The project will add new vehicle trips beyond what the current building on the site generates, but it will not result in significant impacts under the applicable LADOT thresholds. The MND also determined that no significant cumulative traffic impacts would be caused by the project, which takes into consideration impacts from ongoing and future development projects in the area. To further reduce potential impacts on traffic, the project includes the implementation of Project Design Feature PDF-TRAF-1, which details requirements for a Construction Traffic Management Plan to be adopted which would further reduce any potential temporary project-related construction impacts to local access and ensure emergency access is maintained.

Additional concerns were expressed regarding impacts to local non-signalized intersections that were not studied intersections within the traffic study, including the intersections of 2nd Street and Vignes and 2nd Street and Santa Fe Avenue. The traffic study area and the intersections studied were approved by LADOT. Non-signalized intersections are not typically studied in traffic studies. Moreover, though the local non-signalized intersections referenced in comments were not specifically analyzed, they are all inside the traffic study area; through-traffic that would be caused by the project impacting these intersections was studied and no significant traffic impacts were identified.

Safety and Hazards Related to Construction

Comments were received relating to safety issues during construction of the project. As discussed in the MND, potential impacts from project-related hazards are less than significant, and Project Design Features would be implemented to ensure that potential short-term access impacts resulting from project construction would be less than significant. These measures include implementation of traffic control measures, such as construction flagmen or special signage, as well as the preparation of a Construction Management Plan, which would include designation of a haul route and ensure that emergency access is maintained during construction.

Air Quality and Dust

Comments were received expressing concerns about the project's potential air quality and dust impacts during construction. Project-related air quality impacts were analyzed in the MND and were found to be less than significant, as the project would comply with best available dust control provisions, including compliance with South Coast Air Quality Management District ("SCAQMD") Rule 403. Rule 403 requires the implementation of best available control measures related to suppression of fugitive dust that must meet the SCAQMD's fugitive dust control standards, including requirements to monitor wind speeds and take additional protective measures if wind speeds exceed set thresholds.

The only potentially significant impact identified related to air quality impacts resulting from the application of architectural coatings to the building during construction. The MND concluded that such construction emissions would be temporary and reduced below applicable significance thresholds with the inclusion of Mitigation Measure AIR-1, which

limits the amount of daily application of architectural coatings. Overall, under the applicable CEQA thresholds for air quality impacts at both the local and regional levels, the project's impacts would be less than significant.

Noise

Concerns were expressed relating to the potential noise impacts caused by the project. Noise impacts were analyzed in the MND, finding that project-related construction and operation impacts will be less than significant with the incorporation of Project Design Features PDF-NOISE-1, -2, -3, and Mitigation Measures NOISE-1 through NOISE-6. These Project Design Features and Mitigation Measures are designed to decrease noise and vibration impacts to surrounding sensitive receptors, including the residential buildings closest to the project. Noise and vibration Mitigation Measures implemented include requiring the use of sound attenuation equipment and best management practices, ongoing monitoring of sound and noise impacts, limitations on hours of operating heavy construction equipment, a prohibition on using heavy construction equipment within 60 feet of residential structures, and providing a liaison for local residents to raise noise and vibration questions and concerns with the project proponent, whose phone number will be posted on-site. The project has been conditioned to limit the level of amplified music along the terrace areas abutting the adjacent residential use to the west. As such, impacts relating to construction and operational noise have been determined to be less than significant.

Views and Aesthetics

Comments were received regarding potential impacts on views and aesthetic impacts caused by the project. As detailed in the MND, the project is considered an infill development in an identified employment center within a transit priority area. As such, and in accordance with California Senate Bill 743 ("SB 743"), which promotes urban infill and increased density in proximity to transit, aesthetic and parking impacts of such projects shall not be considered significant impacts on the environment under CEQA. Therefore, the discussion of aesthetics in the MND is provided for disclosure and informational purposes only.

Under CEQA, the loss of a view from a private residence or vantage point is not considered a potentially significant impact, but rather CEQA looks at the loss of views of scenic vistas that are available at publicly accessible locations, such as streets, highways and parks. In the MND, an evaluation of the project's potential impact on scenic vistas and resources, visual character/quality, and of light and shade is provided. The CEQA thresholds and factors taken into consideration to determine the level of impact are also included, as are project design features that would further reduce such impacts. All aesthetic impacts were determined to be less than significant under this analysis.

Additionally, cars that are parked in the automated parking stalls will be turned off before being hoisted by the hydraulic lifts into the parking lot. Accordingly, there will be no light or glare impacts related to shining headlights while parked in the parking structure.

With respect to the blocking of sunlight, a shade/shadow evaluation was conducted for informational purposes, which includes an evaluation of potential shading to the surrounding residential uses or shade-sensitive uses. Shading of sensitive uses such as routinely usable outdoor spaces associated with residential, recreational, or institutional land uses can be considered a significant impact generally in the absence of SB 743 coverage because sunlight is important to function and physical comfort. Shadows cast during the Winter Solstice, the shortest day of the year, represent the worst case shadows that could be cast by the project. Based on the City of Los Angeles CEQA guidelines, the conclusion of the

MND analysis is that shadows cast from the project were determined to be less than significant under that standard, and the project would not significantly increase the shading of surrounding nearby shadow-sensitive uses.

Mass and Scale of the Project

Comments were received in opposition to the mass and scale of the project. The project proposes to rehabilitate and adaptively reuse the existing warehouse building on-site as a mixed-use commercial development providing public commercial uses and a private club that will operate as a collaborative work and social space for artists and the creative community. The project will include five new levels atop the existing two-story structure and a new, seven-story addition to the building along the westerly lot line adjacent to the west façade of the existing building and in the location of the abandoned railroad spur. While the proposed development would be taller and greater in mass than the immediately surrounding buildings, the project would be similar in size, scope and scale to recently completed and proposed projects in the general surrounding vicinity and the Arts District as a whole. Moreover, the proposed zone change from CM-1-RIO to C2-2-RIO would make the project site consistent with the neighboring Garey Building site, immediately adjacent to the project site to the west on the same block. The mass and scale of the proposed project is consistent with C2-2-RIO standards. To reduce the massing of the proposed addition, the building has been setback approximately 14 feet from 2nd Street and 17 feet from Vignes Street at the third floor. Floors 4 through 7 will be stepped back approximately 18 feet from both 2nd and Vignes Streets. Additionally, the ground floor courtyard open space area along 2nd Street will provide additional building relief.

Total Building Height and Parking Level Height

Comments were received expressing concern about the manner in which the size of the project was depicted in the MND. In particular, commenters stated that the MND was misleading in that the number of floors and the total height of the project seemed inconsistent. In the Project Description of the MND, the description of the project's automated parking indicates that Floor 4, where the primary parking system would be located, would be approximately 32 feet tall. Pursuant to Department and Building Safety standards, the above-grade automated parking system is counted as an installation within a single story that does not include multiple levels of solid floors, and is therefore counted as a single floor. The total height of the parking system of 32 feet and the total building height of up to 131 feet for the proposed project was disclosed and analyzed in the MND.

Impacts to Historic Resources

Comments were received regarding the project's potential impacts to potential historic resources. The project proposes the adaptive reuse of the former Challenge and Creamery Butter Association Building (CCBA Building) and the construction of a five-level addition atop the existing two-story structure. The CCBA Building has been identified as a potential contributor to a potential historic district, as identified in the draft version of the Central City North historic resources survey conducted by SurveyLA. The existence of the potential historic district is analyzed in detail in the Historic Resources Assessment Report and Environmental Impact Analysis (HRA Analysis) prepared for the project and included as an appendices to the MND.

The MND concluded that the project would not result in significant impacts to any cultural historic resources as the term is defined by CEQA. SurveyLA concluded that the CCBA Building is a potential contributor to a potential historic district, but also that the CCBA

Building itself is not eligible for listing as a historic resource at the local, state or federal levels. The CCBA Building is ineligible for listing as a historic resource because it lacks the integrity necessary to convey its historic associations. For example, the vehicle loading bays have all been infilled with concrete blocks and aluminum frame windows. Multiple doors and windows along the building's primary elevation have been replaced. The original signage of the Challenge Cream and Butter Association has been painted over or removed, and all elements of the interior spaces related to the company's use of the building have been removed. The CCBA Building has thus lost the historic associations that might have allowed it to be eligible for listing as a historic resource, and this is not including the fact that the building has been used for the last 20-plus years as a live-work building with no apparent emphasis on historic preservation.

CEQA provides protection to four categories of historical resources, none of which apply to the CCBA Building. First, CEQA protects resources either listed in or determined to be potentially eligible for listing in the California Register of Historical Resources by the State Historic Resources Commission. The CCBA Building has not been so listed and has been specifically determined to be ineligible for listing in the California Register. Second, CEQA protects resources listed in local registers of historical resources or otherwise officially designated by a local government agency as historic by ordinance or resolution of the agency's governing body. The CCBA Building has not been determined to be a Historic Cultural Monument by the City, does not fall within a City Historic Preservation Overlay Zone, and has not otherwise been determined to be a historic resource by ordinance or resolution of the Los Angeles City Council. Third, CEQA protects resources listed in local surveys that have been approved by the State Office of Historic Preservation, among other criteria. The SurveyLA survey for the Central City North Community Plan area has not been finalized and published and has not been approved by the State Office of Historic Preservation.

Where a resource does not meet any of the foregoing three categories, CEQA provides a fourth category where a lead agency may nonetheless choose to exercise its discretion to treat a resource as a historic resource where it can be determined by substantial evidence that the resource at issue is historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California. Due to the aforementioned elimination of the building's integrity as a potential historic resource as a result of changes to the building that have occurred since the identified historic era, the City does not find a sound basis to treat the CCBA Building as a historic resource individually. As such, the City of Los Angeles, as the lead agency, has chosen not to exercise that discretion in this case with respect to the CCBA Building in the adoption of the Mitigated Negative Declaration in conjunction with the approval of Vesting Tentative Tract No. 71422-CN. While the City did not elect to consider the physical building individually historic, its status as a potential contributor to a potential historic district still remains intact

The Historic Resources Assessment Analysis concluded that the project would not eliminate the CCBA Building's status as a contributor to the potential historic district. According to LAMC Section 12.20.3, features designated as contributing shall meet one or more of the following criteria:

- Adds to the Historic architectural qualities or Historic associations for which a property is significant because it was present during the period of significance, and possesses Historic integrity reflecting its character at that time; or
- Owing to its unique location or singular physical characteristics, represents an established feature of the neighborhood, community or city; or

- Retaining the building, structure, Landscaping, or Natural Feature, would contribute to the preservation and protection of the resource and its environment.

The project will preserve the existing CCBA Building, including a Project Design Feature that calls for the preservation of the CCBA Building's key character-defining features and the restoration of additional features including the original loading bay openings and primary elevations, in compliance with the Secretary of the Interior's Standards for Rehabilitation. It also incorporates a Mitigation Measure that would require documentation of the CCBA Building in accordance with the Historic American Buildings Survey. Moreover, the project's rehabilitation of the CCBA Building would include structural improvements including seismic retrofitting that, along with the other measures employed, would result in substantially greater preservation of the building than would occur in the absence of the project. Accordingly, the project will retain the historic architectural qualities and associations under LAMC Section 12.20.3 for which the CCBA Project was determined to be a potential contributor to the potential historic district by SurveyLA.

The project furthermore prominently features the CCBA Building. As provided in PDF-CULT-1, although the project proposes a large addition to the CCBA Building's roof and west elevation, the new construction is setback along 2nd and Vignes Streets to emphasize the original scale and massing of the former industrial structure, preserving the streetscape appearance of the CCBA Building.

While the Historic Resources Assessment Analysis found that the CCBA Building's contributor status would not be compromised as part of the proposed development, in the event that the project did undermine the eligibility status of the CCBA Building as a potential contributor to the potential district, it is worth noting, as stated in the MND, that upon project completion, the potential historic district would still contain the same percentage of contributing buildings. The immediate area surrounding the project site has already been affected by infill development and contains a low concentration of district contributors (5 out of 84). The project site is located on the outer edge of the potential district, directly adjacent to a recently completed mixed-use project. Furthermore, the primary character-defining features of the potential district, including improvements such as street grid, curb and gutter, any remaining historic streetlights, sidewalks, parkways and street trees, and uniform setbacks would be retained and/or restored under the project. The alteration and rehabilitation of the building under the project would not result in any significant impacts under CEQA to the potential district because it would not materially impair the significance of the historical setting such that the proposed district and potentially eligible individual resources in the district would be rendered ineligible for individual listing the National Register, California Register, or as a City Monument. This conclusion is supported by the implementation of MM-CULT-1, requiring recordation of the CCBA Building, and implementation of PDF-CULT-1.

Open Space and Green Space

Comments were received expressing concerns about the green space and open space related to the project. The project would provide public open space through the provision of the 1,183 square-foot ground floor courtyard along 2nd Street, which would be open to the public during regular retail hours and would include decorative hardscapes, ornamental trees, landscaped planters, patio tables, and a green wall lined with plants. The third floor will have 6,153 square feet of terrace with publicly accessible open space. There would be a total of 7,336 square feet of public open space.

The project would improve the streetscape fronting the project site by rehabilitating the deteriorated condition of the existing sidewalks, installing three new street trees and benches along 2nd Street, relocating two of the seven existing street trees, and installing benches along Vignes Street. A landscape plan incorporating the elements described above would be implemented as part of the project. The project will thus create a substantial increase in the amount of green space as compared to the current condition of the project site, which provides no public space and no green space.

Project Entitlements

Members of the public expressed concerns relating to whether variances are being sought to increase the size and scale of the project. There are several discretionary actions requested for the project, including requests for a General Plan Amendment, a Zone Change and Height District Change. These entitlements would permit the project to be developed at a greater floor area ratio and height than what is currently permitted on the site.¹ It would also make the project consistent with the zoning standards applicable to the Garey Building, located immediately adjacent to the project to the west. No variances are being sought with respect to allowing for additional building height or floor area.

The variances sought for the project do not relate to the height or size of the building. Rather, they have the purpose of: (1) providing a reduced aisle width and backup distance of 19 feet, 8 inches, with respect to the automobile parking drive aisle fronting the automated parking facility loading pallets, in lieu of LAMC aisle width and backup requirements; (2) permitting a reduced turning radius in connection with the egress turn onto the alley in lieu of the turning radius requirements; (3) permitting an automated bicycle valet, for short term and long term bicycle parking, in lieu of the location and siting requirements; and (4) permitting a reduced end stall width increase of two feet in lieu of the three feet otherwise required. Accordingly, the variances sought for the project relate only to allowing for the continued use of the existing alley on the north side of the project site without reducing the size of the existing CCBA Building, and allowing for the use of an automated bicycle parking valet.

Additional comments were made that object to a 6 to 1 FAR for the project. However, the project is proposing to utilize an FAR of 3.47 to 1. While a 6 to 1 FAR is allowed under the zoning sought for the project, the full floor area rights under the new zoning designation are not being utilized. Furthermore, the MND analyzed the project based on the proposed FAR of 3.47 to 1; requesting additional floor area beyond that amount would require additional environmental review.

Notice Provided to Residents of 120 South Vignes Street

Comments were received regarding the notice for the Advisory Agency/Hearing Officer hearing provided to the residents of 120 South Vignes Street, a residential building located directly across Vignes Street from the project site also known as the Vignes Arts Building. An original Notice of Public Hearing was posted and circulated to the public on February 16, 2017 for a public hearing scheduled on March 22, 2017. It was discovered that the notice was not mailed to 17 residential units of the Vignes Arts Building when residents of that building submitted comment letters to staff.

An investigation indicated the reason notices were not mailed to the Vignes Arts Building residents is the units in that building do not appear on the Los Angeles County Assessor

¹ The current CM-1-RIO zoning of the project site permits a maximum FAR of 1.5 to 1 and unlimited height and stories. The requested (T)(Q)C2-2-RIO zone permits a maximum FAR of 6 to 1 and unlimited height and stories.

information from which the mailing list for the notices was generated. Upon the discovery, the March 22, 2017 hearing was postponed, corrected mailing labels were generated, and new hearing notices were mailed out to all prior recipients in addition to the Vignes Arts Building residents for the rescheduled Advisory Agency/Hearing Officer hearing on April 19, 2017 to provide those residents with sufficient notice and opportunity to participate in the public process with regard to the proposed project and requested entitlements.

Expedited Review and Construction Schedule

Comments were received indicating opposition to an "expedited" review and construction process for the project. The City has engaged in environmental review and prepared a MND in accordance with the requirements of CEQA. The City has also adhered to all applicable notice and procedural requirements in the environmental review and entitlement process for the project. Additionally, according to the applicant, the proposed construction schedule of 18 months is not an expedited schedule. Rather, it is a typical duration of construction for a project of this size.

14. **Flood Insurance.** 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 determined to be outside 500-year flood plain. Currently, there are no flood zone compliance requirements for construction in these zones.