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**ASSOCIATE ZONING ADMINISTRATORS**

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April 30, 2019

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544 Pacific LLC  
8228 Sunset Boulevard #211  
West Hollywood, CA 90046

Gavin McKiernan (R)  
Craig Fry & Associates  
1010 South Arroyo Parkway #6  
Pasadena, CA 91105

CASE NO. ZA-2018-3516-CU-CUB-  
ZAA-SPR  
CONDITIONAL USE, ZONING  
ADMINISTRATOR'S ADJUSTMENT AND  
SITE PLAN REVIEW  
524 – 544 South Pacific Avenue; 488 –  
494 West 6<sup>th</sup> Street  
San Pedro Planning Area  
Zone: C2-2D-CPIO  
CPIO Subarea: Community Commercial  
D. M.: 015B197 287  
C. D.: 15 – Buscaino  
CEQA: ENV-2018-3517-CE  
Legal Description: Lot 11-12,  
Subdivision of Block 6 and Lot 2 Block  
43 Town of San Pedro

Pursuant to Los Angeles Municipal Code Section 12.28 A, I hereby DENY:

a Zoning Administrator's Adjustment to allow a nineteen percent (19%) increase in density for a hotel totaling 80 guest rooms in lieu of the maximum 67 allowed in the C2-2D-CPIO Zone, and

Pursuant to Los Angeles Municipal Code Section 12.24 W.24, I hereby APPROVE:

a Conditional Use to allow the construction, use and operation of a hotel with up to 54,030 square feet, 7-story, 75 feet in height, and up to 67 guest rooms, with ground floor restaurant and rooftop bar with live entertainment within 500 feet of an R-Zone, and

Pursuant to Los Angeles Municipal Code Section 12.24 W.1, I hereby APPROVE:

a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site and incidental off-site consumption in conjunction with the construction, use and operation of a hotel with up to 54,030 square feet, 7-story, 75 feet in height, and up to 67 guest rooms with ground-floor restaurant, rooftop bar and individual guest room mini-bar and live entertainment and

Pursuant to the Los Angeles Municipal Code Section 16.05, I hereby APPROVE:

a Site Plan Review to allow the construction, use and operation of a hotel with up to 54,030 square feet, 7-story, 75 feet in height, and up to 67 guest rooms.

upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.
2. The use and development of the property shall be in substantial conformance with a 'revised' plot plan marked Exhibit "A", except as may be revised as a result of this action, submitted to the case file prior to pursuing any clearances.
3. Approved herein is the construction, use, and operation of a hotel with up to 54,030 square feet, 7-story, 75 feet in height, and up to 67 guest rooms with ancillary ground floor restaurant and rooftop bar.
4. The applicant shall provide automobile parking to the satisfaction of the Department of Building and Safety. No variance from the parking requirements per LAMC Section 12.21 A.4 has been requested or granted herein.
5. The applicant shall provide bicycle parking to the satisfaction of the Department of Building and Safety. No variance from bicycle parking requirements per LAMC Section 12.21 A.16 has been requested or granted herein.
6. Landscape. All landscape areas shall be landscaped in accordance with a landscape plan prepared by a licensed landscape architect, licensed architect, or licensed landscape contractor and approved by the Zoning Administrator. The Development Services Counter shall determine whether the plan is in compliance with all provisions below:
  - a. Landscaping shall consist of plant materials such as trees, shrubs and planted ground cover. All new trees shall be a minimum 24-inch box. All grade level planting areas shall be contained within a minimum 6-inch-high continuous concrete curb.
  - b. All open areas not used for buildings, driveways, parking areas, recreational facilities or walks shall be attractively landscaped, including an automatic irrigation system, and maintained in accordance with a landscape plan.
7. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
8. All graffiti on the site shall be removed or painted over to match the color of the

surface to which it is applied within 24 hours of its occurrence.

9. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
10. **Within 30 days of the effective date of this determination**, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Development Services Center for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Zoning Administrator for attachment to the subject case file.
11. The project shall comply with all of the applicable requirements and operational conditions of the Los Angeles Municipal Code.
12. The applicant shall be responsible for maintaining the area adjacent to the premises over its control free of litter, including any landscaped areas and parking area used specifically by patrons. The site shall be kept clear of weeds, trash, and combustible materials at all times.
13. The owners, operators, managers and employees serving and/or selling alcohol to patrons shall enroll in and complete a certified, ABC-recognized, training program for the responsible service of alcohol. This training shall be scheduled for new employees within 30 days of the opening of the establishment or within 30 days after the start of employment, whichever applies. Employees who serve and/or sell alcohol beverages shall complete this training every 24 months. A record of the completion of this training program shall be maintained on the premises and shall be presented upon request of the Zoning Administrator.
14. A "Designated Driver Program" shall be operated to provide an alternate driver for patrons unable to safely operate a motor vehicle.
  - a. Each operator shall submit details of the program to the Director of Planning for review and approval prior to the opening of any facility offering alcoholic beverages.
  - b. This program may include, but shall not be limited to, free non-alcoholic drinks for the designated driver of each group of patrons and promotion of the program at each table within the establishment
15. No booth or group seating shall be installed which completely prohibits observation of the occupants.

16. The Zoning Administrator shall consult with LAPD for recommendations regarding security measures for adequate protection to visitors and employees of the site, and impose those conditions which he or she deems to be necessary and feasible. The Zoning Administrator shall also notify the LAPD of the identity of each proposed operator of an establishment so that the LAPD can ascertain whether the operator has any prior record of criminal activity.
17. The Project shall include appropriate security design features for semi-public and private spaces, which may include, but should not be limited to: access control to buildings; secured parking facilities; walls/fences with key security; lobbies, corridors and elevators equipped with electronic surveillance systems; well-illuminated public and semi-public space designed with a minimum of dead space to eliminate areas of concealment; and location of toilet facilities or building entrances in high foot traffic areas.
18. The Applicant shall provide Project plans to the LAPD prior to finalization, to allow time to review the plans regarding additional crime prevention features appropriate to the design of the Project.
19. Recommendations of the Fire Department relative to fire safety shall be incorporated into all building plans, to the satisfaction of the Fire Department.
20. The applicant shall monitor the area under its control, in an effort to prevent the loitering of persons about the premises
21. Restaurants. The following additional conditions shall apply to the subject restaurants:
  - a. The establishment may include a bar or lounge area, which is separate from the main food service area of the establishment. There shall be no requirement to purchase a minimum number of drinks.
  - b. Sales of alcoholic beverages shall only be made where an employee of the restaurant obtains the product. No self-service of alcoholic beverages by restaurant customers shall be permitted.
  - d. Entertainment activities, such as live or recorded music, may be permitted so long as no less than 70% of the restaurant floor area is dedicated to food preparation, food service, eating areas, restrooms and storage areas.
  - e. The subject restaurant shall have a full-service kitchen and a full menu.
22. A copy of these conditions shall be retained at all times on the premises and shall be produced immediately upon the request of the Director or the LAPD.
23. The use and development of the subject tenant space shall be in substantial conformance with the 'revised' plot plan and floor plans marked Exhibit "A",

except as may be revised as a result of this action, submitted to the case file prior to pursuing any clearances.

- 24. The maximum square footage and the number of indoor and outdoor seating for the restaurant shall be permitted as follows:

Address	Square Footage	Indoor Seating	Outdoor Seating
Ground Restaurant	2,000	67	0
Roof Top Bar	2,950	0	109

- 25. Within 60 days after the issuance of the certificate of occupancy for an establishment, the Applicant shall execute a covenant acknowledging and agreeing to comply with all the terms and conditions established in this Specific Plan and record it in the County Recorder's Office. This agreement shall run with the land and be binding on any subsequent owners, heirs or assigns. The Applicant shall submit this agreement to the Zoning Administrator for approval before being recorded. After recordation, the Applicant shall provide a copy bearing the Recorder's number and date to the Zoning Administrator.
- 26. Should there be a change in the ownership and/or the operator of the business, the property owner and the business owner or operator shall provide the prospective new property owner and the business owner/operator with a copy of the conditions of this action prior to the legal acquisition of the property and/or the business. Evidence that a copy of this determination including the conditions required herewith has been provided to the prospective owner/operator shall be submitted to the Department of City Planning in a letter from the new operator indicating the date that the new operator/management began and attesting to the receipt of this approval and its conditions. The new operator shall submit this letter to the Department of City Planning within 30-days of the beginning day of his/her new operation of the establishment along with any proposed modifications to the existing floor plan, seating arrangement or number of seats of the new operation.
- 27. The Zoning Administrator reserves the right to require that a new owner or operator file a Plan Approval application, if it is determined that the new operation is not in substantial conformance with the approved floor plan, or the operation has changed in mode or character from the original approval, or if documented evidence is submitted showing continued violation(s) of any condition(s) of this grant resulting in a disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties. The application, in association with the appropriate fees, and a 500-foot notification radius list, shall be submitted to the Department of City Planning within 30 days of the date of legal acquisition by the new owner or operator. The purpose of the plan approval will be to review the operation of the premise and establish conditions applicable to the use as

conducted by the new owner or operator, consistent with the intent of the conditions of this grant. Upon review, the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct a public hearing including consideration for nuisance abatement/revocation purposes.

28. Within 30 days of the effective date of the Department of Alcoholic Beverage Control license, and within 30 days of the effective date of any modification or alteration of terms of said license, the applicant shall transmit a copy of the valid Department of Alcoholic Beverage Control license to the Zoning Administrator for attachment to the case file.
29. If at any time during the period of the grant, should documented evidence be submitted showing continued violation(s) of any condition(s) of the grant, resulting in a disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator will have the right to require the petitioner(s) to file for a plan approval application together with the associated fees, to hold a public hearing to review the petitioner's compliance with and the effectiveness of the conditions of the grant. The petitioner(s) shall submit a summary and supporting documentation of how compliance with each condition of the grant has been attained.
30. Prior to the issuance of any permits relative to this matter, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Development Services Center for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Zoning Administrator for attachment to the subject case file.
31. **MViP – Monitoring, Verification and Inspection Program.** Within 12 to 18 months from the beginning of operations or issuance of a Certificate of Occupancy, a City inspector will conduct a site visit to assess compliance with, or violations of, any of the conditions of this grant. Observations and results of said inspection will be documented and included in the administrative file. The owner/operator shall be notified of the deficiency or violation and required to correct or eliminate the deficiency or violation. Multiple or continued documented violations or Orders to Comply issued by the Department of Building and Safety which are not addressed within the time prescribed, may result in additional corrective conditions imposed by the Zoning Administrator.
32. **INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.**

Applicant shall do all of the following:

- i. Defend, indemnify and hold harmless the City from any and all actions

against the City relating to or arising out of the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions or to claim personal property damage, including from inverse condemnation or any other constitutional claim.

- ii. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages and/or settlement costs.
- iii. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$25,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- iv. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement (ii).
- v. If the City determines it necessary to protect the City's interests, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action or proceeding in a reasonable time, or if the

City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

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

For purposes of this condition, the following definitions apply:

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

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

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

### **OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES**

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

### **TRANSFERABILITY**

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

### **VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR**

Section 12.29 of the Los Angeles Municipal Code provides:

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

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



**APPEAL PERIOD - EFFECTIVE DATE**

The Applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the Applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after May 14, 2019, unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>.** Public offices are located at:

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

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

**West Los Angeles**  
 West Los Angeles Development  
 Services Center  
 1828 Sawtelle Boulevard, 2nd  
 Floor  
 Los Angeles, CA 90025  
 (310) 231-2598

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

**NOTICE**

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

**FINDINGS OF FACT**

After thorough consideration of the statements contained in the application, the plans submitted therewith, and the statements made at the public hearing on February 7, 2019, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements for authorizing a conditional use permit under the provisions of Section 12.24 W, of the Municipal Code have been established by the following facts:

## **BACKGROUND**

The subject property is located in the recently updated San Pedro Community Plan area which designates the site for Community Commercial Land Use with corresponding zones CR, C1.5, C2, C4, R3, RAS3, R4, and RAS4. The Community Plan was adopted by the Los Angeles City Council June 26, 2018 to include the San Pedro Community Plan Implementation Overlay district (Ordinance No. 185539). The subject property is newly zoned C2-2D-CPIO and located in the Central Commercial Subarea E of the San Pedro Community Plan Implementation Overlay district. The CPIO's Section III-2 Development Standards, Subsection B. Building Density and Intensity regulation restricts the density and intensity of development in Subarea E to a maximum FAR of 4.0:1, except for properties south of 8<sup>th</sup> Street, between Mesa Street and Palos Verdes Street, and west of Harbor Boulevard and North of Amar Street which are restrict to a maximum Floor Area Ratio (FAR) of 3.0:1.

Prior to the City's adoption of the June 2018 ordinance, the subject property was zoned [Q]C2-1XL-CDO which limited any development to two stories, a maximum building height of 3 stories, and the FAR was limited to one-and one-have times the buildable area of the lot. The [Q] condition of the zone limited any residential development to one dwelling unit or guest room per 1,000 square feet of lot area. The [Q]C2-1XL-CDO Zone was the former zoning tool used to guide the development of the San Pedro Downtown area in order to achieve the goals and objectives for Community Commercial uses. Ordinance No. 185,539 significantly up zoned properties 10 months ago.

The property to the north across the alley is zoned C2-2D-CPIO and developed with a single story commercial structure. The property to the east adjacent to the subject property is zoned C2-2D-CPIO and developed with the historic Warner Grand Theatre. Properties to the south across 6<sup>th</sup> Street are zoned C2-2D-CPIO and are developed with two-story commercial uses. The properties to the west across Pacific Avenue are zoned as C2-2D-CPIO and developed with a single story commercial structure. The surrounding properties were zoned similar to the subject property prior to the adoption of the June 2018 ordinance creating the C2-2D-CPIO Zone.

Pacific Avenue is designated by the Mobility Plan 2035 as an Avenue II improved to a width of approximately 85 feet with curb, gutter and sidewalk.

6<sup>th</sup> Street is designated by the Mobility Plan 2035 as a Local Street improved to an approximate width of 60 feet with curb, gutter and sidewalk.

Alley is improved to a width of approximately 20 feet.

The subject property is comprised of two level, rectangular parcels of land totaling approximately 12,501 square feet. The property has a frontage of approximately 125 feet on the east side of Pacific Avenue and a frontage of approximately 100 feet on the north side of 6<sup>th</sup> Street. The rear (northerly) property line abuts a 20-foot wide alley, of which 10 feet is usable for density calculation purposes. The site enjoys a uniform depth from 6<sup>th</sup> Street to the 20-foot wide alley and is immediately adjacent to the west of the historic Warner Grand Theatre.

Currently, the 12,501 square-foot site is vacant, except for the abutting off-site improvements installed by the previous developments which has since been removed, following a fire at the site.

The proposed project is for the construction, use and maintenance of a new 54,030 square-foot, 7-story, 75-foot high, 80-room hotel with ground floor restaurant and rooftop bar with live entertainment and 62 parking spaces.

In conjunction with the proposed development, the applicant requests a Conditional Use and Site Plan Review to allow the 54,030 square-foot, 7-story, 75-foot high, 80-room hotel with ground floor restaurant and rooftop bar with live entertainment within 500 feet of an R-Zone; a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site and incidental off-site consumption in conjunction with a proposed 80-room hotel with ground-floor restaurant, rooftop bar and individual guest room mini-bar and live entertainment in the C2-2D-CPIO Zone; and a Zoning Administrator's Adjustment to allow a nineteen percent (19%) increase in density for a total of 80 guest rooms in lieu of 67 allowed in a C2-2D-CPIO Zone.

It should be noted that on June 15, 2018, the application for the proposed hotel was submitted to the Planning Department a few months after the City Planning Commission approved the C2-2D-CPIO Zone change for the San Pedro Community Plan and a few days prior to the City Council's adoption of the new ordinance. The new zoning created a significant increase in allowable buildable area to encourage new development in the San Pedro Downtown area.

There were no previous site specific zoning actions taken; however, there were previous zoning related actions in the area, which included the following:

Case No. CPC 2009-1557-CPU - On September 11, 2017, the Los Angeles Planning Commission approved the policy document and land use maps for the San Pedro Community Plan, and included amendments to the zoning maps for zone and height district changes, and the creation of the Community Plan Implementation (CPIO) Overlay District. The Commission repealed the existing Downtown San Pedro Community Design Overlay (CDO) ordinance.

Case No. ZA-2017-2003-CUB-CUX-ZV – On October 5, 2017, the Zoning Administrator approved a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with the expansion of an existing restaurant with a Dance Hall and zero parking spaces in the C2-1-CDO Zone, at 453 – 461 West 7<sup>th</sup> Street.

Case No. ZA-2016-2843-CUB-CUX – On February 21, 2017, the Zoning Administration approved a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with an existing 6,500 square foot restaurant and proposed banquet facility with live entertainment and dancing in the C2-1-CDO Zone, located at 470 West 7<sup>th</sup> Street.

Case No. ZA-2016-1762-ZAA – On October 21, 2016 the Zoning Administration approved a Zoning Administrators Adjustment to allow a zero-foot front yard setback in lieu of 8 feet, and zero-foot side yard setbacks in lieu of 5-feet for the

conversion of 4,278 square feet of office space into 4 residential units within an existing 8,910 square foot, 2-story commercial building at 603 – 605 South Pacific Avenue.

Case No. ZA-2003-4746-ZV-YV-ZAA-SPR – On April 30, 2004 the Zoning Administration approved a Variance to allow increased floor area of 162,130 square feet in lieu of 67,374 square feet for Building “A” and FAR of 3:1 in lieu of 1.5:1 for a maximum of 89 dwelling units, and to eliminate the required loading space; an Adjustment to allow reduced front yard setback of zero-feet in lieu of 15 feet, reduced side yard setbacks of zero-feet in lieu of 7 feet, and reduced rear yard setback of zero-feet in lieu of 16 feet in the C2-1 and C2 Zones located at 407-409 West 7<sup>th</sup> Street and 390 West 8<sup>th</sup> Street.

Case No. ZA-1994-911-CUB – On April 24, 1995, the Zoning Administration approved a Conditional Use to allow the sale and dispensing of beer and wine for on-site consumption located at 615 South Pacific Avenue.

Case No. ZA-1994-21-CUB – On April, 1994, the Zoning Administration approved a Conditional Use to allow the off-site sale of beer and wine in conjunction with a commercial property in the C2-1 & (Q)C2-1 zones located at 500 South Pacific Avenue.

## **PUBLIC HEARING**

A notice of Public hearing was sent to nearby property owners and/or occupants residing within a 500-foot radius near the subject site for which the application, as described below, had been filed with the Department of City Planning. All interested persons were invited to attend the public hearing at which they could listen, ask questions, or present testimony regarding the project. The purpose of the hearing was to obtain testimony from affected and/or interested persons regarding the project. The environmental document was among the matters considered at the hearing. The mailing of the public hearing notice was completed January 9, 2019 and the Certificate of Posting was completed January 23, 2019.

The hearing was held on Thursday, February 7, 2019, at approximately 10:00 a.m. in the San Pedro Municipal Building, 638 South Beacon Street, Room #452, San Pedro CA, 90012, by Associate Zoning Administrator Theodore Irving, who acted on Case No. ZA 2018-3516(CU)(CUB)(ZAA) and Environmental Case No. ENV 2018-3517-CE.

### **Spencer Kallick – Applicant’s Representative**

- Conducted a power point presentation and submitted a hard copy of the presentation to the case file.
- Read from a prepared script that was submitted to the case file.
- Submitted a Letter from Central San Pedro Neighborhood Council, which read in part:
  - Address the shortage of parking,
  - Outdoor coloring of the building to blend with the area,
  - Integrate the tile common in the downtown area in business entryways,
  - Encourage the installation of solar panels,
  - Make food available at all times that the bar is open,

- That there be no off-site alcohol sale
- Suggest the hiring of local talent for chef positions,
- Menus should reflect our diverse community,
- Participation in local community events such a 1<sup>st</sup> Thursday
- Cater to patrons of the Warner Grand after performances,
- Strongly urge that the name reflect a local landmark or simply “San Pedro Hotel”

Lee Williams - Northwest San Pedro Neighborhood Council (Vice Chair of the Planning and Land Use Committee)

- I’m part of a joint planning and land use committee that includes the Northwest San Pedro Neighborhood Council, West Coastal San Pedro Neighborhood Council and the Central San Pedro Neighborhood Council,
- Typically, we (PLUC) write the same letter and present it our respective boards,
- (read from letter which will be submitted to the case file.
- The Neighborhood Councils support the project,
- We suggest they address the following:
  - A more contrast in color with the adjacent Warner Grand
  - The integration of additional historic details such as tile entryways like those in building along 6<sup>th</sup> Street and 7<sup>th</sup> Street,
  - Encourage the installation of solar panels,
  - Use native plants,
  - Use of local hiring, including hiring local talent for chef positions,
  - Menus should reflect our diverse community,
  - Participation in local community events such a 1<sup>st</sup> Thursday
  - Use of name that reflects a local landmark, local history or simply “San Pedro Hotel”
  - Painting the adjacent crosswalk that crosses 6<sup>th</sup> Street into an iconic entry using a motif developed by the Arts District and the BID.
  - Make food available at all times that the bar is open,
  - That there be no off-site alcohol sale

Elise Swanson – President, San Pedro Chamber of Commerce

- We are here to express strong support for the project.
- We have worked closely with the project team; we have thoroughly considered the proposed development,
- I’m excited to report the board voted unanimously to support the hotel project,
- The project includes an 80-room hotel with a roof top bar;
- The project will comply with the San Pedro Community Plan Update and Implementation Ordinance,
- The development will be a catalytic project at the corner of 6<sup>th</sup> and Pacific Avenue,
- San Pedro has been designated a California Cultural Arts District and the hotel development will be an important amenity,
- The hotel project will help revitalize and jumpstart economic development in the area,
- I have over 18 years of experience the development of San Pedro,
- I can’t thank them enough for investing in Pacific Avenue,
- I echo the comments made earlier, I can’t wait for the construction to start,

Liz Schindler-Johnson – Executive Director Grand Vision Foundation

- (restated the Grand Vision Mission statement)
- We were happy to meet with the developer,
- They were open to us expressing our goals and intentions,
- They allowed our input; they respected us,
- They followed the city's Community Plan,
- Their sensitivity to the area was great,
- I'm grateful that the development is taking place.

Dan Ristow – Jericho Development Representative

- Our offices are across the street from the project site,
- We are happy to see that there is something happening with the site.
- The project will improve the appearance of the area,
- We support the development that is happening

Elle Farmer – Resident

- Can the Categorical Exemption 32 be applied to the Site Plan Review request?

Aksel Palacios – Planning Deputy, Council District 15

- We are here lending full support for the project,
- Usually, there is a lack of outreach when there is development,
- The developer has done great outreach,
- The project fits within the revitalization of the area,
- It fits within the community,
- We support the CUB for alcohol sales and the roof top restaurant,
- We're looking forward to ribbon cutting

**LETTERS**

In its November 28, 2018 letter, the Central San Pedro Neighborhood Council recognized that the project will comply with all building height, building density and intensity, landscaping building design and building disposition, while also recognizing the project is requesting an adjustment to permit an increase in density not to exceed 20%. The letter also recognized the conditional use requests to allow the hotel to be within 500 feet of a residential use and to allow on-site sale of alcohol beverages. Some suggestion and concerns expressed were:

- Shortage of parking – will the hotel parking be open to the community,
- Outdoor color of the building,
- Maybe integrate the tile common in the downtown area in business entryways,
- Encourage using solar panels and native plants,
- Availability of food at all times that the bar is open and no offsite alcohol sales.
- Suggest hiring local talent for Chef the position and the menu should reflect our diverse community,
- Participation in local community events such as 1<sup>st</sup> Thursday,
- Cater to the patrons of Warner Grand after performances,
- Strongly urge that the name reflect a local landmark or simply San Pedro Hotel

In its January 18, 2019 letter, the San Pedro Chamber of Commerce expressed enthusiastic support for the 80-room, boutique hotel with a ground floor restaurant and a rooftop bar. Additionally, support was expressed for the development as it was viewed as a catalytic project that will serve as a cornerstone of the area renaissance and growth.

In its November 20, 2018 letter, the Unite Here Local11 requested to be added to the list of interested parties to ensure notification of all actions, approvals, determinations notices, hearings, and any other matters related to the project's land use approvals and compliance.

In its draft letter dated January 14, 2019, the Northwest San Pedro Neighborhood Council expressed excitement over the proposed hotel project that will replace a vacant lot at a key entry into the community's historic downtown. The Neighborhood Council understands that the applicant's requests an increase in density and be allowed to be constructed within 500 feet of a residential and a conditional use to allow on-sale of alcoholic beverages.

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

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

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

They may include those identified during hearing testimony, received as part of correspondence via stakeholder groups, city agency, other responsible agency, Council District, Mayor's office, etc.)

- There shall be no exterior advertising of any kind or type, including advertising directly to the exterior from within, promoting or indicating the availability of alcoholic beverages. Interior displays of alcoholic beverages or signs which are clearly visible to the exterior shall constitute a violation of this condition.

No employee, while working, shall solicit or accept any alcoholic or non-alcoholic beverage from any customer while on the premises. No employee, while working, shall be engaged for the specific purpose of sitting with or otherwise spending time with customers while on the premises.

### **BASIS FOR CONDITIONAL USE PERMITS**

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

### **CONDITIONAL USE FINDINGS**

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

1. **The project will enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city or region.**

The project, as conditioned, consists of a 54,030 square-foot boutique hotel and restaurant project, including up to 67 hotel guest rooms, a 2,000 square foot ground floor restaurant with 67 indoor seats, and a 2,950 square-foot rooftop bar with 109 outdoor seats. The hotel will offer lodging to visitors, and the restaurant and rooftop bar will provide dining and entertainment to guests and nearby residents.

San Pedro is a major scenic coastal community that brings significant numbers of residents, visitors and tourists by automobile and public transit in proximity to the proposed hotel. The hotel is located on the northeast corner of Pacific Avenue and 6th Street and contributes to the efforts to provide a broad array of tourist and dining choices and amenities. Policy LU8.2 of the San Pedro Community Plan calls for the promotion of mixed-use projects and higher density developments along transit priority streets within the Community Commercial area. The project, as conditioned, introduces a hotel, restaurant and bar along Pacific Avenue which is serviced by a Metro bus line.

The project, as conditioned, is in proper relation to adjacent uses because the hotel use will be near other commercial uses within the Central Commercial E Subarea of the San Pedro CPIO. Thus, the project will perform a function and provide a service that will be beneficial to the community, city and region.

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



The project site is comprised of two level, rectangular parcels of land totaling approximately 12,501 square feet in the C2-2D-CPIO zone. The property has a frontage of approximately 125 feet on the east side of Pacific Avenue and a frontage of approximately 100 feet on the north side of 6<sup>th</sup> Street. (For purposes of calculating FAR, the project is allowed to include half of the 20-foot wide alley.) The site is currently undeveloped and immediately adjacent to the west of the historic Warner Grand Theatre.

The project, as conditioned, is the construction of a 54,030 square-foot, 7-story, and 75-foot high, 67-room hotel with ground floor restaurant with 67 indoor seats and rooftop bar with 109 outdoor seats and live entertainment. The project improves an undeveloped lot with a hotel project that is similar in size and height with the neighboring properties. The project, as conditioned, is designed with varied materials including black brick, decorative steel screening, dark bronze aluminum, glass and painted stucco and will be visually compatible with other buildings within its vicinity.

The site is within the Central Commercial E Subarea of the CPIO which allows a maximum height of 75 feet. The proposed 75-foot height of the hotel is consistent with the regulations of the San Pedro CPIO. The adjacent theatre is approximately 58 feet 9 inches, less than 2 stories shorter than the subject project. There are several other buildings in the neighborhood with similar size and massing. The proposed hotel is situated in a commercial zone with many uses providing dining and entertainment options to residents and visitors. While nearby residential uses are located northeast of the project site, they are separated by two major streets in the San Pedro downtown area. Therefore, the proposed hotel, as conditioned, will not adversely affect or degrade adjacent residential properties, the surrounding neighborhood, or the public health, welfare, and safety.

The surrounding area includes several restaurants, bars, hotels and retail businesses. 6<sup>th</sup> Street serves as a gateway to Downtown San Pedro and is an active pedestrian area. The proposed project, as conditioned, provides a pedestrian oriented ground floor through the inclusion of entry points off both 6<sup>th</sup> Street and Pacific Avenue, a new restaurant, and a façade clad with windows to enliven the streetscape and provide a more visibly active environment.

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 residential properties, the surrounding neighborhood, or the public health, welfare and safety.

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

The San Pedro Community Plan designates the property for Community Commercial land uses with the corresponding zones of CR, C1.5, C2, C4, R3, RAS3, R4, and RAS4. The subject request is for the construction, use, and

operation of a 54,030 square-foot, 75-foot, and 67-guest room hotel with ancillary ground floor restaurant and rooftop bar in the C2-2D-CPIO zone. Hotel uses are permitted in the C2 Zone, however a Conditional Use is required when the property is located within 500 feet of residentially zoned properties. The project, as conditioned herein, will implement the General Plan and its objectives by providing valuable and desirable commercial, recreational, and visitor serving uses within the community. The proposed hotel will add 67 guest rooms, a restaurant, and a rooftop bar to be used by the general public and by visitors to the community.

The project is consistent with the following Community Plan goals and policies:

LU8.1 Revitalize Downtown. Revitalize and strengthen the Downtown San Pedro commercial area as the historic commercial center of the community, to provide shopping, civic, social, and recreational activities.

LU8.2 Mixed-Use projects. Promote mixed-use projects and higher density developments along transit priority streets, and in Community Commercial and Regional Commercial areas. Redevelop existing commercial centers into dynamic mixed-use centers.

Goal LU9: A revitalized Downtown Community Center that serves as the heart of San Pedro and is attractive to residents and visitors.

LU9.1 Active Downtown. Develop 6th Street between Harbor Boulevard and Pacific Avenue into a pedestrian priority street, with sidewalk dining, pedestrian-oriented commercial uses, improved streetscape and landscape amenities, public art spaces and water features.

The proposed project provides a pedestrian oriented ground floor though the inclusion of entry points off both 6<sup>th</sup> Street and Pacific Avenue, a new restaurant, and a façade clad with windows to enliven the streetscape and provide a more visibly active environment in Downtown San Pedro. Therefore, the project as conditioned, substantially conforms with the purpose, intent and provisions of the General Plan and the San Pedro Community Plan Implementation Overlay.

#### **CONDITIONAL USE ALCOHOL FINDINGS**

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

- The project will enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city or region.**

The project, as conditioned herein, consists of a 54,030 square-foot boutique hotel, including 67 hotel guest rooms, a 2,000 square foot ground floor restaurant with 67 indoor seats, and a 2,950 square-foot rooftop bar with 109 outdoor seats. The hotel will offer lodging for visitors to San Pedro, as well as dining for guests

and nearby residents. The request to be able to serve a full line of alcohol beverages will help to establish and maintain a competitive hotel with a complete sit-down dining experience that will help reinforce a viable business environment within the downtown San Pedro neighborhood.

San Pedro is a major scenic coastal community that brings significant numbers of residents, visitors and tourists by automobile and public transit into proximity to this hotel. The hotel is located on the northeast corner of Pacific Avenue and 6th Street and contributes to the efforts to provide a broad array of tourist and dining choices and amenities. Policy LU8.2 of the San Pedro Community Plan calls for the promotion of mixed-use projects and higher density developments along transit priority streets within the Community Commercial area. The proposed project introduces a hotel, restaurant and bar along Pacific Avenue, which is serviced by a Metro bus line.

The project is in proper relation to adjacent uses because the hotel will be near other commercial uses that provide dining, alcohol beverages and entertainment within the Central Commercial E Subarea of the San Pedro CPIO. Thus, the project will perform a function and provide a service that will be beneficial to the community, city and region.

5. **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 project site is comprised of two level, rectangular parcels of land totaling approximately 12,501 square feet in the C2-2D-CPIO zone. The property has a frontage of approximately 125 feet on the east side of Pacific Avenue and a frontage of approximately 100 feet on the north side of 6<sup>th</sup> Street. (For purposes of calculating FAR, the project is allowed to include half of the 20-foot wide alley.) The site is currently undeveloped and immediately adjacent to the west of the historic Warner Grand Theatre.

The project is the construction of a 54,030 square-foot, 7-story, and 75-foot high, 67-guest room hotel with ground floor restaurant with 67 indoor seats and rooftop bar with 109 outdoor seats and live entertainment. The project, as conditioned herein, improves an undeveloped lot with a hotel project that is similar in size and height with the neighboring properties. Designed with varied materials including black brick, decorative steel screening, dark bronze aluminum, glass and painted stucco, the project will be visually compatible with other buildings within its vicinity.

The site is within the Central Commercial E Subarea of the CPIO, which allows a maximum height of 75 feet. Therefore, the proposed 75-foot height of the hotel is consistent with the regulations of the recently adopted San Pedro CPIO and will not adversely affect or degrade adjacent properties, the surrounding

neighborhood, or the public health, welfare, and safety.

The surrounding area includes several restaurants, bars, hotels and retail businesses. 6th Street serves as a gateway to Downtown San Pedro and is an active pedestrian area. The addition of the project with its ground floor restaurant and roof top bar will be beneficial by providing lodging for visitors and dining and entertainment for guests and nearby residents, which will further encourage pedestrian activity. The project, as conditioned herein, will not be detrimental to the character of development in the immediate neighborhood because the sale and consumption of alcohol beverages in hotels, restaurants, and entertainment venues is a reasonable expectation.

As conditioned herein, the project will function as a hotel and restaurant with accessory alcoholic beverage sales for on-site consumption and incidental off-site consumption. The conditions imposed by this determination will ensure a use that will be desirable to the public convenience and the general welfare of regular patrons, tourists and nearby residents.

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

The San Pedro Community Plan designates the property for Community Commercial land uses with corresponding zones of CR, C1.5, C2, C4, R3, RAS3, R4, and RAS4 within Height District No. 2. The Central Commercial E Subarea of the Community Plan Implementation Overlay provides use limitations and development standards for new development that support a compact center of employment, entertainment, civic and cultural activities, and waterfront tourism. This Subarea promotes the establishment of regional uses, including major entertainment and cultural facilities, hotel and restaurant uses, corporate or professional offices, and government buildings, as well as residential uses that provide vitality and improve transit viability. The request to sell a full line of alcoholic beverages for on-site consumption in a hotel with a full service restaurant and bar is a reasonable expectation of potential patrons and is consistent with the intent and character of a burgeoning center for entertainment and tourism within the C2-2D-CPIO Zone.

The project is consistent with the following Community Plan goals and policies:

LU8.1 Revitalize Downtown. Revitalize and strengthen the Downtown San Pedro commercial area as the historic commercial center of the community, to provide shopping, civic, social, and recreational activities.

LU8.2 Mixed-Use projects. Promote mixed-use projects and higher density developments along transit priority streets, and in Community Commercial and Regional Commercial areas. Redevelop existing commercial centers into dynamic mixed-use centers.

Goal LU9: A revitalized Downtown Community Center that serves as the heart of San Pedro and is attractive to residents and visitors.

LU9.1 Active Downtown. Develop 6th Street between Harbor Boulevard and Pacific Avenue into a pedestrian priority street, with sidewalk dining, pedestrian-oriented commercial uses, improved streetscape and landscape amenities, public art spaces and water features.

The applicant is seeking permission to sell a full line of alcoholic beverages for on-site consumption and incidental off-site consumption daily, in conjunction with a proposed 67-guest room hotel with ground-floor restaurant with 67 indoor seats, rooftop bar with 109 outdoors seats and individual guest room mini-bar and live entertainment. Since the hotel and restaurant uses are consistent with the Community Plan designation, it can be concluded that the sale of a full line of alcoholic beverages for on-site consumption and incidental off-site consumption as an accessory use in the bar, restaurant, and guest room mini-bar would be consistent with the Community Plan. Restaurants attract a larger base of potential customers and contributes to the economic base of the broader community, creates and maintains employment opportunities and generates revenue for the city.

As conditioned, the subject request conforms to the purpose, intent, and provisions of the General Plan, and the applicable Community Plan Implementation Overlay.

#### **ADDITIONAL REQUIRED FINDINGS FOR THE SALE OF ALCOHOLIC BEVERAGES**

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

The applicant is seeking permission to sell a full line of alcoholic beverages for on-site consumption and incidental off-site consumption daily, in conjunction with a proposed 67-guest room hotel with ground-floor restaurant with 67 indoor seats, rooftop bar with 109 outdoors seats and individual guest room mini-bar and live entertainment. Since the hotel, as conditioned herein, and restaurant uses are consistent with the Community Plan designation, it can be concluded that the sale of a full line of alcoholic beverages for on-site consumption and incidental off-site consumption as an accessory use in the bar, restaurant, and guest room mini-bar would be consistent with the Community Plan.

Granting of this conditional use will allow this business to compete with similar hotels and to contribute positively to the local economy. The restaurant and bar with alcoholic beverage sales provides employment for the community, tax revenues, and investment in property improvements, while supporting the function of the hotel. The hotel, as conditioned herein, will provide an economic benefit to the larger community by introducing new revenue on an underutilized parcel.

The existing businesses with alcohol licenses in the area have operated in a safe manner in the past, and there is an expectation this hotel and its restaurants will continue to provide a safe environment. According to LAPD's online crime mapping, the immediate area around the subject property has no history of complaints, nuisance activity or calls for service by LAPD related to DUI, Disturbing the Peace, or Drug & Alcohol Violations in at least the last 6 months. Finally, restaurants attract a larger base of potential customers and contributes to the economic base of the broader community, creates and maintains employment opportunities and generates revenue for the city.

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

The subject property is located within Census Tract No. 2962.20. According to the California State Department of Alcoholic Beverage Control (ABC) this tract has been allocated 4 on-site and 3 off-site licenses. Currently there are 22 on-site licenses and 4 off-site licenses operating in this Census Tract.

Concentration can be undue when the addition of a license will negatively impact a neighborhood. 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. The project includes a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site and incidental off-site consumption in conjunction with a 67-guest room hotel with ground-floor restaurant, rooftop bar with live entertainment and individual guest room mini-bars.

According to LAPD's online crime mapping, the immediate area around the subject property has no history of complaints, nuisance activity or calls for service by LAPD related to DUI, Disturbing the Peace, or Drug & Alcohol violations in the last 6 months. Hence, there is no link between the alcohol use and the area's crime rate. With 18 existing licenses more than the 4 allotted for the tract and no link between the use of alcohol and crime or nuisance rate in the area, the approval of the subject request is not anticipated to result in any increase in nuisance activity or contribute to the area's crime rate.

9. **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 project site:

<b>Sensitive Use</b>	<b>Address</b>
Port of Los Angeles High School	250 West 5 <sup>th</sup> Street
Merry-Go-Round Nursery School	446 West 8 <sup>th</sup> Street
Marymount California University	222 West 6 <sup>th</sup> Street
San Pedro United Methodist Church	399 West 6 <sup>th</sup> Street
Mt. Sinai Missionary Baptist Church	225 South Mesa Street

While there are residential dwelling units and other sensitive uses located in close proximity to the project site, the surrounding neighborhood is a neighborhood with a mixture of offices, retail, restaurants, and residential units. Conditions have been imposed in cooperation with LAPD to minimize any potential impacts to the nearby sensitive uses.

The restaurant and rooftop bar will be ancillary to the hotel, located in a commercial zone which will serve the community by providing complete dining services that benefit the local community and region. As conditioned, the proposed project will not cause any detrimental effects to nearby residential zones.

**ZONING ADMINISTRATOR’S ADJUSTMENT FINDINGS**

In order for an adjustment from the zoning regulations to be granted, all of the legally mandated findings delineated in Section 12.28 of the Los Angeles Municipal Code 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:

- 10. Describe what site characteristics or existing improvements make strict adherence to the zoning regulations impractical or infeasible; and explain why the project nonetheless conforms with the intent of those regulations;**

The proposed project consists of a 54,030 square-foot boutique hotel and restaurant project, including 80 hotel guest rooms, a 2,000 square foot ground floor restaurant, and a 2,950 square-foot rooftop bar. Parking will be provided in a subterranean and at-grade parking area with 62 automobile parking spaces. In addition, 20 bicycle parking spaces will be provided on-site (10 long term and 10 short-term).

Section 12.28 of the Los Angeles Municipal Code allows the Zoning Administrator to grant adjustments to increase project density if the increase represents less than a 20 percent increase. The project, as proposed, requested a 19 percent increase in density. The intent of the density requirement in the

Zoning Code are to ensure that all residential properties are compatible and enjoy adequate light, air, and privacy. Consistently applying the regulations create compatibility between respective properties. Such regulations, however, are written on a citywide basis and cannot take into account individual unique characteristics of a specific property. However, an Adjustment is a grant of permission to depart from the literal enforcement of a zoning ordinance and allow the property to be used in a manner otherwise not permitted where the spirit of the ordinance is observed and substantial justice is done with no detrimental impacts to the community.

As stated previously, the subject site is a vacant rectangular shaped infill 12,500 square-foot parcel with a frontage along 6<sup>th</sup> Street, a frontage along Pacific Avenue and a rear property line along a 20-foot wide alley north of 6<sup>th</sup> Street. The relatively level site was previously improved with commercial structures, but the improvements have since been removed leaving the site with no characteristics or existing improvements that would make strict adherence to the zoning regulations impractical or infeasible. The site's rear property line abuts a 20-foot wide alley, which allows it to enjoy the benefit of using 10 feet of the alley for the purposes of calculating density (ie density bonus above sites not abutting an alley).

The request to be allowed a 19% increase in density, above the adjusted density, is not grounded in some site characteristic that prevents strict adherence to the code. Rather, the request is a desire to achieve density that is greater than that which is permitted by the recently adopted C2-2D-CPIO Zone as part of the San Pedro Community Plan update, but less than the 20% increase in density which requires a zone variance.

11. **In light of the project as a whole, including any mitigation measures imposed, 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 project site is comprised of two level, rectangular parcels of land totaling approximately 12,501 square feet in the C2-2D-CPIO Zone. The property has a frontage of approximately 125 feet on the east side of Pacific Avenue and a frontage of approximately 100 feet on the north side of 6<sup>th</sup> Street. (For purposes of calculating FAR, the project is allowed to include half of the 20-foot wide alley.) The site is currently undeveloped and immediately adjacent to the west of the historic Warner Grand Theatre.

The proposed project is the construction of a 54,030 square-foot, 7-story, 75-foot high, 80-room hotel with ground floor restaurant and rooftop bar with live entertainment and includes a request for a Zoning Administrator's Adjustment to allow a nineteen percent (19%) increase in density for a total of 80 guest rooms in lieu of 67 allowed in a C2-2D-CPIO Zone. However, the granting of the requested adjustment to allow the 19% increase, without any subject site characteristics or existing improvements making strict adherence to the zoning



regulations impractical or infeasible, would adversely affect adjacent properties and the surrounding neighborhood.

The project, as conditioned herein, improves an undeveloped lot with a 67-guest room hotel building that is similar in size and height with the surrounding properties. The project is designed with varied materials including black brick, decorative steel screening, dark bronze aluminum, glass and painted stucco and will be visually compatible with other buildings within its vicinity.

The property to the north across the alley is zoned C2-2D-CPIO and developed with a single story commercial structure. The property to the east adjacent to the subject property is zoned C2-2D-CPIO and developed with the historic Warner Grand Theatre. Properties to the south across 6th Street are zoned C2-2D-CPIO and are developed with two-story commercial uses. The properties to the west across Pacific Avenue are zoned C2-2D-CPIO and developed with a single story commercial structure. The site is within the recently created Central Commercial E Subarea of the CPIO which allows a maximum height of 75 feet and a FAR of 4.0:1. Previously, the site's zoning, and those of the surrounding properties, were restricted to 2-story building heights and the FAR was 1.5:1.

The project's requested density, which also includes the density bonus due to the abutting 20-wide alley, will not be compatible with, and will adversely affect or further degrade adjacent properties, the surrounding neighborhood. The granting an adjustment to increase the density 19%, would immediately undermine the integrity of the recently adopted C2-2D-CPIO Zone, which was adopted June 2018 as part of the Community Plan process to create compatibility and consistent within the surrounding neighborhood. The granting of the 19% increase in density will be a catalyst to eroding the faith that community members placed in establishing the zone to protect and preserve their community, its goal and objectives.

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

There are eleven elements of the General Plan, and each of these elements establishes goals, objectives and policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The majority of the policies derived from these Elements are in the form of Code requirements of the Los Angeles Municipal Code. Aside from the entitlement described herein, the project does not propose to deviate from any of the requirements of the Los Angeles Municipal Code that are directly tied to any of the elements of the General Plan.

The San Pedro Community Plan designates the property as Community Commercial with corresponding zones C1, C1.5, CR, C2, C4, R3, RAS3, RAS4, and R4; and Height District 2D. Generally, the hotel project is consistent with the following Community Plan goals and policies.

Goal LU8: Distinct, well-designed Community Centers that are efficiently served by transit, provide medium-density and urban housing opportunities, and serve as centers of civic, cultural, and economic life in San Pedro.

LU8.2 Mixed-Use projects. Promote mixed-use projects and higher density developments along transit priority streets, and in Community Commercial and Regional Commercial areas. Redevelop existing commercial centers into dynamic mixed-use centers.

Goal LU9: A revitalized Downtown Community Center that serves as the heart of San Pedro and is attractive to residents and visitors.

LU9.1 Active Downtown. Develop 6th Street between Harbor Boulevard and Pacific Avenue into a pedestrian priority street, with sidewalk dining, pedestrian-oriented commercial uses, improved streetscape and landscape amenities, public art spaces and water features.

The proposed hotel is a use that is compatible with the commercial use and development of the surrounding area, has been conditioned to preserve the commercial character of the neighborhood, and is found to not have an adverse impact on adjacent properties.

However, the requested increase in density is not consistent with the recently adopted San Pedro Community Plan goal of higher density developments along transit priority streets and maintain an active downtown for residents and visitors. Granting the adjustment request weakens the foundation for the density restriction in recently adopted C2-2D-CPIO ordinance and communicates that compliance with the new zone is not necessary. As such, the new C2-2D-CPIO Zone becomes ineffective and weak, and the goals that are to be achieved by the new C2-2D-CPIO Zone will unlikely ever be accomplished. Hence, granting the request is not consistent with the purpose, intent, and provisions of the San Pedro Community Plan.

### **SITE PLAN REVIEW FINDINGS**

In order for a Site Plan approval to be granted, all of the legally mandated findings delineated in Section 12.28 of the Los Angeles Municipal Code 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:

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

There are eleven elements of the General Plan, and each of these elements establishes goals, objectives and policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The majority of the policies derived from these Elements are in the

form of Code requirements of the Los Angeles Municipal Code. Aside from the entitlement described herein, the project does not propose to deviate from any of the requirements of the Los Angeles Municipal Code that are directly tied to any of the elements of the General Plan.

The subject property is located in the recently updated San Pedro Community Plan area which designates the site for Community Commercial Land Use with corresponding zones CR, C1.5, C2, C4, R3, RAS3, R4, and RAS4. The Community Plan was adopted by the Los Angeles City Council June 26, 2018 to include the San Pedro Community Plan Implementation Overlay district. The subject property is newly zoned C2-2D-CPIO and located in the Central Commercial Subarea E of the San Pedro Community Plan Implementation Overlay district. The CPIO's Section III-2 Development Standards, Subsection B. Building Density and Intensity regulation restricts the density and intensity of development in Subarea E to a maximum FAR of 4.0:1, except for properties south of 8<sup>th</sup> Street, between Mesa Street and Palos Verdes Street, and west of Harbor Boulevard and North of Amar Street which are restrict to a maximum Floor Area Ratio (FAR) of 3.0:1.

Prior to the City's adoption of the June 2018 ordinance, the subject property was zoned [Q]C2-1XL-CDO which limited any development to two stories, a maximum building height of 3 stories, and the FAR was limited to one-and one-half times the buildable area of the lot. The [Q] condition of the zone limited any residential development to one dwelling unit or guest room per 1,000 square feet of lot area. The [Q]C2-1XL-CDO Zone was the former zoning tool used to guide the development of the area in order to achieve the goals and objectives for Community Commercial uses.

The project, as conditioned herein, is consistent with the following Community Plan goals and policies.

Goal LU8: Distinct, well-designed Community Centers that are efficiently served by transit, provide medium-density and urban housing opportunities, and serve as centers of civic, cultural, and economic life in San Pedro.

LU9.1 Active Downtown. Develop 6th Street between Harbor Boulevard and Pacific Avenue into a pedestrian priority street, with sidewalk dining, pedestrian-oriented commercial uses, improved streetscape and landscape amenities, public art spaces and water features.

The project is designed with varied materials including black brick, decorative steel screening, dark bronze aluminum, glass and painted stucco. The proposed hotel is a use that is compatible with the commercial use and development of the surrounding area, has been conditioned to preserve the commercial character of the neighborhood, and is found to not have an adverse impact on adjacent properties. Inasmuch, the proposed requests are consistent with the purpose, intent, and provisions of the San Pedro Community Plan.

14. **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 on adjacent properties and neighboring properties.**

As shown in Exhibit A and described below, the proposed project will be compatible with existing and future development on the neighboring properties.

#### Height

The C2-2D-CPIO Zone and Height District 2 allows for a maximum height of 75 feet. The proposed project consists of one 7 story, 75-foot tall building as measured to the top of the roof.

#### Bulk/Massing

The front building façade is articulated with contrasting colors and materials with vertical and horizontal elements. All facades have a least two different materials that include: brick, metal panels, glass, and smooth stucco. The hotel is articulated with horizontal breaks, and glazed windows with recessed frames, contrasting and complementary colors, building plane variations, and overhangs above the ground floor.

#### Landscaping

The project is designed with eight new trees along Pacific Avenue and 6<sup>th</sup> Street with 88 square feet of landscape provided on 6<sup>th</sup> street as required by Section III.E.2 of the San Pedro Community Plan Implementation Overlay.

#### Building Materials

The project is designed with varied materials including black brick, decorative steel screening, dark bronze aluminum, glass and painted stucco.

#### Entrances

The proposed project provides a pedestrian oriented ground floor though the inclusion of entry points off both 6<sup>th</sup> Street and Pacific Avenue, a new restaurant, and a façade clad with windows to enliven the streetscape and provide a more visibly active environment.

#### Setbacks

The project has a 0-foot setback along the Pacific Avenue and 6<sup>th</sup> Street, creating an inviting pedestrian frontage in conformance with the San Pedro CPIO, and as recommended in the Citywide Commercial Design Guidelines.

#### Parking

Parking will be provided in a subterranean and at-grade parking area with 62 automobile parking spaces. In addition, 20 bicycle parking spaces will be provided on-site (10 long term and 10 short-term).

#### Open Space

The project is designed with 88 square feet of publicly accessible open space as required by Section III.E.2 of the San Pedro Community Plan Implementation Overlay.

Lighting

Ancillary lighting is provided along pedestrian and vehicular access ways as required by Section III.I.1 of the San Pedro Community Plan Implementation Overlay.

Loading

Loading occurs from the alley adjacent to the north of the subject property and is not visible from the street.

Trash Collection

Trash Collection occurs from the alley adjacent to the north of the subject property and is not visible from the street.


15. **The residential project provides recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.**

The project, as conditioned herein, is to allow the construction of a 54,030 square-foot, 7-story, and 75-foot high, 67-guest room hotel with ground floor restaurant, and rooftop bar with live entertainment. Both the restaurant and bar are accessible to hotel guests and the public. Additionally, the hotel provides guests with meeting room space on the premises. All amenities are confined with the subject property. Therefore, the project is a sufficient service amenity for guests with minimum impact on neighboring properties.

**ADDITIONAL MANDATORY FINDINGS**

16. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone X, areas outside of the flood zone.
17. DETERMINED based on the whole of the administrative record, that the project is exempt from CEQA pursuant to CEQA Guidelines Article 19, Section 15332 (In-Fill Development Projects), and there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies.

Inquiries regarding this matter shall be directed to Kyle Winston, Planning Assistant for the Department of City Planning at (213) 978-1348.

  
THEODORE L. IRVING, AICP  
Associate Zoning Administrator

cc: Councilmember Joe Buscaino  
Fifteenth District  
Adjoining Property Owners