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If you have any questions, please contact the Commission Office at (213) 978-1300.

SECONDARY SUBMISSIONS

November 17, 2021

Central Los Angeles Area Planning Commission
Department of City Planning
200 N. Spring St.
Los Angeles, CA 90012
Via e-mail to: apccentral@lacity.org

Re: Additional Materials in Support of Appeal
Case No.: ZA-2021-3349-MPA-1A
Related Cases: ZA-2017-755-MCUP-SPR, ZA-2021-3264-MPA

Members of the Central LA Planning Commission,

I would like to submit the additional comments and information below in support of my appeal.

Casey Maddren
2141 Cahuenga, Apt. 17
Los Angeles, CA 90068

**Citizen News Project
Main Plan Approval/Event Space
ZA-2021-3349-MPA
Additional Comments/Information in Support of Appeal**

CEQA ISSUES

There are multiple problems with the use of a categorical exemption for this project.

Categorical Exemption

The project does not qualify for an exemption under CEQA Guidelines 15301, Class 1. The Citizen News building originally housed a newspaper publishing company, but has been largely underutilized in recent years. The conversion to a restaurant/event space constitutes a significant change of use and will lead to a substantial increase in the number of employees and visitors to the site.

Use of Two Separate Main Plan Approvals

Why is the City preparing two separate main plan approvals for two businesses in the same building? A separate MPA has been approved for the first-floor restaurant, Case No. ZA-2021-3264-MPA. Both are receiving a categorical exemption. This seems to be an attempt to piecemeal the approvals in order to claim that the project will not trigger CEQA thresholds.

Previously Prepared MND Does Not Adequately Address Impacts

The 2019 MND prepared for the Citizen News Project does not adequately assess impacts. The MND did not include information regarding occupancy levels. The MPA for the restaurant says the project will include 270 indoor seats and 32 outdoor seats, while the MPA for the event

space says the project will include 832 indoor seats. This means that together the two spaces could accommodate over 1,100 guests.

Transportation and Traffic

The Initial Study asks: Would the project result in inadequate emergency access?

The MND found a less than significant impact.

This conflicts with the assessment of former LAPD Chief Charlie Beck. In his 2014 letter to City Planning regarding the oversaturation of ABC locations in Hollywood, the former Chief stated: "From the problems of the past, as well as recent events, it is evident that the area is not conducive to handling the increased occupancies and increased traffic problems deriving from the existing ABC locations. The narrow sidewalks and streets do not support line queuing, increased pedestrian traffic or nightclub valets that block traffic and emergency vehicle access." [Emphasis added.] (See Exhibit A.)

In general, the MND's analysis of traffic impacts is inadequate. Given the capacity of the venue, the estimate given in Table III-22, Project Trip Generation Estimates of 2,341 total net new project trips does not seem realistic. Also, the MND only analyzed weekday AM and PM peak traffic. On page III-101, the MND says, "Potential intersection impacts were evaluated for typical weekday morning (7:00 AM to 10:00 AM) and afternoon (3:00 PM to 6:00 PM) peak periods." Yet it's clear from the MPA that the event space is intended to attract nightlife, with live music and ticketed events. Central Hollywood can be extremely congested on weekend nights, yet the MND made no effort to analyze nighttime traffic impacts, and the MPA claims the project is categorically exempt, even though this venue accommodating over 1,100 guests is located on a street with only one lane of traffic in each direction.

Utilities

The Initial Study asks: Would the project have sufficient water supplies available to serve the project from existing entitlements and resource, or are new or expanded entitlements needed?

The MND found a less than significant impact.

The MND was prepared with no regard for the area's changing hydrology. Average rainfall in the LA area over the last 20 years has been well below 20th century averages. Allocations from the State Water Project have dropped dramatically, and deliveries from the Colorado River to LA will almost certainly have to be reduced. Gov. Newsom has asked all Californians to reduce water consumption by 15%, and the Metropolitan Water District is considering mandatory cutbacks. This restaurant/event center will be a water intensive business, due to the nature of food preparation and alcohol service. It should be clear that the area's hydrology is changing in ways the MND did not assess. The problem is exacerbated by the fact that Relevant Group, the owners/operators, have constructed a massive hotel/nightlife campus, of which the Citizen News Project is only one part.

Mandatory Findings of Significance

The Initial Study asks: Does the project have impacts which are individually limited, but cumulatively considerable?

The MND found a less than significant impact with mitigation incorporated.

This event space is part of the Citizen News Project, which is part of the larger Relevant Group hotel/nightlife campus, which also includes the Thompson Hotel, the tommie hotel, the Dream Hotel, the TAO Restaurant, Avenue LA, and Beauty and Essex. The cumulative impacts of this larger project will be considerable, and these were not analyzed in the MND.

Piecemealing of Relevant Group's Hotel/Nightlife Campus

This event space is part of the Citizen News Project, which is part of the larger Relevant Group hotel/nightlife campus, which includes the Thompson Hotel, the tommie hotel, the Dream Hotel, the TAO Restaurant, Avenue LA, and Beauty and Essex. Relevant Group has constructed or renovated all of these venues using various LLCs, often related to the project address.

Relevant Group has now created another company, Ten Five Hospitality LLC. Its web page states:

Founded by lifelong luxury hoteliers, Ten Five represents a new type of integrated hospitality investment and management company.

Filings with the State of California show that Ten Five Hospitality and Relevant Group share the same address, 1605 Cahuenga Blvd., Los Angeles/Hollywood, CA, 90028. On its web page, Ten Five Hospitality lists the Dream Hotel, the Thompson Hotel, the tommie hotel, and Citizen News, as well as Bar Lis and Mes Amis, both located at the Thompson Hotel. (See Exhibit B.) In spite of Relevant's repeated denials, it is clear that the various projects and businesses listed above all form part of the hotel/nightlife campus that they have been engaged in building for years. All of these projects and businesses are located within 500 feet of Selma and Wilcox in Hollywood. After acting as the developer behind all these projects, using different LLCs for each project, the formation of Ten Five Hospitality shows that Relevant Group intends to operate all these venues as part of its "integrated hospitality investment and management company."

FINDINGS NOT SUPPORTED BY EVIDENCE

The findings made by the ZA are not supported by the evidence. The ZA finds:

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

The connection between high concentration of alcohol outlets and crime is discussed in detail below. The only evidence the author offers to support the claim that the use will not adversely affect the community is that a number of conditions have been attached. These are standard conditions that have been attached routinely to numerous other alcohol permits granted in the area. Even with these conditions in place, crime in the Hollywood area has risen almost 20% since 2014, as the City has continued to dump alcohol permits on the area.

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

As noted in the determination letter, the report "Number of Licenses Authorized by Census Tract" from the California Dept. of Alcoholic Beverage Control says that 3 on-site and 2 off-site licenses are authorized for Census Tract 1907.00. The determination goes on to state the following:

Presently, there are 55 active licenses within this census tract, including 98 on-site and 2 off-site alcohol licenses.

Let's start off by noting that the numbers make no sense. The author first states that there are 55 active licenses in the Census Tract, and follows that up by saying, "[...] including 98 on-site and 2 off-site alcohol licenses."

In fact, current data accessed on the California ABC web site shows that there are currently 99 active alcohol licenses in Census Tract 1907.00, including 34 Type 47 licenses (On Sale General – Restaurant) and 9 Type 48 licenses (On Sale General – Bar, Night Club). This adds up to a total of 43 licenses serving a full-line of alcohol on-site within this Census Tract. **This is over 14 times the number recommended by the Dept. of Alcoholic Beverage Control.**

This does not even take into account the 56 other active licenses in the area for restaurants serving beer and wine, controlled access cabinets for hotels, catering, portable bars and locations serving alcohol for special events.

If this does not constitute an undue concentration of alcohol licenses in this Census Tract, it's hard to imagine what City Planning would consider "undue". To make the required findings the City must also consider the crime rate in the surrounding area. The determination letter says:

According to statistics provided by the Los Angeles Police Department's Hollywood Division Vice Unit, within Crime Reporting District No. 646, which has jurisdiction over the subject property, a total of 855 crimes were reported in 2020 (413 Part I and 442 Part II crimes), compared to the Citywide Average of 141 crimes for the and the High Crime Reporting District Average of 169 crimes. Alcohol related Part II Crimes reported include Narcotics (53), Liquor Laws (31), Public Drunkenness (3), Disturbing the Peace (0), Disorderly Conduct (9), Gambling (0), DUI related (10), Moving Traffic Violations (13) and other offenses (123).

With a total number of 855 crimes reported in 2020, Reporting District 646 had over six times the number of crimes as the Citywide Average of 141 and over five times the number of crimes as the High Crime Reporting District Average of 169. It is hard to understand how the City fails to see that an undue concentration already exists, given the exceptionally high crime rate.

The determination letter fails to acknowledge that the crime rate in Hollywood has risen as the City continues to recklessly approve new alcohol permits. Below are crime stats from the LAPD's COMPSTAT reports for the years 2020 and 2014.

Crime Statistics from LAPD COMPSTAT Hollywood Area Profiles

<u>Year</u>	<u>Total Violent</u>	<u>Total Part I</u>
2020	1,406	5,530
2014	918	4,619

Comparing these numbers we can see an almost 20% increase in Part I crimes in the Hollywood area since 2014. It's important to point out that in this same year the LAPD was so concerned about the undue concentration of ABC locations in Hollywood that the Chief of Police

was moved to write to the Department of City Planning. In a letter dated October 6, 2014, former LAPD Chief Charlie Beck wrote to the DCP's Chief Zoning Administrator, Linn Wyatt, to express his concern regarding the "oversaturation" of ABC locations in the Hollywood area. (See Exhibit A.) In his letter, Chief Beck stated....

"From the problems of the past, as well as recent events, it is evident that the area is not conducive to handling the increased occupancies and increased traffic problems deriving from the existing ABC locations. The narrow sidewalks and streets do not support line queuing, increased pedestrian traffic or nightclub valets that block traffic and emergency vehicle access. In addition, the businesses have generated numerous crime reports and calls for service in the area which places a greater strain on police resources. Problems include public intoxication, traffic collisions involving pedestrians, driving under the influence, assault with a deadly weapon, robberies, thefts, fights with serious injuries, shootings and rapes as well." [Emphasis added.]

Chief Beck was rightly concerned about the incidence of violent crime and alcohol-related offenses. Unfortunately, City Planning does not seem to have paid any attention to Chief Beck's warnings, and has gone on to significantly increase the number of liquor permits awarded to Hollywood area businesses. According to data from California ABC, from 2015 through 2021, the State has issued 52 alcohol licenses to establishments **in this census tract alone**. The City has either approved or is in the process of approving permits for all these licenses. While a few of these appear to be renewals, even if we take a low estimate of 42 new ABC locations since January 1, 2015, this means that the City has approved an average of six new liquor permits every year **in this census tract alone**.

It's also important to note that of the 52 new alcohol licenses issued for this census tract by the State since 2015, 21 of them are held by companies either controlled by Relevant Group or its principals, Richard Heyman and Grant King, i.e. R & G Hospitality Group LLC and 1541 Wilcox Hotel LLC. Additionally, there are five pending applications filed by Hollywood Citizen News Operating Company LLC and 6516 Tommie Hotel LLC, also controlled by Relevant and/or Heyman and King. (See Exhibit C.)

A large body of research shows a correlation between alcohol outlet density and violent crime. Here are just three reports which confirm this relationship, along with brief excerpts:

Alcohol Outlets as Attractors of Violence and Disorder, Urban Institute, 2008
<https://www.urban.org/research/publication/alcohol-outlets-attractors-violence-and-disorder>

"The results from the models examining aggravated assault reveal that the density of on-premise outlets is a significant predictor of aggravated assault."

Changes in Density of On-Premises Alcohol Outlets and Impact on Violent Crime, Atlanta, Georgia, Preventing Chronic Disease, May 28, 2015
https://www.cdc.gov/pcd/issues/2015/14_0317.htm

"A modest reduction in alcohol outlet density can substantially reduce exposure to violent crime in neighborhoods with high density of alcohol outlets."

The Risk of Assaultive Violence and Alcohol Availability in Los Angeles County, American Journal of Public Health, March 1995
<https://www.ncbi.nlm.nih.gov/pubmed/7892915>

“Conclusions: These findings indicate that higher levels of alcohol-outlet density are geographically associated with higher rates of assaultive violence.”

Furthermore, the findings in the determination letter make statements that are completely unsupported by fact:

The grant will be an asset to the community and will not adversely affect the community welfare. As a result, the instant grant will not result in an undue concentration of such licenses.

This is nothing more than a statement of opinion. The letter offers no evidence to support its claim that the grant will be an asset to the community.

The Zoning Administrator has incorporated numerous operational conditions to the grant that address noise, safety and security to ensure the proposed use is conducted with due regard for surrounding properties and to reduce any potential crime issues or nuisance activity. As such, approval of the request will not contribute to the area's crime rate and will therefore not result in an undue concentration of licensed premises.

Let's look at this statement in light of the facts cited above. The conditions attached to this permit are the same standard conditions that have been attached to numerous other permits granted in the Hollywood area over the past several years. Even with these conditions in place, COMPSTAT reports show that crime in the Hollywood area has risen almost 20% since 2014. It should be clear that these conditions have done nothing to stop crime from rising. It should also be clear from the research cited above and from Chief Beck's letter that the high concentration of ABC locations is a contributing factor to the rise in crime.

6. The proposed use will not detrimentally affect nearby residentially zoned communities in the area of the City involved [....]

In addition to the numerous sensitive uses listed in the determination letter, it should be noted that there are a number of apartment buildings in the immediate vicinity. The extreme over-saturation of ABC locations has already impacted residentially zoned communities. As shown above, crime in the Hollywood area has increased almost 20% since 2014, and Chief Beck's letter clearly shows that the LAPD considers alcohol to be a factor.

DETERMINATION LETTER WITHHOLDS IMPORTANT INFORMATION

Under “Relevant Cases on Surrounding Properties”, the determination letter states: “There are no relevant off-site cases”. This assessment conflicts with previous assessments made by City Planning of neighboring projects. The August 01, 2018 determination letter for Mama Shelter Hotel, 6500 West Selma, Case No. ZA 2017-3012(CUB), directly adjacent to Citizen News, lists 23 cases under the heading “Previous Cases, Affidavits, Permits, and Orders on the Surrounding Properties”. The March 18, 2016 determination letter for 6421 Selma Wilcox Hotel, Case No. ZA 2015-2671 (CUB), just a few hundred feet northeast of Citizen News, lists 33 cases under the heading “Previous zoning related actions on the site/in the area include”. City Planning appears to be deliberately withholding information that is necessary for the public's understanding of the project's impacts.

LOS ANGELES POLICE DEPARTMENT

CHARLIE BECK
Chief of Police

ERIC GARCETTI
Mayor

P. O. Box 30158
Los Angeles, Calif. 90030
Telephone: (213) 972-2996
TDD: (877) 275-5273
Ref #: 6.1

October 6, 2014

Ms. Linn Wyatt, Chief Zoning Administrator
Office of Zoning Administration
200 North Spring Street, 7th Floor
Los Angeles, California 90012

Case No.: ZA 2014-2325(CUB)

Dear Ms. Wyatt:

Hollywood is a world-renowned media, cultural and entertainment destination. It is also a well-established residential community. With that in mind, having businesses with hours of operation after midnight makes ensuring the daily transition from entertainment destination to peaceful residential neighborhood a delicate balancing act. To ensure that balance, it is necessary to impose firm and rigorous conditions that can serve to propagate business success while ensuring safe residential living.

As recently as ten years ago, Hollywood in general, and the Hollywood Business and Entertainment District in particular, had numerous vacant store fronts and many businesses that did not maintain the best business standards. As such, in an effort to attract businesses to the area and stimulate economic growth, many Alcohol Beverage Control (ABC) licenses and conditional use permits (CUPs) were granted that had very lenient conditions, often with little or no opposition from the Los Angeles Police Department (LAPD). It had the desired result of filling the vacant spaces, encouraging business improvement and bringing in vast numbers of patrons, which, in turn, started a general renaissance of the media and entertainment hub that Hollywood once was.

However, it also had the undesired effects of increasing traffic congestion, noise issues and calls for service, which depletes public resources. In addition, unfortunately, it increased the existing oversaturation of ABC locations in the area and occasionally attracted business operators (Club owner/operators in particular) that came for quick money and quite often less than honest business practices. Many of the businesses in the area were and are functioning outside of their CUP and ABC licenses and operating primarily as bars/nightclubs (Type 48) rather than the restaurants (Type 47) they are licensed to be.

From the problems of the past, as well as recent events, it is evident that the area is not conducive to handling the increased occupancies and increased traffic problems deriving from the existing ABC locations. The narrow sidewalks and streets do not support line queuing, increased

Ms. Linn Wyatt

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pedestrian traffic or nightclub valets that block traffic and emergency vehicle access. In addition, the businesses have generated numerous crime reports and calls for service in the area which places a greater strain on police resources. Problems include public intoxication, traffic collisions involving pedestrians, driving under the influence, assault with a deadly weapon, robberies, thefts, fights with serious injuries, shootings and rapes as well.

Through all this, the LAPD, most significantly the Hollywood Area Vice Unit has diligently worked to improve the safety of patrons and community members as well as ensure compliance of business operators in the Hollywood Area. In the interest of the welfare of the community and patrons, as well as officer's safety, and in an effort to reestablish standards and control in regards to ABC locations, LAPD Hollywood Area has recently adopted a firm stance in recommendations to the Department of City Planning and ABC. This is in order to curtail the oversaturation of ABC locations and ensure that we do not have additional restaurants acting as nightclubs, as well as eliminate those already acting outside the law in defiance of their ABC licenses and CUPs.

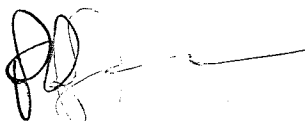
The LAPD is not opposed to responsible restaurants and clubs operating within their ABC and CUP conditions. To that extent, the LAPD has conferred with and come to consensus with the Councilmembers' Offices and many of the neighborhood councils and established what we feel are reasonable guidelines to ensure businesses (established and new) are afforded ample chance to succeed, while ensuring the transition from media and entertainment hub by day to the residential neighborhood overnight. For restaurants, these guidelines include desired closing by Midnight (10 p.m. preferred) and basic restaurant operations (commercial kitchens with full menus, and alcohol sales only in conjunction with food sales). In addition, there would be no live and/or adult entertainment and no dancing. For bars and clubs, the guidelines include closing by 2 a.m., no line queuing, no cover charge, no bottle service, no happy hours, and no drink minimums, among others. (see attached for list of conditions)

Should you decide to grant CUPs to future applicants, the LAPD requests that these guidelines be taken into account when formulating appropriate conditions. Please see the attached for a full list of our suggested conditions.

If you have any questions or concerns, please contact Officer Jeffry Poole, 36827@lapd.lacity.org or Officer Randall Kutscher, 36601@lapd.lacity.org, Hollywood Vice - ABC Section at: (213) 972-2996.

Very truly yours,

CHARLIE BECK
Chief of Police

A handwritten signature in black ink, appearing to read 'P. Zarccone', with a long horizontal line extending to the right.

PETER A. ZARCONE, Captain
Commanding Officer
Hollywood Area

EXHIBIT B

Composite of Projects Featured on Ten Five Web Page



Mondrian South Beach



Thompson Hollywood



tommie Hollywood [LEARN MORE](#) —>



Dream Hollywood [LEARN MORE](#) —>



Citizen News [LEARN MORE](#) —>



Mother Wolf [LEARN MORE](#) —>



Baia Beach Club [LEARN MORE](#) —>



Bar Lis [LEARN MORE](#) —>

Alcohol Licences Held by Relevant Group or Associated Entities, CT 1907.00

Data from CA ABC Web Page
September 25, 2021

EXHIBIT C

License Num	Status	License Ty	Orig. Iss. Date	Expir. Date	Primary Owner	Premises Addr.
555989	ACTIVE	47	10/26/2015	9/30/2021	R & G HOSPITALITY GROUP LLC	1601 N CAHUENGA BLVD, LOS ANGE
565968	ACTIVE	47	2/1/2017	9/30/2021	R & G HOSPITALITY GROUP LLC	6421 SELMA AVE, LOS ANGELES, CA
568420	ACTIVE	47	2/1/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	6417 SELMA AVE, LOS ANGELES, CA
569162	ACTIVE	47	2/6/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	1615 N CAHUENGA BLVD, LOS ANGE
572363	ACTIVE	47	1/31/2017	12/31/2021	R & G HOSPITALITY GROUP LLC	1607 N CAHUENGA BLVD, LOS ANGE
610067	ACTIVE	47	7/29/2021	6/30/2022	1541 WILCOX HOTEL LLC	1541 WILCOX AVE, LOS ANGELES, CA
	PENDING	47			HOLLYWOOD CITIZEN NEWS OPERA	1545 WILCOX AVE, LOS ANGELES CA
	PENDING	47			6516 TOMMIE HOTEL LLC	6516 SELMA AVE, LOS ANGELES CA 9
555989	ACTIVE	48	10/26/2015	9/30/2021	R & G HOSPITALITY GROUP LLC	1601 N CAHUENGA BLVD, LOS ANGE
555989	ACTIVE	58	10/26/2015	9/30/2021	R & G HOSPITALITY GROUP LLC	1601 N CAHUENGA BLVD, LOS ANGE
565968	ACTIVE	58	2/1/2017	9/30/2021	R & G HOSPITALITY GROUP LLC	6421 SELMA AVE, LOS ANGELES, CA
568420	ACTIVE	58	2/1/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	6417 SELMA AVE, LOS ANGELES, CA
569162	ACTIVE	58	2/6/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	1615 N CAHUENGA BLVD, LOS ANGE
572363	ACTIVE	58	1/31/2017	12/31/2021	R & G HOSPITALITY GROUP LLC	1607 N CAHUENGA BLVD, LOS ANGE
610067	ACTIVE	58	7/29/2021	6/30/2022	1541 WILCOX HOTEL LLC	1541 WILCOX AVE, LOS ANGELES, CA
	PENDING	58			HOLLYWOOD CITIZEN NEWS OPERA	1545 WILCOX AVE, LOS ANGELES CA
	PENDING	58			6516 TOMMIE HOTEL LLC	6516 SELMA AVE, LOS ANGELES CA 9
568420	ACTIVE	66	2/1/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	6417 SELMA AVE, LOS ANGELES, CA
610067	ACTIVE	66	7/29/2021	6/30/2022	1541 WILCOX HOTEL LLC	1541 WILCOX AVE, LOS ANGELES, CA
568420	ACTIVE	68	2/1/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	6417 SELMA AVE, LOS ANGELES, CA
610067	ACTIVE	68	7/29/2021	6/30/2022	1541 WILCOX HOTEL LLC	1541 WILCOX AVE, LOS ANGELES, CA
	PENDING	68			HOLLYWOOD CITIZEN NEWS OPERA	1545 WILCOX AVE, LOS ANGELES CA
555989	ACTIVE	77	10/26/2015	9/30/2021	R & G HOSPITALITY GROUP LLC	1601 N CAHUENGA BLVD, LOS ANGE
568420	ACTIVE	77	2/1/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	6417 SELMA AVE, LOS ANGELES, CA
569162	ACTIVE	77	2/6/2017	1/31/2022	R & G HOSPITALITY GROUP LLC	1615 N CAHUENGA BLVD, LOS ANGE
572363	ACTIVE	77	1/31/2017	12/31/2021	R & G HOSPITALITY GROUP LLC	1607 N CAHUENGA BLVD, LOS ANGE

November 18, 2021

File Number: 49JZ-247743

VIA ELECTRONIC MAIL ONLY

Central Los Angeles Area Planning Commission
City of Los Angeles
Department of City Planning
200 N. Spring Street
Los Angeles, California 90012
E-Mail: apccentral@lacity.org

Re: Response to Maddren Appeal (Case Nos. ZA-2021-3349-MPA; ENV-2021-3350-CE)

Dear Commissioners:

This firm represents Hollywood Citizen News, LLC ("Applicant") regarding the Master Plan Approval ("MPA"), case No. ZA-2021-3349-MPA, ("Project") to permit the sale of alcoholic beverages for an event space, located at 1545 (range?) Wilcox Avenue ("Site") in the Hollywood area of the City of Los Angeles ("City"). This MPA was filed in connection with the property's previously approved Master Conditional Use Permit ("MCUP"), case No. ZA-2017-755-MCUP-SPR.

This letter responds to the issues raised in the appeal submitted to the City on September 28, 2021 by Casey Maddren ("Appellant" and the "Appeal"). We also note that the Appellant appealed only the ZA's determination on case no. ZA-2021-3349-MPA related to an event space and not case no. ZA-2021-3264 related to a ground level restaurant. We respectfully request the Area Planning Commission deny the Appeal and affirm the Zoning Administrator's ("ZA") approval of the MPA from September 16, 2021.¹ The Appellant objects to the ZA's approval on several grounds: (1) the City has not proceeded in the manner required by law; (2) the City's determination is not supported by the findings and the findings are not supported by evidence; (3) the Project does not qualify for a Class 1 Categorical Exemption ("Class 1 Exemption")_under the California Environmental Quality Act ("CEQA"); (4) the Project does not qualify for a Class 1 categorical exemption because it is part of a larger piecemealed project; (5) the ZA's determination to waive the public hearing was inappropriate based on community comments on MCUP; and (6) the

¹ The Master Plan Approval requested the following: (1) The sale of alcohol beverages to include full-line (beer, wine, liquor) for on-site consumption in conjunction with the operation of the Event Space; (2) Live entertainment (including disc jockey) and amplified music, Live acoustic (non-amplified) music with up to three musicians, ambient music, and dancing within the enclosed Event Space; (3) Hours of operation from 8:00 AM to 2:00 AM daily; and (4) A modification in the Event Space's floor area and seating from the Original Approval to 17,188 square feet and 832 seats, respectively. ("Project"). In the Letter of Determination ("LOD") issued on September 16, 2021, the ZA approved the request.

MPA's determination letter excludes relevant related cases. Our response to these issues are as follows.

1. The City Complied with the Requirements and Procedures of the LAMC

The Appellant claims that the City's process to approve the Project has been "secretive and deceptive," and that there is no justification to waive the public hearing. This claim is completely unfounded. The Applicant followed the mandated requirements in the LAMC related to an MPA request.² Specifically, the Applicant received approval for a MCUP on May 13, 2019 to "permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption at a maximum of three establishments in the C4-2D Zone," and a Site Plan Review to "allow a development project that results in a change of use which results in a net increase of 1,000 or more daily trips." The three establishments included two ground floor restaurants and a second floor event space. Condition of Approval No. 6 requires "each individual venue shall be subject to a Master Plan Approval (MPA) determination pursuant to Section 12.24.M of the Los Angeles Municipal Code in order to implement and utilize the Master Conditional Use authorization granted." As required per Condition of Approval No. 6 of the MCUP, and as authorized by LAMC Section 12.24.M, the Applicant submitted two MPAs related to one of the two ground floor restaurants ("Restaurant 1") and the second floor event space ("Event Space") to permit the City to review each tenant space in greater detail and to tailor site-specific conditions of approval for each tenant.

In addition, Condition of Approval No. 6 also permits the Applicant to request a waiver of public hearing at the discretion of the Chief ZA, subject to the finding that the project (1) will not have a significant effect on adjoining properties or on the immediate neighborhood; and (2) is not likely to evoke public controversy. The Applicant submitted a request to waive the public hearing to the ZA on September 13, 2021, where its justifications are incorporated here by reference. The City granted the request to waive the public hearing and made a determination on the Project on September 16, 2021 based on the justification that the Project in the MPA resulted in less floor area than proposed under the original MCUB and would be unlikely to evoke public controversy because no appeal was filed during the 15 day appeal period following the ZA's approval on May 13, 2019.

The Appellant also raises issues regarding the operations of the nearby Dream Hotel. However, the Dream Hotel is not part of the Project and is not relevant to the subject appeal. The Dream Hotel is also under separate ownership, thus we cannot comment on the operations of a unrelated project and ownership entity.

For these reasons, the City properly complied with applicable LAMC requirements and the Conditions of Approval in the MCUP. The Appellant's objections are not supported by the facts or law.

² Applicants with approved MCUPs are required to submit a MPA under LAMC Section 12.24.M.

2. The City's Determination is Supported by the Findings and Findings are Supported by Evidence)

The Appellant makes several objections to the ZA's findings with regard to the MPA. As discussed in detail below, these objections are unfounded and unsubstantiated. The Appellant also fails to acknowledge that the City granted approval for the three tenants and their alcohol service in the 2019 MCUP approval. The uses and operations contemplated by the Project have already been reviewed by the City and subject to a public hearing on February 20, 2019. No appeal was filed in connection with the City's determination on the MCUP, including none by the Appellant.

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

The Appellant alleges that allowance for two new restaurants and an event space offering live music and alcohol service will adversely affect the welfare of the community. The Project is located in a highly urbanized area in the heart of a vibrant and active commercial corridor where the surrounding uses are primarily commercial and hospitality related uses, including retail, offices, hotels, restaurants, and bars. The Project is consistent with these types of uses already prevalent in the Hollywood community. Further, the ZA recognized that the approval of the MPA does not relieve the Applicant of its responsibility to comply with the conditions of approval of the MCUP. In addition, as part of this MPA approval the ZA incorporates more venue-specific conditions of approval, including limitations on hours of operation, noise, and alcohol service. Therefore the Project will not adversely affect the welfare of the community.

b. *Granting of the application will not result in a undue concentration of alcohol serving establishments*

The Appellant alleges that the granting of the MPA will result in a undue concentration of alcohol serving establishments in a census tract with many such establishments. Regardless, Business and Professions Code Section 2395.84(b)(1)-(2) permits the issuance of an alcohol license in such areas if the local governing body demonstrates that public convenience or necessity may be served. The Project is located in an area surrounded by properties in the C4-2D (Commercial) zone that are designated for Regional Center Commercial land uses within the Hollywood Community Plan. As such, the area surrounding the Project is an appropriate location for commercial uses with alcohol permits. With respect to the overall concentration of liquor license permits, the City has the authority to impose and enforce operating conditions on discretionary permits such as the Master Conditional Use Permit for alcohol sales in conjunction with restaurant and bar sales.

In connection with the original MCUP and this MPA request, the City has twice now found that public convenience or necessity would be served by the issuance of the permit. Additionally, the Project is subject to conditions required by the Los Angeles Police Department ("LAPD"), the Department of Alcohol Beverage Control ("ABC"), and the LAMC to protect against any negative impacts associated with the sale of alcohol. The LAPD and ABC may impose additional requirements to protect the surrounding residents, businesses, and visitors in the area from the public nuisance of individuals associated with the sale of alcohol. If the Project becomes a nuisance or otherwise fails to comply with the conditions outlined in the CUB permit, the City

would have the police power to revoke the CUB permit. Additionally, consistent *with City of Hayward v. Board Trustees of California State University* (2015) 242 Cal.App.4th 833 and the requirements stated in the California Constitution Article XIII, Section 35(a)(2), the obligation to provide adequate police services is the responsibility of the City. LAPD would continue to monitor activities associated with CUB permits and identify additional resource needs including staffing, equipment, basic cars, other special apparatuses, and possibly station expansions or new station construction that may become necessary to achieve the required level of service. Through the City's regular budgeting efforts, LAPD's resource needs would be identified and allocated according to the priorities at the time. Thus, the approval of this MPA will not result in a undue concentration of alcohol serving establishments and the Appellant's argument is without merit.

c. Use of 2020 crime statistics is appropriate.

The Appellant alleges that the use of 2020 crime statistics is inappropriate because of the COVID-19 pandemic's potential impact on those statistics. There is no evidence provided that the 2020 crime statistics are inappropriate. The ZA requested the most recent statistics from the Los Angeles Police Department ("LAPD"), which provided statistics for the previous year of 2020. Regardless of the year, the City does not have a specific threshold in which a conditional use permit, MCUP, or MPA may be approved or denied based on crime statistics. Such statistics are considered holistically to assess neighborhood conditions, which informs the ultimate conditions of approval incorporated into a project. As previously mentioned, the City reviewed the request for the use of the event space and service of alcoholic beverages in 2019, and this second consideration of the Project and MPA in 2021. The ZA has incorporated numerous conditions of approval in the MPA, including venue-specific conditions of approval, including limitations on hours of operation, noise, and alcohol service. Further, the ZA recognizes that the approval of the MPA does not relieve the Applicant of its responsibility to comply with the conditions of approval of the MCUP. Thus, the use of the 2020 crime statistics is appropriate and the Appellant's objection is not supported by the facts or law.

d. Proposed use will not detrimentally affect nearby residential zoned communities.

In addition to Section 2(a) above, which is incorporated here by reference, the event space is located entirely within the second floor of the Citizen News building with no outdoor areas associated with its use strictly limiting all activity and noise to within the existing structure's walls. Therefore, the approval of the MPA would not be detrimental to nearby residential zoned communities.

For these reasons, the findings made by the ZA in the determination letter are proper and the Appellants objections to them are not supported by the facts or law.

3. The Proposed Class 1 Categorical Exemption Is Permitted Under CEQA

The Appellant alleges that the Project may not utilize a Class 1 Categorical Exemption under CEQA because the Project involves the change of use from a vacant former newspaper publisher to the proposed restaurant and event space uses. This argument is without merit.

The Appellant states that the existing building had been vacant for decades. This is not true. The building was occupied as recently as 2019 as with offices and a recording. Additionally, the Appellant suggests that a change of use is also disqualifying of a Class 1 Exemption, also known as the “existing facilities exemption”. This too is not accurate. The Class 1 Exemption applies to development projects consisting of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment or topographical features, involving negligible or no expansion of existing or former use.³ Examples of developments that fall under Class 1 Exemption are provided in CEQA Guidelines Section 15301(a)-(p). The Project is most similar to the example in Section 15301(e) as described below and in the Appellant’s justification letter:

Additions to existing structures provided that the addition will not result in an increase of more than:

- (1) 50 percent of the floor area of the structures before the addition, or 2,500 square feet, or whichever is less; or*
- (2) 10,000 square feet if:*
 - (A) The Project is in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan and*
 - (B) The area in which the project is located is not environmentally sensitive.*

The Site is located in a highly developed urban setting surrounded by other urban uses and is currently developed with a two-story commercial building and basement. The building was previously used as an office and recording studio. As an already developed urban infill property, the Site is in an area where all public services and facilities are available to allow the maximum development permissible in the City’s General Plan. Further, as discussed above, the Site is not located in an environmentally sensitive area. Accordingly, to qualify under the Class 1 Categorical Exemption, floor area additions to the existing structure may not exceed 10,000 square feet.

The LAMC defines floor as “the area in square feet confined within the exterior walls of a building, but not including the area of the following: exterior walls, stairways, shafts, rooms housing building-operating equipment or machinery, parking areas with associated driveways and ramps, space for the landing and storage of helicopters, and basement storage areas.”⁴

Though the subject of this appeal is the determination on the MPA for the Event Space, the overall project that includes the change of use from office to restaurant and event space resulted in a net reduction of the building’s floor area from the existing 43,230 square feet to 32,015 square feet, or a net reduction of 11,215 square feet of floor area. Because neither the overall project, nor specifically this MPA, resulted in an increase in floor area, let alone an increase in 10,000 square feet, the Project meets the Class 1 Exemption criteria.

CEQA Guidelines Section 15300.2(a) –(f) provide exceptions to categorical exemptions depending on the nature or location of a project, or unusual circumstances that create the

³ CEQA Guidelines Section 15001.

⁴ LAMC Section 12.03.

reasonable possibility of significant effects. In order for a project to qualify for a categorical exemption, the project must be able to demonstrate that it does not fall under any of the exceptions. These exceptions are briefly responded to below, except for 15300.2(a) because this exception only applies to Class 3, 4, 5, 6, and 11 categorical exemptions.

(b) Cumulative Impacts

As discussed in the Project analysis below, the Project is a MPA on a previously approved MCUP. While the subject of this appeal is the determination on the Event Space, the overall Project results in a net reduction of 11,215 square feet of floor area, which includes the change of use from office to restaurant and event space. The Project would have no significant impacts to the environment because the Project would only consist of this change of use and reduction of floor area to an existing building on already developed site. As such, the Project would not result in significant cumulative impacts.

(c) Unusual Circumstances

The Site is located in a highly developed urban setting surrounded by other urban uses and is currently developed with a two-story commercial building and basement. There are no unusual circumstances that exist in connection with the Project, Site or surrounding environmental conditions that have the potential to result in a significant environmental impact upon the environment.

(d) Scenic Resources

The Site is not bordered by or within the viewshed of any designated scenic highway as identified in the Mobility Element of the City of Los Angeles General Plan. Further, there are no existing trees on the Site, protected or otherwise, or unique geologic features on-site. The Site is located in a highly developed urban setting surrounded by other urban uses and is currently developed with a two-story commercial building and basement. Therefore the Project would not damage any scenic resources within an officially designated scenic highway.

(e) Hazardous Materials

Pursuant to California Government Code Section 65962.5, the DTSC shall compile and update a list of all hazardous waste facilities subject to corrective action⁵, all land designated as hazardous waste property or border zone property⁶, all information received by the DTSC on hazardous waste disposals on public land⁷, and all sites listed pursuant to Section 25356 of the Health and Safety Code. Based on review of the DTSC EnviroStor Database, the Site is not listed for cleanup, permitting, or investigation of any hazardous waste contamination. Therefore, the Site is not located on a site that is included on any list compiled pursuant to Section 65962.5 of the Government Code.

(f) Historic Resources

The Applicant nominated the Citizen News building for local designation as a historic cultural monument ("HCM"). The building was successfully approved for HCM status on December 7,

⁵ California Health and Safety Code Section 25187.5.

⁶ California Health and Safety Code Section 25220.

⁷ California Health and Safety Code Section 25242.

2018⁸ by the City Council. Again, while the subject of this appeal is the MPA related to the Event Space only, the overall project consisting of the change of use, alcohol service, and building improvements were analyzed in environmental case no. ENV-2017-756-MND and found that it would not have any adverse impacts to the existing building as a historic resource. To the contrary, the rehabilitation of the now historic Citizen News building has greatly enhanced its historic integrity.

Consistent with the CEQA Guidelines, the Project qualifies under the Class 1 Exemption as confirmed based on the following substantial evidence that the Project meets the previously discussed Class 1 criteria.

4. The Project Was Not Improperly Piecemealed

The Appellant alleges that the Project does not qualify for a Class 1 categorical exemption from CEQA because it is the latest in a series of piecemealed approvals related to a larger hotel/entertainment complex which includes the Thompson Hotel, the Tommie Hotel, the Dream Hotel and the proposed hotel at 6421 Selma Avenue. There is no merit to this argument.

The Project is not a reasonably foreseeable consequence of the other named projects or any other projects in the vicinity. The Appellant references Relevant Group, however Relevant Group is not the applicant or owner of the Project. The applicant and owner of the Project is Hollywood Citizen News, LLC. As a general rule, relationships between property owners or applicants of different properties do not change the threshold of review required pursuant to CEQA. The projects identified by the Appellant involve separate properties that are being developed by separate legal entities and separate entitlement applications. Each of the named projects were reviewed by the appropriate City departments and approval bodies and received separate approvals. Similarly, each of the projects are bound by separate conditions of approval that are applicable on a project-specific basis, and each project underwent separate environmental review under CEQA. Therefore, the Project was not improperly piecemealed with respect to the named projects in the vicinity and the Class 1 categorical exemption is appropriate for the reasons stated above.

5. The City's granting of the waiver of public hearing was appropriate.

The Appellant alleges that the City's granting of the waiver of public hearing was improper because there were members of the community, including the Appellant, who spoke in opposition or with concerns about the original MCUP request at the February 20, 2019 public hearing.

The Appellants argument is without merit. The Applicant acknowledged the issues raised by speakers, including those by the Appellant, at the February 20, 2019 public hearing and the MCUP request was taken under advisement following the hearing. During this time, the Applicant worked to address the majority of concerns raised. The ZA issued its approval for the

⁸ Council File 18-0917.

MCUP request on May 13, 2019 and the required 15 day appeal period ended on May 28, 2019. No appeal was filed during this appeal period, including from the Appellant.

Further, the ZA's granting of the waiver of the public hearing was proper and in compliance with the approved MCUP, the Conditions of Approval, and City policy. Specifically, MCUP Condition of Approval No. 6 states that any application may request a waiver of public hearing at the discretion of the Chief ZA, subject to the findings that (1) the project will not have a significant effect on adjoining properties or on the immediate neighborhood; and (2) the project is not likely to evoke public controversy. As discussed in response no. 1 above, the Applicant submitted a request to waive the public hearing to the ZA on September 13, 2021 stating that the project would not have a negative impact on the community because the MPA results in less floor area than proposed in the original MCUP, and would not evoke public controversy because no appeal was filed. The City granted the request to waive the public hearing and made a determination on the Project on September 16, 2021. The Appellant's opposition to the overall project is untimely as he participated in the original MCUP hearing on February 20, 2019 and was provided ample opportunity to file an appeal to that determination and chose not to do so. It is not the responsibility of the ZA to infer controversy where none exists and thus the granting of the request to waive the public hearing for the Project complied with the conditions of the original MCUP and City Policy.

6. The Determination Letter Includes All Relevant Information.

The Appellant alleges that the ZA's September 16, 2021 determination letter on the MPA excludes relevant and significant information. Specifically, the Appellant appears to argue that the ZA neglected to reference the case numbers for the 2019 MCUP, the other 2021 MPA for Restaurant 1, and all other similar cases in the neighborhood. This argument is without merit.

As stated above, the Project approved under the original MCUP included three tenant spaces, the service of alcohol beverages and allowance for special events in the Event Space. The City approved the MCUP in 2019. The purpose of a master conditional use permit is to allow the City to evaluate the proposed venues on an aggregate scale to streamline future review of the venues individually at a later date. Specifically, before a venue may utilize the grant under the MCUP, each is required to submit a master plan approval to be reviewed by the City so site-specific conditions may be considered based on the more detailed information provided during this master plan approval process. As a matter of process, each venue is to submit a separate master plan approval and is assigned separate case numbers, even if submitted for consideration by the City at the same time and located in the same building. The MPA in question is related specifically to the Event Space only, but very clearly identifies the 2019 MCUP and MPA for Restaurant 1 on the first page of the determination letter, and subsequently on page 17 of the required findings. The ZA made a determination that there were no relevant cases located off-site, which is consistent with the similar determination made for the 2019 MCUP where no relevant off-site cases were also listed. Thus the determination letter includes all relevant information.

SheppardMullin

Area Planning Commission

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Alfred Fraijo Jr.', with a stylized flourish at the end.

Alfred Fraijo Jr.
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

SMRH:4865-9648-2820.2

DAY OF HEARING SUBMISSIONS