

FINDINGS *CORRECTED*

(As amended by the City Planning Commission on November 14, 2019)

A. GENERAL PLAN / CHARTER FINDINGS.

The City-initiated General Plan Amendment and requested Zone and Height District Change are in substantial conformance with the purposes, intent, and provisions of the General Plan as explained below:

1. General Plan Land Use Designation.

The subject property is located within the Central City North Community Plan area (effective December 15, 2000), which designates the property as Heavy Industrial with the corresponding zone of M3. The site's current zone is M3-1-RIO. The City-initiated General Plan Amendment will change the land use designation to Commercial Industrial (corresponding zones CM, and P) and will eliminate two footnotes prohibiting "2" Height District designations in this area. The requested (T)(Q)CM-2D-RIO Zone is therefore consistent with the range of zones under the Commercial Industrial land use designation. The subject property is located within the evolving Arts District neighborhood near Downtown Los Angeles that has been undergoing a transition of land uses. In an area historically characterized by warehouse and industrial uses, the Arts District is now comprised of a diversity of land uses that includes creative office, incubator spaces, artist production spaces, retail and restaurant uses, live-work dwelling units in both new buildings and older adaptive reuse buildings, and new industrial spaces that reflect land uses which have evolved due to technological advances and development of new industry sectors. The proposed project would include uses which are consistent with the existing light industrial and manufacturing uses such as a mix of creative office (which is often paired with media production, research and development, and even light manufacturing activities and is more compatible with the types of legacy industrial structures found in manufacturing areas than traditional office developments), retail and restaurants, and new live-work units that can also accommodate home-based small businesses.

Approval of a General Plan Amendment is necessary to modify the project site's land use designation to Commercial Industrial to accommodate the project while retaining critical job-producing uses in new ways, while also acknowledging the need for housing. The City-initiated General Plan Amendment will support employment where jobs and housing can coexist, while retaining a jobs focus. The project has been designed to continue the production of jobs at this site through 110 new live-work units as well as 113,350 square feet of creative office and 50,848 square feet of new commercial space (that may include retail and/or restaurant floor area). Each unit will meet the standard for live-work units found in Section 419 of the Los Angeles Building Code. The project site is just outside the Artist-In-Residence District identified in the Central City North Community Plan. The Community Plan states that "Artists-In-Residence occupy a large area of Central City North between the Santa Ana Freeway and the Santa Monica Freeway and Between Alameda Street and the Los Angeles River". The project is within these broader boundaries. The Arts District is a more general and non-official term which includes Artist-in-Residence and other related uses that may be outside the official Artist-in-Residence district identified in the Community Plan. The Arts District has evolved over the last few years and there has been a significant amount of live-work and commercial development in an area that was predominately characterized by warehouse and industrial uses. These developments, both conversion and ground up, are consistent with the Central City North Community Plan's description of the Artists-in-Residence Subarea District, whose southern boundary is a half a mile north of the Project Site at Sixth Street, as an area "primarily made up of old warehouses now converted to artists' lofts and studios." The description of the Artists-in-Residence District also notes that the Community Plan "encourages the continued

and expanded development of a thriving artists-in-residence community.” Furthermore, the project supports the General Plan by creating jobs and contributing to the housing stock within the City and towards alleviating the city’s housing crisis, as well as the Mayor’s initiative to build 100,000 homes by 2020. The City-initiated General Plan Amendment will locate live-work housing near the jobs-rich Downtown while also allowing for jobs-producing uses in an area of the City that is becoming a hub for such uses.

Framework Element

The General Plan Framework, adopted in December 1996 and re-adopted in August 2001, establishes the City’s long-range comprehensive growth strategy and provides guidance on Citywide land use and planning policies, objectives, and goals. The Framework defines Citywide policies for land use, housing, urban form and urban design, open space and conservation, transportation, infrastructure and public spaces.

The Project’s proposed designation is for Commercial Industrial land, which falls under the Industrial land use designation. The General Plan Framework encourages that Industrial land be preserved for the retention and expansion of existing and attraction of new industrial uses that provide job opportunities for the City’s residents. As indicated in the Economic Development Chapter of the Framework Element (Chapter 3: Land Use, Industrial definition), some existing industrially zoned lands may be inappropriate for new industries and should be converted for other land uses. The Framework encourages that where such lands are to be converted, their appropriate use shall be the subject of future planning studies. Furthermore, the Framework recognizes that policies provide for the consideration of a broader array of uses within the industrial zones than has traditionally existed to facilitate the clustering of uses, which may include retail, that support the basic industries or the location of industries in the same area where the waste products of one can be recycled as a resource for another (“industrial ecology”) or a campus-like cluster of related uses. The project meets the Economic Chapter of the Frameworks Element’s criteria for a campus-like cluster, as the project proposes jobs-focused uses in the form of creative office, with the provision of a variety of floor plates to accommodate modern industry, as well as live-work units with work space that can allow for small businesses, as well as commercial retail which supports the residential and office patrons on-site. The project site meets the Economic Chapter of the Framework Element’s criteria for such lands to be converted, as it is unlikely that the Project Site could in fact attract any viable industrial use given its size limitation at 1.78 acres, as well as the limited size of the existing vacant manufacturing building that is approximately 4,000 square feet and cannot provide a variety of floor plates to accommodate modern industry. The small manufacturing building fronting Sacramento Street also contains no finished walls or ceiling and roof trusses are visible, thereby unable to accommodate any viable modern industrial use. The project site consists of a large, industrial, shed-like structure that serves as a surface parking lot and contains no electrical wiring, plumbing or finished walls, thereby unable to accommodate any viable industrial uses. Furthermore, as stated in the Central City North Community Plan, the project site is within the Alameda East Study area which as is stated by the community plan, is less than desirable for “modern” industrial activity. These deficiencies include the physical condition of the streets, loading and unloading activities, and parking conditions. Other difficulties include poor design of intersections, the presence of dead end streets, and the lack of continuous north/south corridors. The project supports and will be generally consistent with the General Plan Framework Land Use Chapter as it will allow for the clustering of uses in the community supporting industries in the area and increasing opportunities for employees to live near jobs and residents to live near shopping, entertainment and other amenities in a high quality transit area, as well as providing and increasing employment opportunities in the area. The Project Site is approximately 1.78 acres and the nearby area contains a mix of industrial, residential, and commercial uses, including former industrial sites that have been redeveloped or replaced with arts-focused live-work

projects within 0.5 mile, as noted in the related projects listed in Section III, Environmental Setting, Table III-2, of the Draft EIR and shown in Figure III-2 of the Draft EIR, demonstrating that the land use pattern, both in the immediate neighborhood of the subject property and in the larger Arts District, has evolved from its historic industrial and manufacturing uses to compatible and complimentary residential, creative office, and related retail/cultural/entertainment uses alongside traditional industrial uses, reflecting larger employment and economic trends. These developments, both conversion and ground up, are consistent with the Central City North Community Plan's description of the Artists-in-Residence Subarea District, whose southern boundary is a half a mile north of the Project Site at Sixth Street, as an area "primarily made up of old warehouses now converted to artists' lofts and studios." Furthermore, The ILUP Map for Analysis Area 5 shows that the Project Site survey of land use is "Commercial / Service / Office". Thus, the Site is clearly not an industrial use.

Finally, the entire project approval process, including the CEQA process, the entitlement process, and the various points therein for public comment form a planning study themselves, and further support the consideration of a broader array of uses and the clustering of uses within the industrial zone. The CEQA process included an Environmental Impact Report, which assessed the surrounding land uses, as well as an analysis of the proposed land use in relation to the General Plan and the LA CEQA Guidelines threshold for land use compatibility. The entitlement process further analyzed in detail the Goals and Policies of the General Plan, and demonstrated that the project met the overall intent of the General Plan.

The proposed project is consistent with the goals, objectives and policies of the General Plan Framework as explained below:

Chapter 3: Land Use

Goals 3A of the Land Use Chapter encourages "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." The Land Use chapter encourages growth to be located in neighborhood districts, commercial and mixed-use centers, along boulevards, industrial districts, and in proximity to transportation corridors and transit stations. The Land Use Chapter also identifies "Targeted growth areas" which refer to those districts, centers, and boulevards where new development is encouraged and within which incentives are provided by the policies of the Framework Element. These are located in proximity to major rail and bus transit corridors and stations; in centers that serve as identifiable business, service, and social places for the neighborhood, community, and region; as reuse of the City's boulevards; and as reuse of the City's industrial districts to facilitate the development of new jobs-generating uses.

As previously discussed, the project site is located outside the Artists-in-Residence District of the Central City North Community Plan area. However, despite the site being outside the boundaries, the surrounding neighborhood has a significant economic identity from the industrial uses that have historically populated the area. As that economy has evolved, heavy manufacturing uses are transitioning to more digital and creative uses. The project would be in keeping with this economic identity and evolution as it replaces a surface parking lot and a 4,000 square-foot manufacturing building with a project that will activate the area through the introduction of 110 live-work units, including needed affordable units, on-site

production space, approximately 50,848 square feet of new commercial space (that may include retail and/or restaurant floor area) and approximately 113,350 square feet of creative office. The project will facilitate the City's long-term fiscal and economic viability by providing employment opportunities in the form of creative office and live-work units that can accommodate small businesses, which according to the EIR will produce over 600 jobs.

The proposed project also is also a mixed-use project near regional transit in the Los Angeles area which will facilitate the reduction of vehicle miles traveled and improve air quality. The project site is located within an area of Los Angeles which is well-served by local and regional transit lines. The project area is currently served by Metro Rapid Bus No. 760, which runs north-south along Santa Fe with the closest stop at Olympic Boulevard at approximately a 1/3rd of a mile to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street, all within a half mile of the project site. These lines provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center. Additionally, the Greyhound Bus Terminal is located a half mile west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles area. In addition, Metro is currently considering extending both the Santa Ana Line and Purple Line through the Arts District, and is considering multiple stations in the project vicinity. Development of this mixed-use site would provide potential additional transit riders and will act as a further inducement for Metro to further improved transit in the area. The project is also located within a half mile of Metro's Bike Share system with a "Dock Point" located on Industrial Street at Mateo. Regional access is provided by the I-10 Freeway approximately 650 feet south of the Project Site and the Metro Blue Line Washington Station is 1.1 miles southwest of the Site. The Metro Gold Line Little Tokyo Station is 1.3 miles north of the Site.

The project will also enhance open space opportunities for the area, by including publicly accessible paseos that includes walking paths, green space, gathering areas, an amphitheater and outdoor dining for the public, office and residential users, terraces for residential and office patrons and rooftop open space and amenities for residential patrons. The ground floor open space is accessed by landscaped pedestrian paseos that connect Bay Street and Sacramento Street with two access points along Bay Street and one along Sacramento, thereby providing for the enhancement of recreation and open space opportunities and creating a healthful environment.

Chapter 4: Housing

Goal 4A: An equitable distribution of housing opportunities by type and cost accessible to all residents of the City.

Objective 4.1: Plan the capacity for and develop incentives to encourage production of an adequate supply of housing units of various types within each City subregion to meet the projected housing needs by income level of the future population to the year 2010.

Objective 4.2: Encourage the location of new multi-family housing development to occur in proximity to transit stations, along some transit corridors, and within some high activity areas with adequate transitions and buffers between higher-density developments and surrounding lower-density residential neighborhoods.

The project will provide housing for a mix of income levels and unit types. Of the proposed 110 live-work units, 11 of the units (or 10%) will be reserved for Very Low Income Households and the remaining units will be market rate. The project is appropriately situated

near public transit options with connections and ease of access to jobs, entertainment, and other amenities and is located among other live-work uses within the Central City North Community Plan.

Chapter 5: Urban Form and Neighborhood Design Chapter

Goal 5A: A livable City for existing and future residents and one that is attractive to future investment. A City of interconnected, diverse neighborhoods that builds on the strengths of those neighborhoods and functions at both the neighborhood and citywide scales.

Objective 5.5: Enhance the livability of all neighborhoods by upgrading the quality of development and improving the quality of the public realm.

Objective 5.9: Encourage proper design and effective use of the built environment to help increase personal safety at all times of the day.

Policy 5.9.2: Encourage mixed-use development which provides for activity and natural surveillance after commercial business hours through the development of ground floor retail uses and sidewalk cafes. Mixed-use should also be enhanced by locating community facilities such as libraries, cultural facilities or police substations, on the ground floor of such building, where feasible

The proposed project complies with the aforementioned goals, objectives, and policies. The addition of new commercial, restaurant and office uses and live-work uses would complement the Arts District neighborhood that is developed with a variety of unique restaurants, artist galleries and production spaces, creative office space, live-work units, and boutique retail shops. The project would enhance the livability of the neighborhood with the addition of new ground floor commercial uses that would draw patrons to the site and which builds upon the mix of uses already found in the area. In addition, pedestrian paseos are proposed through the site located between Bay Street and Sacramento Street and would facilitate resident connectivity from the commercial uses to the residential live-work units and amenity spaces. In addition, the project provides substantial landscaping, new street trees, and courtyard areas within the readapted warehouse shed that may include outdoor dining opportunities for ground floor restaurants.

Chapter 6: Open Space Chapter

Objective 6.2: Maximize the use of the City's existing open space network and recreation facilities by enhancing those facilities and providing connections, particularly from targeted growth areas, to the existing regional and community open space system.

Policy 6.4.7: Consider as part of the City's open space inventory of pedestrian streets, community gardens, shared school playfields, and privately-owned commercial open spaces that are accessible to the public, even though such elements fall outside the conventional definitions of "open space." This will help address the open space and outdoor recreation needs of communities that are currently deficient in these resources.

The project would include publicly accessible paseos that includes a walking path, green space, gathering areas, an amphitheater and outdoor dining for the public, office and residential users, terraces for residential and office patrons and rooftop open space and amenities for residential patrons. The ground floor open space is accessed by landscaped

pedestrian paseos that connect Bay Street and Sacramento Street with two access points along Bay Street and one along Sacramento.

Chapter 7: Economic Development Chapter

Goal 7A: A vibrant economically revitalized City.

The proposed project would replace a surface parking lot and a 4,000 square-foot manufacturing building with a mixed-use development containing 110 live-work units, including needed affordable units, approximately 50,848 square feet of new commercial space (that may include retail and/or restaurant floor area), and approximately 113,350 square feet of creative office space. The project will generate over 600 new on-site jobs and enhance the city's tax base helping to promote a vibrant economy. In addition to office space, restaurant space, and live-work units, the creative office and live-work units can contain small businesses and home-based occupations that allow the hiring of up to five employees within each unit, which will further contribute to meeting this goal.

Goal 7B: A City with land appropriately and sufficiently designated 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.

Policy 7.2.3: Encourage new commercial development in proximity to rail and bus transit corridors and stations.

Policy 7.2.9. Limit the redesignation of existing industrial land to other land uses except in cases where such redesignation serves to mitigate existing land use conflicts, and where it meets the criteria spelled out in Policy 3.14.6 of Chapter 3: Land Use.

The project will further the above goal, objective and policies through the introduction of 110 live-work units, including needed affordable units, approximately 50,848 square feet of retail and restaurant space, and approximately 113,350 square feet of creative office space that can accommodate modern industrial needs with varying floor plate sizes. The live-work units will be designed to comply with Section 419 of the Building Code and will be able to accommodate up to five employees in each unit. The units are designed to be larger than average with taller floor to ceiling heights to accommodate arts and production uses and a minimum 150 square-foot designated work area in each unit. Additionally, the project provides a range creative office spaces, including smaller spaces designed to accommodate small businesses. These features will promote job creation and economic growth, strengthen the commercial sector, and contribute to a better balance of land uses that meets the needs of residents.

According to the Central City North Community Plan, there are 1,180 acres (approximately 60 percent of the 2,005-acre total) of industrially zoned property in the Plan area. The project site comprises only 1.78 acres, or 0.15 percent of the industrially zoned property and 0.09 percent of the total land in the Plan area. Therefore, after approval of the recommended General Plan Amendment and Zone Change, there will be more than adequate quantities of land for emerging industrial sectors.

General Plan Framework Policy 3.14.6 provides for the potential re-designation of marginal industrial lands for alternative uses by amending the community plans based on specified

criteria, including: (a) where it can be demonstrated that the existing parcelization precludes effective use for industrial or supporting functions and where there is no available method to assemble parcels into a unified site that will support viable industrial development; (b) where the size and/or the configuration of assembled parcels are insufficient to accommodate viable industrial development; (c) where the conversion of industrial lands to an alternative use will not create a fragmented pattern of development and reduce the integrity and viability of existing industrial areas; (d) where the conversion of industrial lands to an alternative use will not result in an adverse impact on adjacent residential neighborhoods, commercial districts, or other land uses; and/or (e) where it can be demonstrated that the reduction of industrial lands will not adversely impact the City's ability to accommodate sufficient industrial uses to provide jobs for the City's residents or incur adverse fiscal impacts.

The above criteria are met with respect to the project. The subject property is a vacant site containing a small manufacturing building that due to its limited size cannot accommodate modern industrial needs, a vacant shed and surface parking lot (and have been since at least 2014). Development of the project will not result in a fragmented pattern of development. For example, the surrounding urban environment is comprised of a mix of industrial buildings, warehouses, residential lofts, commercial/retail, office, restaurant, parking, and neighborhood amenities. Additionally, the subject site is located adjacent to restaurants, cafés and coffee shops, and the sites located immediately to the east and west of the subject property are either developed or are in the process of being developed with creative office or mixed use projects. Development of the project allows for a mix of uses on the subject site compatible with the surrounding development.

The subject site represents only 0.15 percent of the industrially-zoned property and 0.09 of the total land in the Plan area. In addition, the project will result in a development capable of generating more jobs than the current uses on site given that the site is currently vacant (since 2014). Therefore, development of the project will not adversely impact the City's ability to accommodate sufficient industrial uses to provide jobs for the City's residents or incur adverse fiscal impacts.

The Industrial Land Use Policy (ILUP) does not preclude City Council approval of the recommended Zone Change and General Plan Amendment. With respect to the subject site, the ILUP's 2007 analysis no longer reflects the economic trends that have transformed land uses in the surrounding area, which has evolved to include numerous live-work and commercial developments. In fact, the draft DTLA2040 Plan better captures this transformation of the area and designates the project site as a Hybrid Industrial area, with a proposed FAR of 3:1 to 6:1, for creative office, live-work, manufacturing, and production activity, consistent with the Project. The ILUP, as it states, was meant to serve as a guidance document and not as required policy. The ILUP stated that if unique circumstances existed to approve a change of use or zone in an 'Employment Protection District' the findings for such determination under Policy 3.14.6 of the Framework Land Use Policies must be clearly articulated and the project should be required to incorporate community benefits. In this instance, findings have been made demonstrating the changing character of the district and the area's unique identity as an economic hub near mass transit and downtown, an employment hub, and in addition has established various community benefits, such as open space, infrastructure improvements, affordable housing, and job-producing space, that exceeds the amount recommended by the ILUP. Furthermore, the ILUP was never adopted by the City Council and in no way limits the City Council's ability to exercise its legislative authority to approve the recommended Zone Change and General Plan Amendment.

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

The project will further the above goal through the introduction of up to 50,848 square feet of restaurant and retail space and 113,350 square feet of creative office space. In addition, the live-work units will be designed to comply with Section 419 of the Building Code and will be able to accommodate up to five employees in each unit. The units are designed to be larger than average with taller floor-to-ceiling heights to accommodate arts and production uses and a minimum 150 square-foot designated work area in each unit. Additionally, the project provides a range creative office spaces, including smaller spaces designed to accommodate small businesses.

Goal 7G: A range of housing opportunities in the City.

The project will provide a range of housing opportunities in the form of 110 live-work units, including Very Low Income affordable units, within studio, one- and two-bedroom configurations.

Housing Element

The Housing Element 2013-2021 was adopted on December 3, 2013 and identifies the City's housing conditions and needs, and establishes the goals, objectives and policies that are the foundation of the City's housing and growth strategy. The mixed-use project is consistent with several objectives and policies of the Housing Element. The plan text includes the following relevant housing objectives and policies:

Objective 1.1: Produce an adequate supply of rental and ownership housing in order to meet current and projected needs.

Policy 1.1.2: Expand affordable rental housing for all income groups that need assistance.

Policy 1.1.3: Facilitate new construction and preservation of a range of different housing types that address the particular needs of the city's households.

Objective 1.3: Forecast and plan for changing housing needs over time in relation to production and preservation needs.

Policy 1.3.5: Provide sufficient land use and density to accommodate an adequate supply of housing units by type and cost within the City to meet the projections of housing needs, according to the policies and objectives of the City's Framework Element of the General Plan.

The proposed General Plan Amendment to Commercial Industrial would increase the land area available for the production of live-work housing near jobs-rich Downtown. The project would provide new housing stock, contributing towards the Mayor's Initiative to provide 100,000 housing units by 2020, while also retaining a focus on jobs producing uses. The proposed project would provide 110 live-work residential units, including 11 percent of the density set aside as restricted affordable units, without directly displacing any existing housing or residents. The project would provide unique housing opportunities that are designed to accommodate arts production and small businesses within the units.

Objective 2.2: Promote sustainable neighborhoods that have mixed-income housing, jobs, amenities, services and transit.

Policy 2.2.3: Promote and facilitate a jobs/housing balance at a citywide level.

Objective 2.5: Promote a more equitable distribution of affordable housing opportunities throughout the City.

Policy 2.5.2: Foster the development of new affordable housing units citywide and within each Community Plan area.

The proposed project will introduce new live-work residential units in an area with a limited housing stock. The project is adjacent to Downtown and located near transit, amenities and jobs. The project will provide 110 live-work residential units, including 11 percent of the density set aside as restricted affordable units, while also providing resident production space, creative office space, and restaurant/retail space on site. The mix of uses and affordability levels will contribute towards a sustainable neighborhood and a jobs/housing balance. The project will provide much needed affordable housing and a unique opportunity for affordable live-work units.

Central City North Community Plan

The Central City North Community Plan, one of 35 Community Plans that the Land Use Element of the General Plan is comprised of, was adopted on December 15, 2000 with an update currently underway (DTLA 2040). The Community Plan designates the uses of land and is intended to guide development in order to create a healthful, pleasant environment. The existing district that comprises the area around the Arts District consists of a mix of buildings and uses with varied scale with industrial and storage uses, live-work uses, pockets of pedestrian-oriented commercial development that include creative office, restaurant, retail, and artist uses. The transition of allowable uses in the Arts District and adjacent areas started as far back as 1981, with each new development or adaptive reuse project in the area with a live-work component requiring discretionary review. As a result, the area has seen an increase in the conversion of industrial buildings to live-work units and studios, as well as some new, mixed-use and residential construction on land designated for Commercial uses, primarily located in the northern end of the Arts District adjacent to the Little Tokyo/Arts District Metro Gold Line Station. Within the immediate neighborhood, there are adaptive reuse buildings with live-work units and ground floor commercial spaces.

The Community Plan goals and objectives include: preserving and enhancing the positive characteristics of existing residential neighborhoods while providing a variety of housing opportunities with compatible new housing; improving the function, design, and economic vitality of the commercial corridors, preserving and enhancing the positive characteristics of existing uses which provide the foundation for community identity, such as scale, height, bulk, setbacks, and appearance; maximizing the development opportunities of future transit systems while minimizing any adverse impacts; and planning the remaining commercial and industrial development opportunity sites for needed job producing uses that will improve the economic and physical condition of the Central City North area.

The project site is within the Alameda East Redevelopment Study area, an area that the Community Plan recognizes as a blighted area that could be developed into a modern industrial area. The proposed project, with creative office that can provide a variety of floor plates to accommodate modern industry and live-work units as well as retail commercial within a cluster-like campus, furthers that identified opportunity.

The project, which would provide a mixed-use live-work/commercial/office development, would conform to the goals, objectives, and land uses identified in the Community Plan. The

plan text includes the following relevant residential and commercial land use objectives and policies:

Objective 1-1: To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.

Objective 1-2: To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.

Policy 1-2.1: Encourage multiple residential development in commercial zones.

Objective 1-4: To promote and insure the provision of adequate housing for all persons regardless of income, age, or ethnic background

Policy 1-4.1: Promote greater individual choice in type, quality, price, and location of housing.

Policy 1-4.2: Ensure that new housing opportunities minimize displacement of the existing residents.

The proposed project would provide 110 live-work units with 10 percent of the units (11 units) reserved for Very Low Income Households and will not displace any existing housing or residents. The units will vary in size and will be constructed to meet the building code requirements for live-work units, providing unique housing and economic opportunities to meet the needs of the existing and projected population of Central City North.

Vehicular trips will be reduced through the mix of uses offered onsite, the proximity to nearby jobs, commercial uses, restaurants and entertainment, and the proximity to transit. The residents of the proposed project would have access to a variety of transit options nearby including the Metro Rapid Bus No. 760, which runs north-south along Santa Fe with the closest stop at Olympic Boulevard at approximately 1,700 feet to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street. These lines provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center. Additionally, the Greyhound Bus Terminal is located a half mile west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles area. In addition, Metro is currently considering extending both the Santa Ana Line and Purple Line through the Arts District, and is considering multiple stations in the project vicinity.

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

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

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

Policy 2-2.3: Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.

The proposed project is a mixed-use development that includes 110 live-work units, approximately 50,848 square feet of restaurant space and retail space, and approximately 113,350 square feet of office space. The addition of new commercial uses in the form of creative office and retail/restaurant opportunities would complement the recent development trend in the Arts District and would further strengthen the commercial viability of the neighborhood. The live-work units will provide unique opportunities for an array of uses, including artists and small businesses. The proposed live-work units will not be restricted to artists but will support the artists-in-residence community by providing new units with larger than average unit sizes, open floor plans, and on-site production spaces.

The project is designed to create a strong street wall with continuous, uniform setbacks along Sacramento Street and Bay Street and an active ground floor, which will enhance pedestrian activity near the site. The existing site conditions include a large surface parking lot with a non-descript manufacturing building, and a lack of landscaping and pedestrian sidewalks (along Bay Street). The proposed mixed-use project will greatly enhance the pedestrian experience by improving street and sidewalk conditions, adding street trees, locating retail, office, and restaurant on the ground floor, and adding public open space such as plazas and paseos adjacent to the street. The project will reduce the amount of curb cuts to just two main driveways (and two secondary loading driveways) and will locate parking in three subterranean levels.

Goal 3: Sufficient land for a variety of industrial uses with maximum employment opportunities which are safe for the environment and the work force and which have minimal adverse impact on adjacent uses.

Objective 3-1: To provide for existing and future industrial uses which contribute job opportunities for residents and which minimize environmental and visual impacts to the community.

Objective 3-2: Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.

The subject property currently contains a distribution warehouse building. The proposed project will further these goals through the introduction of 110 live-work units, including needed affordable units, approximately 50,858 square feet of retail and restaurant space, and approximately 113,350 square feet of creative office space. The units will be constructed to be larger than average with taller floor to ceiling heights to accommodate arts and production uses and a minimum 150 square-foot designated work area in each unit. Additionally, the project provides a range of creative office spaces, including smaller spaces designed to accommodate small businesses.

As the proposed project has the potential to generate 662 permanent jobs on site (please see Table IV.I-3 of page IV.I-9 of the Draft EIR) than the existing uses (even without counting the potential for up to five employees in each live-work), the project is consistent with the Community Plan's objectives to preserve and increase employment opportunities in the area.

According to the Central City North Community Plan, there are 1,180 acres (approximately 60 percent of the 2,005-acre total) of industrially zoned property in the Plan area. The

project site comprises only 1.78 acres, or 0.15 percent of the industrially-zoned property and 0.09 percent of the total land in the Plan area. Therefore, after approval of the recommended General Plan Amendment and Zone Change, there will be sufficient land for a variety of industrial uses in the Community Plan area.

Urban Design

As proposed, the project would comply with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

Site Planning

- Locating surface parking to the rear of structures;
- Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- Maximizing retail and commercial service uses along frontages of commercial developments;
- Providing front pedestrian entrances for businesses fronting on main commercial streets;
- Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- Providing landscaping strips between driveways and walkways accessing the rear properties;
- Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;
- All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The project proposes pedestrian mid-block paseos on the ground level with direct access through the project site from Sacramento Street and Bay Street that is surrounded by the project's proposed retail uses and restaurant uses. The pedestrian paseos would include landscaping, hardscape and seating areas that will be accessible to the public.

The ground level of the buildings will contain retail and restaurant uses along the paseos as well as the street frontages of Sacramento Street and Bay Street, further activating pedestrian circulation around and through the site. Each commercial space would be accessed directly from the paseos and Sacramento and Bay Streets. The proposed parking is subterranean and will not be visible from surrounding streets.

Height and Building Design

- Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- Providing accenting, complimentary building materials to building facades;
- Maximizing the applications of architectural features or articulations to building facades;
- Designating architecturally untreated facades for signage;
- Screening of mechanical and electrical equipment from public view;
- Requiring the enclosure of trash areas for all projects;
- Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- Utilizing of complementary building materials in building facades;
- Integrating building fixtures, awnings, security gates, etc. into the design of a building;

- Screening all rooftop equipment and building appurtenances from adjacent properties.

Parking Structures

- Designing parking structure exteriors to match the style, materials and colors of the main building;
- Maximizing commercial uses, if appropriate, on the ground floor;
- Landscaping to screen parking structures not architecturally integrated with the main building;
- Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The building has been designed to complement the industrial concept of the surrounding Arts District's buildings in the neighborhood. The project has been broken up into three buildings with the smaller scale 6-story creative office building fronting both Sacramento and Bay Street along the eastern portion of the site and the 11 story live-work building fronting Sacramento Street and the two story adaptive reuse warehouse fronting Bay Street, to allow for an integrated development with a variety of massings and scale to reflect the diverse building types in the immediate area. The ground floors are differentiated from the upper levels with softer and lighter concrete treatments and ample transparency that complement the proposed street level landscaping and draw daylight into the proposed paseos. The upper floors feature a darker concrete panel finish and corrugated metal with metal windows and doors with varying façade planes and proportions to create a sense of architectural interest that also complement the ground floor materials and respond to the warehouse loft neighborhood character in the area. Upper floor terraces in the creative office building create additional architectural interest in the building and modulate the building mass along the length of the street frontages. The paseos are designed to be visible from the street and creates an invitation to explore the amenities of the project. The underground parking is entirely not visible from the public right-of-way and from the ground floor paseos which further enhances the street experience. Trash receptacles would be located within the parking garage and not visible to the public, while rooftop mechanical equipment would be screened from public view.

Mobility Plan 2035

The Mobility Plan was adopted on August 11, 2015 and last amended on September 7, 2016. The proposed project will implement the following policies contained within the Mobility Plan:

Policy 2.3 Pedestrian Infrastructure: 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 3.3 Land Use Access and Mix: 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 3.8 Bicycle Parking: Provide bicyclists with convenient, secure and well-maintained bicycle parking facilities.

The proposed project will greatly improve the pedestrian experience along Bay Street and Sacramento Street. The existing site conditions include a large surface parking lot with a lack of landscaping, a vacant, warehouse building and a non-descript 4,000 square-foot manufacturing building. The project will comply with the Collector standards for Bay Street

and for Sacramento Street. Pedestrian activity will also be improved with the incorporation of street trees along Bay and Sacramento Street, and the addition of public open space, including paseos between Sacramento and Bay Streets. Bay and Sacramento Streets and the paseo are all lined by active uses including restaurant and retail space.

The proposed project will locate much needed housing near jobs-rich Downtown. The location of the proposed project near jobs, entertainment, and transit as well as the mix of uses on-site and live-work units will reduce the number of vehicle trips. The project will also provide 180 bicycle parking spaces, including 48 short-term spaces and 132 secured, long-term spaces.

Air Quality Element

The Air Quality Element of the General Plan will be implemented by the recommended action herein. The Air Quality Element sets forth the goals, objectives and policies which will guide the City in the implementation of its air quality improvement programs and strategies. The Air Quality Element recognizes that air quality strategies must be integrated into land use decisions and represent the City's effort to achieve consistency with regional Air Quality, Growth Management, Mobility and Congestion Management Plans. The Air Quality Element includes the following Goal and Objective relevant to the instant request:

Goal 5: Energy efficiency through land use and transportation planning, the use of renewable resources and less polluting fuels, and the implementation of conservation measures including passive methods such as site orientation and tree planting.

Objective 5.1: It is the objective of the City of Los Angeles to increase energy efficiency of City facilities and private developments.

The project is energy efficient through its provision of electric vehicle parking, 2,000 square-foot of electric solar panels, provision of ample trees and its proximity to public transit and Downtown Los Angeles, a jobs-rich regional hub.

The Sewerage Facilities Element

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.

Health and Wellness Element

Adopted in March 2015, the Plan for a Healthy Los Angeles lays the foundation to create healthier communities for all Angelenos. As the Health and Wellness Element of the General Plan, it provides high-level policy vision, along with measurable objectives and implementation programs, to elevate health as a priority for the City's future growth and development. Through a new focus on public health from the perspective of the built environment and City services, the City of Los Angeles will strive to achieve better health and social equity through its programs, policies, plans, budgeting, and community

engagement. The Proposed Project is consistent with the following goals, objectives and policies:

Chapter 2: A City Built for Health

Policy 2.2: Promote a healthy built environment by encouraging the design and rehabilitation of buildings and sites for healthy living and working conditions, including promoting enhanced pedestrian-oriented circulation, lighting, attractive and open stairs, healthy building materials and universal accessibility using existing tools, practices, and programs.

The Project will provide public open space and improve pedestrian circulation around and through the building via several public paseos that will connect Bay Street and Sacramento Street. The public paseos will be open to the sky, and create a flexible open space for the public which also allows pedestrian circulation at the ground level through mid-block crossings. The public paseos will be a social space able to host a variety of uses including outdoor dining, outdoor seating, bike parking, and neighborhood circulation to and from the adjacent spaces, all positioned to activate the space, which will make a positive contribution to the neighborhood where there is currently a lack of public open space in the immediate vicinity. The Project will also include open space in the form of extensively landscaped residential amenity decks.

Chapter 5: An Environment Where Life Thrives

Policy 5.1: Reduce air pollution from stationary and mobile sources; protect human health and welfare and promote improved respiratory health.

Policy 5.7: Promote land use policies that reduce per capita greenhouse gas emissions, result in improved air quality and decreased air pollution, especially for children, seniors and other susceptible to respiratory diseases.

The Project will result in the creation of new housing coupled with new office and commercial uses while rehabilitating an existing industrial use within proximity of public transit. Future visitors, employees, and residents of this Project, as well as people who already live and work in the area, will be able to take advantage of the Project's mix of land uses which include wholesale, retail, office, and residential within proximity to transit to serve their daily needs. Dining, entertainment, and other amenities, such as amenity decks, lounge areas, and a recreation room, will encourage and allow for socializing on-site. Furthermore, street trees will be introduced along both Bay and Sacramento Streets, improving the pedestrian realm. The Project's proximity to 7th / Metro Center and Pershing Square Metro Stations and other transit options will encourage residents, patrons and visitors to use public transportation or walk, thus reducing air pollution and greenhouse gas emissions that would otherwise be caused by vehicle trips. The Project's public paseo and ground floor commercial uses, within proximity to the above-referenced transit options, will sustain street level interest and promote pedestrian activity with linkages to the transit network.

2. Charter Compliance - City Charter Section 555 (General Plan Amendment).

The proposed General Plan Amendment complies with the procedures as specified in Section 555 of the Charter, including:

Amendment in Whole or in Part. The General Plan Amendment before the City Planning Commission represents an Amendment to the Central City North Community Plan, which is a change to the social, physical and economic identity of project site, which is currently

designated as Heavy Industrial for the entire site. The part of the General Plan being amended has significant social, economic and physical identity. The project site is located in the Arts District, a neighborhood originally planned and zoned for industrial uses that has significant social, economic and physical identity as it is evolving to include new residential, commercial, and mixed-use developments and converted industrial space. The project proposes a General Plan Amendment from Heavy Industrial to Commercial Industrial in addition to a Zone Change to Commercial Manufacturing. The project site meets the Economic Chapter of the Framework Element's criteria for such lands to be converted, as it is unlikely that the Project Site could in fact attract any viable industrial use given its size limitation at 1.78 acres, as well as the limited size of the existing vacant manufacturing building (since 2014) that is approximately 4,000 square feet which cannot offer a variety of floor plates to accommodate modern industry and does not provide the basic design standards to convert such a building for live-work uses, nor does it employ the standards needed for a green building. The small manufacturing building fronting Sacramento Street contains no finished walls or ceiling and roof trusses are visible, thereby unable to accommodate any viable modern industrial use. The project site consists of a large, industrial, shed-like structure that serves as a surface parking lot and contains no electrical wiring, plumbing or finished walls, thus also unable to accommodate any viable industrial uses. Furthermore, as stated in the Central City North Community Plan, the project site is within the Alameda East Study area which as is stated by the community plan, is less than desirable for "modern" industrial activity. These deficiencies include the physical condition of the streets, loading and unloading activities, and parking conditions. Other difficulties include poor design of intersections, the presence of dead end streets (both Bay and Sacramento Streets in this case), and the lack of continuous north/south corridors.

The project will remove the existing building and replace it with a mixed-use development containing 110 live-work units, including needed affordable units, approximately 50,848 square feet of retail and restaurant space, and approximately 113,350 square feet of creative office space. While the proposed General Plan Amendment will change an industrial land use designation, the project is still oriented around the production of jobs given that the project includes new office space and at least 150 feet of each dwelling unit able to accommodate small businesses, which will contribute to the significant economic identity of the area.

Significant Economic Identity

The surrounding neighborhood has a significant economic identity from the industrial uses that have historically populated the area. As that economy has evolved, heavy manufacturing uses are evolving to more digital and creative uses. This project is in keeping with this economic identity and evolution as it replaces a small manufacturing facility and large surface parking lot with limited employment opportunity with a project that will activate the area through the introduction of live-work units, including needed affordable units, restaurant space and retail space, and creative office space. In addition, the live-work units are designed to be larger than average with taller floor to ceiling heights to accommodate arts and production uses and a minimum 150 square-foot designated work area in each unit that allow up to five employees in each unit. Additionally, the project provides a range of creative office spaces, including smaller spaces designed to accommodate small businesses.

Significant Physical Identity

The proposed project also has significant physical identity as a mixed-use project near regional transit in the Los Angeles area. The project site is located within an area of Los Angeles which is well-served by local and regional transit lines and is located in a Transit Priority Area. The project area is currently served by the Metro Rapid Bus No. 760, which runs north-south along Santa Fe with the closest stop at Olympic Boulevard at approximately 1,700 feet. to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet

Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street. These lines provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center. Additionally, the Greyhound Bus Terminal is located a half mile west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles area. In addition, Metro is currently considering extending both the Santa Ana Line and Purple Line through the Arts District, and is considering multiple stations in the project vicinity. The project is also located within 0.3 miles of Metro's Bike Share system with a "Dock Point" located on Imperial Street at 7th.

Significant Social Identity

Furthermore, the proposed project provides the opportunity for significant pedestrian connections with proximity to jobs, including walking distance to the recently constructed Soho House project, of which the uses include a 1,529-square-foot, 71-seat music performance room, 13,865-square foot, 800-seat public market, restaurant, bar and backyard area, a 2,925-square-foot, 39-seat spa and salon, 3,868-square-foot seat gym area and flexible event space and 48 hotel rooms) located adjacent to the project on Bay Street. The proposed project will contribute to the recent development of economic activity in this area by designing a project that will foster job production, while also introducing new live-work units in a manner that preserves the surrounding industrial and artistic character. The live-work units will support city-wide goals of increasing the housing stock while doing so in a way that is compatible with the surrounding context. The project will facilitate a wide range of jobs from the live-work units to the creative office space. As such, the proposed General Plan Amendment will contribute to and strengthen the social and economic identity of the surrounding area.

Nothing in the City Charter, including Section 555, imposes a minimum geographic size restriction on General Plan Amendments or otherwise restricts the City Council from approving the proposed Zone Change and General Plan Amendment. Charter 555 does not contain a limitation that the "geographic area" cannot include specific parcels, or that the geographic area necessarily must be a recognized part of the city, a physically constrained area, or an economic hub. Charter 555 does not preclude a site-specific amendment as long as, as demonstrated above, the geographic area "involved has significant social, economic or physical identity."

3. 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 Heavy Industrial land use designation, corresponding to the M3 Zone. The site is presently zoned M3-1-RIO and is thus consistent with the existing land use designation.

As initiated, the amendment would re-designate the project site from Heavy Industrial to Commercial Industrial land uses, which lists the following corresponding zones: CM and P. The requested zone and height district change to (T)(Q)CM-2D-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 and housing that will improve the economic and physical condition of the surrounding area. The project will also contribute to the goals of the Housing Element by expanding the rental live-work housing stock, providing affordable housing, and contributing to a range of housing types by providing unique live-work units. The project also meets Mobility Element goals by removing a vacant site and introducing a project with active ground floor uses, public open spaces, improved sidewalks, street trees, and on-site bicycle parking.

Further, the proposed project meets Objective 7.2 of the Framework Element (“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”), by providing office, restaurant and live-work uses. Further, Chapter 3, Land Use, of the Framework Element states: “As indicated in the Economic Development Chapter of the Framework Element, some existing industrially zoned lands may be inappropriate for new industries and should be converted for other land uses.” The project site meets the Economic Chapter of the Framework Element’s criteria for such lands to be converted, as it is unlikely that the Project Site could in fact attract any viable industrial use given its size limitation at 1.78 acres, as well as the limited size of the existing vacant manufacturing building (since 2014) that is approximately 4,000 square feet which does not allow for a variety of floor plates to accommodate modern industry and does not offer the basic design standards to convert such a building for live-work uses, nor does it employ the standards needed for a green building. The small manufacturing building fronting Sacramento Street contains no finished walls or ceiling and roof trusses are visible, thereby unable to accommodate any viable modern industrial use. The project site also consists of a large, industrial, shed-like structure that serves as a surface parking lot and contains no electrical wiring, plumbing or finished walls, thus unable to accommodate any viable industrial uses. Furthermore, as stated in the Central City North Community Plan, the project site is within the Alameda East Study area which as is stated by the community plan, is less than desirable for “modern” industrial activity. These deficiencies include the physical condition of the streets, loading and unloading activities, and parking conditions. Other difficulties include poor design of intersections, the presence of dead end streets (both Bay and Sacramento Streets in this case), and the lack of continuous north/south corridors. The proposed General Plan Amendment will enable such a conversion.

As indicated in the *Economic Development* Chapter of the Framework Element, where such lands are to be converted from Industrial use, their appropriate use shall be the subject of future planning studies. This is satisfied in several ways. First, the entire project approval process, including the CEQA process, the entitlement process, and the various points therein for public comment form a planning study themselves. The CEQA process included an Environmental Impact Report, which assessed the surrounding land uses, as well as an analysis of the proposed land use in relation to the General Plan and the LA CEQA Guidelines threshold for land use compatibility. The entitlement process further analyzed in detail the Goals and Policies of the General Plan, and demonstrated that the project met the overall intent of the General Plan. As demonstrated therein, the land use pattern, both in the immediate neighborhood of the subject property and in the larger Arts District, has already evolved from its historic industrial and manufacturing uses to residential, creative office, and related retail/cultural/entertainment uses alongside traditional industrial uses, reflecting larger employment and economic trends.

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. The condition requiring EV-ready parking spaces (installed with chargers) onsite will support the adoption of low and zero emission transportation fuel sources by the project's occupants and visitors. The condition requiring solar ready roofs will

support the site's EV chargers and other site electrical uses to help reduce the site's dependence on fossil fuels and carbon generating public utility electrical power. Taken together, these conditions provide for the public welfare and public necessity by reducing the level of pollution or greenhouse gas emissions to the benefit of the neighborhood and City in response to General Plan Health and Wellness Element Policies 5.1 (reduce air pollution), 5.7 (reduce greenhouse gas emissions); Air Quality Element policy 4.2.3 (ensuring new development is compatible with alternative fuel vehicles), 5.1.2 (shift to non-polluting sources of energy in buildings and operations); Mobility Element Policy 4.1 (expand access to transportation choices) and 5.4 (encourage adoption of low emission fuel sources, new mobility technology and supporting infrastructure). The solar and EV conditions are also good zoning practice because they provide a convenient service amenity to the occupants or visitors who use electric vehicles and utilize electricity on site for other functions. As such, the Project provides recreational and service amenities to improve habitability for the residents and to minimize impacts on neighboring properties.

As detailed in Finding No. 3 above, the initiated General Plan Amendment complies with Los Angeles City Charter Section 556 in that it is in substantial conformance with the purposes, intent and provision of the General Plan and its elements, including the Framework Element, Housing Element, Mobility Element, Health and Wellness Element and the Land Use Element – Central City North Community Plan, as the Project would increase housing choices at varying income levels and different unit types; introduce new land uses while substantially increasing employment opportunities on the site; improve the jobs/housing ratio and economic vitality of the Arts District, while maintaining a safe and clean environment for Arts-District employees and residents; and enhance the pedestrian environment by activating ground floor uses and providing public paseos that will encourage the use of public open space, all within proximity to transit and Downtown, a regional employment hub.

4. 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 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 Heavy Industrial to Commercial Industrial. The amendment, in conjunction with the requested zone change and height district change to (T)(Q)CM-2D-RIO, would allow for the removal of an existing parking lot and manufacturing building for the development of a mixed-use project containing 110 live-work units, public open space, approximately 50,848 square-feet of restaurant space and retail space, and approximately 113,350 square feet of creative office space. The project will have a total floor area ratio of 3.9:1 and the live-work building will have an overall height of 139 feet and the secondary creative office building will have a height of 78 feet, six inches.

Public necessity, convenience and general welfare will be better served by approving the proposed General Plan Amendment and corresponding Zone and Height District Changes, as they would allow a vacant industrial site to be redeveloped with a mixed-use project that will provide new live-work housing, including affordable units, near jobs-rich Downtown as well as new commercial floor area designed to accommodate restaurants and an array of creative office uses in a neighborhood that is transforming with the development of new residential and commercial uses. The proposed project site is in a Transit Priority Area (areas located within 0.5 mile of an existing or planned major transit stop, which includes the intersection of two or more bus routes having a service frequency interval of 15 minutes or less during peak commute periods) and is served by the Metro Rapid Bus No. 760, which runs north-south

along Santa Fe with the closest stop at Olympic Boulevard at approximately 1,700 feet to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street. These lines provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center. Additionally, the Greyhound Bus Terminal is located a half mile west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles area. In addition, Metro is currently considering extending both the Santa Ana Line and Purple Line through the Arts District, and is considering multiple stations in the project vicinity. The project will provide public open space and improved sidewalks with street trees. The proposed project will be lined by retail and restaurants, contain creative office spaces, and live-work units and parking will be in a subterranean garage, activating a site that currently contains a surface parking lot and a small manufacturing building with large blank walls, and fences.

The project provides job producing and live-work units in proximity to existing goods, services, and facilities. The site not only incorporates commercial uses that can serve its residents, as well as live-work units that combine residences with business uses, but is also close to new and proposed offices and commercial establishments providing residents the opportunity to walk to their destinations. Also, by locating live-work units close to major transit and the Downtown employment center and shopping areas and providing ample bicycle parking, the proposed project will facilitate resident's interaction with the community, bringing more people onto the street, without the need for their cars, and providing more customers for local businesses. It will create a public convenience by reducing reliance on the automobile, alleviating traffic congestion as a result.

The project is in conformity with public necessity, convenience, general welfare and good zoning practice because it includes necessary housing, including affordable housing, substantial infrastructure improvements, improved streetscapes, and public open space. The General Plan Amendment and Zone and Height District Changes will introduce a unique housing typology with new live-work units, including affordable units, each designed to accommodate up to five employees. The project will provide both housing and job opportunities in proximity to transit. The economic identity of this area continues to evolve from purely manufacturing uses to new hybrid uses that can accommodate digital and creative uses. The proposed project provides much needed housing while also facilitating jobs in a changing economy. The proposed project will be a better use of the site and will improve the general welfare of the community and the City.

B. ENTITLEMENT FINDINGS

1. VESTING ZONE CHANGE, HEIGHT DISTRICT CHANGE AND "T" AND "Q" CLASSIFICATION and "D" LIMITATIONS:

- a) Pursuant to Section 12.32 C of the Los Angeles Municipal Code, the recommended zone change and height district change is in conformance with the public necessity, convenience, general welfare and good zoning practice.

The requested Zone Change and Height District Change from M3-1-RIO to (T)(Q)CM-2D-RIO would allow for the development of a new mixed-use project containing 110 live-work units, public open space, approximately 50,848 square-feet of restaurant space and square feet of retail space, and approximately 113,350 square feet of creative office space. The total project will have a floor area ratio of 3.9:1 and the residential tower will have a maximum building height of 139 feet with the live-work building measuring approximately 139 feet in height.

Public Necessity. On April 8, 2015, Mayor Eric Garcetti released the City's first-ever Sustainable City pLAN. The pLAN is both a roadmap to achieve back to basics short-term results while setting the path to strengthen and transform our City in the decades to come. In it, the Mayor set forth a goal of creating 100,000 new housing units by 2021. The subject property is currently designated and zoned for Heavy Industrial, which prohibits residential uses. The Project Site is located in proximity to several existing and proposed residential and commercial developments providing a range of housing types, including artist lofts and employment opportunities. The surrounding urban environment is predominantly developed with newly constructed mixed-use live-work and office developments, industrial buildings that have been converted into live-work dwelling units, restaurants, and industrial uses. More recently, media and technology firms such as Hyperloop One (adjacent to the site to the east) have begun to establish creative offices in the area. In the immediate vicinity of the project site, the trend continues with projects such as the SoHo House, adjacent and east of the project site, a club, hotel and performance venue at 1000 Santa Fe, and at 2133 Bay Street, directly across the site is a repurposed 12,698 industrial building into creative office and diagonal to the site at 2149 Bay Street, is an Artist-in-Residence in a 9,848 square-foot industrial loft. Other nearby adaptive reuse projects along Sacramento Street include an 11,210 square-foot art gallery at 2116 Sacramento Street, a 4,960 square-foot music studio and art gallery at 1018 Santa Fe. The Proposed Project would contribute to the evolution of the surrounding area into a residential, commercial, and mixed-use area. The General Plan Amendment to Commercial Industrial in conjunction with the recommended Vesting Zone Change and Height District Change to (T)(Q)CM-2D-RIO will allow for the establishment of residential and office uses on a Site that is compatible with the existing surrounding residential, light industrial and commercial development while providing neighborhood-serving ground floor commercial uses and expanding employment opportunities on the site. The Proposed Project would serve as a cluster of uses already existing in the area. The Proposed Project would provide 11 new housing units for a mix of incomes, including a voluntary set-aside of approximately 10 percent of the total units, or 11 units, for Very Low Income households, without the direct displacement of any existing housing units. Furthermore, the Project includes both private and public amenities that would improve the quality of life for existing and future residents.

Approval of the initiated General Plan Amendment from Heavy Industrial to Commercial Industrial would allow the Proposed Project to contribute to help alleviate the City's housing shortage by providing a mixed-income, mixed-use residential development, thus serving to address the City's housing shortage and need for affordable housing. In addition, the Proposed Project would make more efficient use of land by adding density without displacing any existing industrial uses. Locating both a greater residential density and neighborhood-serving commercial uses and office along major bus routes such as the Metro Rapid Bus No. 760, which runs north-south along Santa Fe with the closest stop at Olympic Boulevard at approximately 1,700 feet to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street (which provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center), would also greatly benefit the residents in offering efficient transit alternatives and contribute to building the critical mass necessary to support a more efficient regional transit system. The Proposed Project would accommodate projected population growth in the area, while being compatible with its surrounding uses. Accordingly, the initiated General Plan Amendment would be in conformity with public necessity.

Convenience. Approval of the initiated General Plan Amendment from Heavy Industrial to Commercial Industrial would facilitate the redevelopment of the existing vacant site with a new mixed-use development, while expanding housing, including affordable units, and

employment opportunities on a Site that is proximate to public transit options. The Project density and scope are appropriate for the Site and the surrounding properties, as it locates needed residential density near several transit options that afford easy access to employment centers, entertainment, and services, creates new commercial uses for the neighborhood, promotes pedestrian activity in the general area, and provides a community gathering point with new recreational and open space amenities available to residents and the surrounding community. Accordingly, the initiated General Plan Amendment would result in a project that would provide a convenience to the Arts District and the City as a whole.

General Welfare. Approval of the initiated General Plan Amendment from Light Industrial to Community Commercial would allow the development of a mixed-use building containing office, commercial, and residential uses while expanding employment opportunities. As discussed above, the area is served by transit that would afford residents access to jobs, entertainment, and services within Downtown and the Greater Los Angeles region. As an infill development project, the initiated Amendment, will allow a residential and commercial development at a higher density near transit while providing neighborhood-serving commercial opportunities for future Project residents and the existing surrounding neighborhood; encourage mixed-use development that would allow for a cluster of uses reflective of the nearby area which contains a mix of industrial, residential, and commercial uses, including former industrial sites that have been redeveloped or replaced with arts-focused live-work projects within 0.5 mile, as noted in the related projects listed in Section III, Environmental Setting, Table III-2, of the Draft EIR and shown in Figure III-2 of the Draft EIR.; and increase the City's housing stock, while significantly expanding employment opportunities on-site. Additionally, the Proposed Project would activate and enhance the aesthetic character of an infill Site in an area serviced by transit. The Proposed Project includes 110 new housing units for a mix of incomes, including a voluntary set-aside of approximately 11 percent, or 12 units, for Very Low Income households, without the direct displacement of any existing housing units. The Project will further promote foot traffic through the use of a strong street wall, with storefronts along both Sacramento and Bay Streets, and will include public paseos that will connect Sacramento and Bay Street through a creative open space for pedestrians, in pair with higher density living, creative office, and comfortable transitions to the neighboring uses. The existing buildings at the Project Site are generally in poor condition and in need of substantial maintenance and repair. The General Plan Amendment allows for the development of the Proposed Project, which will add a residential and office component to the Project Site, which will enable the renovation and reuse of the existing warehouse shed building, and will allow the Arts District to continue being a regional economic driver for the City of Los Angeles. Accordingly, the proposed General Plan Amendment would be in conformity with general welfare.

Good Zoning Practices. Approval of the initiated General Plan Amendment from Heavy Industrial to Commercial Industrial would allow for the site to be redeveloped with a mixed-use project that will provide new live-work housing that allows up to five employees in each unit, including affordable units, near jobs-rich Downtown and the budding Arts District as well as new commercial floor area designed to accommodate restaurants and creative office in a neighborhood that is transforming with the development of new residential and commercial uses. The proposed project site is in a Transit Priority Area and is served by the Metro Rapid Bus No. 760, which runs north-south along Santa Fe with the closest stop at Olympic Boulevard at approximately 1,700 feet to the southern boundary of the Project at Sacramento Street and three MTA Local Bus Lines, including lines 60 with stops at Santa Fe and 8th Street and at Santa Fe and Violet Street and Metro Lines 18 and 62 stops at Santa Fe and 7th Street. These lines provide connections to the downtown subway stations, which include Pershing Square and 7th Street/Metro Center. Additionally, the Greyhound Bus Terminal is located a half mile west of the Project Site on 7th Street, which provides

inter-city bus service to various locations outside of the Los Angeles area. In addition, Metro is currently considering extending both the Santa Ana Line and Purple Line through the Arts District, and is considering multiple stations in the project vicinity. The project will provide public open space and improved sidewalks with street trees. The proposed project will be lined by restaurants, creative office spaces, and live-work units on the ground floor and all parking will be subterranean, activating a site.

The project is in conformity with and good zoning practice because it includes necessary housing, including affordable housing, substantial infrastructure improvements, improved streetscapes, and public open space. The project will provide both housing and job opportunities in proximity to transit at a vacant industrial site.

Given the uses surrounding the Project Site, the Project's proposed General Plan Amendment from industrial to commercial industrial land use and commercial manufacturing zoning designations will not lead to impermissible spot zoning. The Project Site is approximately 1.78 acres and the nearby area contains a mix of industrial, residential, and commercial uses, including former industrial sites that have been redeveloped or replaced with arts-focused live-work projects within 0.5 mile, as noted in the related projects listed in Section III, Environmental Setting, Table III-2, of the Draft EIR and shown in Figure III-2 of the Draft EIR.

The economic identity of this area continues to evolve from purely manufacturing uses to new hybrid uses that can accommodate digital and creative uses. The proposed project provides much needed housing while also facilitating jobs in an area that can accommodate such uses. As part of the project, pedestrian paseos will allow for public movement through the site. In addition, the paseo will provide much-needed green space and public gathering areas. Therefore, the initiated General Plan Amendment to Commercial Industrial would be consistent with nearby land uses and zones, would facilitate the ongoing transformation of the area into a mixed-use district and would be in conformity with good zoning practices and development patterns in the immediate area.

b) "T" and "Q" Classification and "D" Limitation Findings

Per LAMC Section 12.32-G, 1, 2, and 4, the current action, as recommended, has been made contingent upon compliance with new "T" and "Q" conditions of approval and "D" development limitations 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" and "D" 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.