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February 9, 2018

Michelle Marini (A)  
The Falls Bar, Limited Partnership  
5823 Green Oak Drive  
Los Angeles, CA 90068

City Loft, LLC (O)  
9440 Santa Monica Boulevard  
Beverly Hills, CA 90210

Gary Benjamin (R)  
Alchemy Planning + Land Use  
4470 West Sunset Boulevard, Unit 447  
Los Angeles, CA 90027

CASE NO. ZA 2012-967(CUB)(PA1)  
APPROVAL OF PLANS  
626 South Spring Street, Unit A  
Central City Planning Area  
Zone : C2-4D  
C.D. : 14  
D.M. : 127-5A211  
CEQA: ENV-2017-2635-CE  
Legal Description: Lot 1, Tract 60612-C

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

An approval of plans to allow the continued sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with an existing restaurant/bar with limited live entertainment in the C2-4D Zone.

Upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.
2. The use and development of the property shall be in substantial conformance with the plot plan and floor plan submitted with the application and marked Exhibit "A", except as may be revised as a result of this action.
3. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
4. Any graffiti painted or marked upon the premises or on any adjacent area under the control of the Petitioner(s) shall be removed or painted over within 24 hours of being

applied and shall be painted so as to match the color of the wall where graffiti was not applied.

5. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Department of City Planning's Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
6. **DELETED.** Indemnification. The applicant shall defend, indemnify and hold harmless the City, its agents, officers, or employees from any claim, action, or proceeding against the City or its agents, officers, or employees to attack, set aside, void or annul this approval which action is brought within the applicable limitation period. The City shall promptly notify the applicant of any claim, action, or proceeding and the City shall cooperate fully in the defense. If the City failed to promptly notify the applicant of any claim action or proceeding, or if the City fails to cooperate fully in the defense, the applicant shall not thereafter be responsible to defend, indemnify, or fold harmless the City.
7. **MODIFIED.** Herein is the sale and dispensing of a full line of alcoholic beverages for on-site consumption, in conjunction with a an existing 1,932 square-foot restaurant and bar and seating for 80 indoor patrons and an existing 164 square-foot outdoor patio with seating for 23 outdoor patrons. Hours of operation are 11:00 a.m. to 4:45 2:00 a.m., daily. ~~The sale of alcoholic beverages shall be limited pursuant to Condition No. 51.~~
8. **DELETED.** The authorization granted herein for the on-site sale and dispensing of a full line of alcoholic beverages is for a period of five (5) years from the effective date of this grant. Thereafter, a new authorization to allow the on-site sale of a full line of alcoholic beverages will be required.  
  
~~The applicant is advised that he/she should allow appropriate time for a new entitlement application to be processed and the application should be approved prior to the expiration date of this grant in order to continue the sale of alcoholic beverages at the bar.~~
9. 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.
10. A Revocable Permit shall be obtained from the Department of Public Works to allow the outdoor patio to be located in the public sidewalk area. Alcohol sales in the outside patio area are allowed only with accompanying food orders.

11. **MODIFIED.** A barrier shall be ~~installed~~ maintained separating the outdoor patio area from the sidewalk.
12. There shall be no patron dancing permitted.
13. No pay phone shall be maintained on the exterior of the property.
14. The applicant and its operator shall provide a detailed security plan to be approved by LAPD prior to establishing the use. The Security Plan approved by the LAPD shall be submitted to the Department of City Planning's Development Services Center prior to establishment of the use.
15. No booth or group seating shall be installed which completely prohibits observation of the occupants.
16. The operator shall retain full control of all events within the subject premises. The premises shall not be sublet to an independent promoter for any purpose
17. **MODIFIED.** Live entertainment shall be permitted only indoors and is limited to a DJ or up to four musicians, limited to a jazz trio or ambient music. All doors shall remain closed during the performance of live music or karaoke music, except to allow for patrons to enter and exit the premises. Karaoke is permitted, subject to the following limitations:
  - a. Karaoke shall not be conducted in individual rooms. No partitions separating the karaoke areas from the main bar are permitted.
  - b. No enclosed room, other than restrooms, intended for use by patrons or customers shall be permitted. No private dining room with a separate access door shall be permitted.
  - c. A karaoke permit shall be obtained from the Los Angeles Police Commission. A copy shall be submitted to the Department of City Planning for inclusion in the case file within 30 days of its issuance.
  - d. Surveillance tapes shall be furnished to the Los Angeles Police Department upon request. A staff member shall be present at all times who has the authority to meet the Police Department's request to view and/or copy images captured on the video surveillance system. Recorded tapes/images shall be retained for a minimum period of thirty (30) days. Staff shall provide the name and telephone numbers of all persons authorized to meet with the LAPD to the Department of City Planning prior to the use and occupancy of any karaoke room.
18. There shall be no Adult Entertainment of any type pursuant to Section 12.70 of the Municipal Code.
19. There shall be no coin-operated games or video machines permitted on the premises at any time.

20. No pool or billiard table may be maintained on the premises.
21. ~~**DELETED.** There shall be no karaoke, topless dancing, and nude dancing pursuant to Los Angeles Municipal Code Section 12.70 permitted on the premises at any time.~~
22. The property owner shall be responsible for maintaining free of litter the area adjacent to the property, including the outdoor sidewalk smoking area.
23. **MODIFIED.** Any music, sound or noise emitted from the subject businesses shall comply with the noise regulations in the Los Angeles Municipal Code. All outside personnel associated with music performance and/or acoustical sound shall follow the City's noise regulations and are required to comply. No amplification of music shall be made to the patio. No doors shall be propped open when live music is performed or when karaoke is conducted.
24. Off-street parking shall comply with the applicable provisions of the Los Angeles Municipal Code.
25. Each business operator shall install and maintain surveillance cameras in all areas of the premises, including the patio area and a 30 day video library that covers all common areas of such business, including all high-risk areas and entrances or exits. The tapes shall be made available to the Police Department upon request.
26. Electronic age verification device(s) which can be used to determine the age of any individual attempting to purchase alcoholic beverages shall be installed on the premises at each point-of-sale location. The device(s) shall be maintained in an operational condition and all employees shall be instructed in their use prior to the sale of any alcoholic beverages or tobacco products.
27. **MODIFIED.** ~~Within six months of the opening of the premise,~~ all personnel acting in the capacity of a manager and all personnel who serve alcoholic beverages, and including all security personnel, shall attend a Standardized Training for Alcohol Retailers (STAR) session sponsored by the Los Angeles Police Department. All employees who serve alcoholic beverages shall attend initial or follow-up STAR classes every 24 months. The business operator shall submit a copy to the Department of City Planning's Development Services Center of evidence from the Police Department that such training was completed within 30 days of the training event.
28. The business operator of the premises shall maintain on that premises, and present upon request to any law enforcement officer, a copy of the Business Permit, insurance information, and a valid emergency contact phone number for any valet service used by the business.
29. The operator shall be responsible for mitigating the potential negative impacts of its operation on surrounding uses, especially, noise derived from patrons exiting and crowd control during entry and exiting.

30. All security personnel shall maintain order therein and prevent any activity that would interfere with the quiet enjoyment of their property by nearby residents. The security personnel shall, to the reasonable extent possible:
  - a. Encourage patrons to exit quietly
  - b. Provide supervised security staff-assisted escorts especially at closing, from the location to the patron's car.
  - c. Patrol the parking area utilized by patrons.
31. **MODIFIED.** During the operation hours of the business, the petitioner(s) shall provide a minimum one (1) security officer(s) inside the premises on an as-needed basis at all times. ~~Security personnel shall be based on patronage but at minimum shall be maintained at a rate of one (1) security staff person per 75 patrons.~~
32. Said personnel shall be licensed consistent with State law and Los Angeles Police Commission standards and maintain an active American Red Cross first-aid card. The security personnel shall be dressed in such a manner as to be readily identifiable to patrons and law enforcement personnel.
33. The business operator shall be responsible for maintaining the security guard(s) as identified in the attached "Security Plan" and maintaining a contract for such service and receipts showing ongoing payment for such service. (See attached Security Plans located in case file).
34. Security shall monitor the sidewalk and patio area and work to discourage noise or nuisance behavior.
35. The rear/side door(s) of the premises shall be equipped on the inside with an automatic locking device and shall be kept closed at all times. This door(s) shall not be used as a means of access by patrons to and from the premises. Temporary use of this door(s) for delivery of supplies does not constitute a violation. Side door(s) are not to consist solely of a screen or ventilated security door.
36. **MODIFIED.** The approved conditions shall be retained on the premises at all times and produced immediately upon request of the Police Department ~~and~~ or City Planning.
37. Loitering is prohibited on or around these premises or the area under control of the applicant.
38. **DELETED.** ~~The business operator shall install and maintain at each point of sale an age verification device to preclude sales to minors.~~
39. A 24-hour "hot line" phone number shall, be provided for the receipt of complaints from the community regarding the subject facility and shall be:
  - a. Posted at the entry.

- b. Posted at the Customer Service desk.
  - c. The property owner/operator shall keep a log of complaints received, the date and time received, and the disposition of the response.
  - d. The log shall be available for inspection by the LAPD and Zoning Administrator upon request.
40. The property owner/operator shall keep a log of complaints received, the date and time received and the disposition of the response.
41. ~~DELETED. Prior to the clearance of any conditions, the applicant shall show proof that all fees have been paid to the Department of City Planning, Expedited Processing Section.~~
42. Prior to 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 for CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. This agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Department of City Planning for attachment to the subject case file.
- ~~DELETED. The following conditions are alcoholic beverage specific conditions volunteered by the applicant and shall be complied with:~~
43. ~~DELETED. Venue operator, owner, and its personnel shall, at all times, maintain a policy of not serving obviously intoxicated patrons and taking preventative measures to help avert intoxication-related problems, as follows:~~
- a. ~~Free non-alcoholic beverages shall be offered ongoing for designated drivers.~~
  - b. ~~Bottled water shall be made available to departing patrons.~~
44. ~~DELETED. Security personnel shall take steps necessary to prevent departing guests who appear to be intoxicated from driving, including, observing patrons as they are walking them to their cars and actively encouraging the alternative use of designated sober drivers and/or having the security personnel call a taxi cab or driving service and/or providing such patrons the name of nearby hotels for overnight stay.~~
45. ~~DELETED. Sales and delivery of alcoholic beverages to customers shall be made from behind a counter where a clerk shall obtain the product. No self-service of alcoholic beverages is permitted.~~
46. ~~DELETED. No bottle sales off-site shall be permitted.~~

47. **DELETED.** ~~No person under 21 years of age shall sell or deliver alcoholic beverages. The sale of distilled spirits by the bottle for same day or future consumption is prohibited.~~
48. **MODIFIED.** There shall be no exterior advertising or signs of any type, including advertising directed to the exterior from within, promoting or indicating the availability of alcoholic beverages, except for an 8 1/2"inch by 11 inch sized menu and/or sandwich sign to be posted outside the premise and Secondary language on the wall sign below the posted name of the business, "The Falls", to read "COCKTAILS" as shown in "Exhibit B". Interior displays of alcoholic beverages or signs which are clearly visible to the exterior shall constitute a violation of this condition. This condition is not meant to preclude an interior display of alcoholic beverage containers within the interior of the bar space. ~~The only exception to this restriction is the posting of a single menu on the outside wall.~~
49. **DELETED.** ~~The sale of alcoholic beverages shall be limited from 11:00 a.m. to 1.45 a.m., daily.~~

#### ADMINISTRATIVE CONDITIONS

50. **NEW.** The Zoning Administrator reserves the right to require that the 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 be submitted showing a 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, 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 this review, the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.
51. **NEW.** MViP – Monitoring Verification and Inspection Program. Prior to the effectuation of this grant, fees required per LAMC Section 19.01-E,3 for Monitoring of Conditional Use Permits and Inspection and Field Compliance Review of Operations shall be paid to the City. 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.

**52. NEW. INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.**

Applicant shall do all of the following:

- a. Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- b. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- c. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- d. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- e. If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

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



retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

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

“Action” shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions include 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 **FEBRUARY 26, 2018**, unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>**. Public offices are located at:

**Downtown**  
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,  
Room 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 staff assigned to this case. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

**FINDINGS OF FACT**

After thorough consideration of the statements contained in the application, the plans submitted therewith, and the statements made at the public hearing on October 5, 2017, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements for authorizing a plan approval under the provisions of Section 12.24-M have been established by the following facts:

**BACKGROUND**

The subject site, comprised of one lot, is a level, rectangular-shaped parcel with approximately 61 feet of frontage on the South Spring Street and approximately 61 feet of frontage on Harlem Place (a public alleyway adjacent to the rear of the site). The subject property is zoned C2-4D with a land use designation of Regional Center Commercial within the Central City Community Plan Area. The site is improved with a six-story building known as the City Lofts Building. The building is located on South Spring Street between 6th and 7th streets and was built in 1912 as the Mortgage Guarantee Building. The subject building is registered in the California Register of Historic Resources (State Property No. 079891 - evaluation dates: August 10, 1979, April 21, 2000 and & April 12, 2001), and registered in the National Register of Historic Resources (State Property No. 020908).

The building includes five stories of apartment units above two ground floor commercial spaces. Both tenant spaces A and B are occupied by bars. The subject restaurant/bar (as identified through Letter of Correction dated March 8, 2013) includes 1,932 square feet of interior space with 80 seats and a 164 square-foot outdoor patio with 23 seats. The restaurant/bar is located in the Spring Street Financial District and Downtown's Historic Financial District in the heart of downtown. The restaurant/bar is located in close proximity to a wide variety of retail, dining, and entertainment venues; many of which are located in mixed-use structures developed through the city's Adaptive Reuse Program. The site is also located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive area, and the Central Business District Redevelopment Project area.

Tenant Space A was previously approved for the on-site sale and dispensing of a full line of alcoholic beverages with limited live entertainment under Case Nos. ZA 2012-967-CUB and ZA 2009-1889(CUB). The existing restaurant/bar provides seating for 80 persons within its interior floor space, including service bar seats. The outdoor patio provides seating for 23 persons.

The applicant is requesting an approval of plans to allow the continued sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with an existing bar with limited live entertainment. The applicant does not propose any new physical improvements to the existing bar. The request herein seeks to:

1. Modify Condition No. 7 to extend the hours of operation from 11:00 a.m. to 1:45 a.m., daily to 11:00 a.m. to 2:00 a.m., daily.
2. Modify Condition No. 17 to permit additional forms of entertainment, including karaoke and DJ.
3. Modify Condition No. 31 to modify the security guard requirement.
4. Delete Condition No. 47 to allow ABC to determine appropriate handling and service of alcohol.
5. Modify Condition No. 48 to permit limited advertising of alcoholic beverages to be posted outside the premises.

Records from the California Department of Alcoholic Beverage Control show that the Falls Bar has active Type 48 and 58 ABC licenses (License No. 520028) since July 31, 2012. No active disciplinary action was found.

Properties to the north abutting the subject property are zoned C2-4D and are improved with mixed-use residential and retail structures. Properties to the west across South Spring Street are zoned C5-4D and are improved with mixed-use residential and retail structures and surface parking lots. Properties to the south abutting the subject property are zoned C2-4D and are improved with mixed-use residential and office structures. Properties to the east abutting the subject property are zoned C2-4D and are improved with surface parking lots.

Spring Street, adjoining the subject property to the northwest is designated as a Modified Avenue II dedicated with a varying width to 80 feet and improved to a width of 52 feet with curb, gutter, sidewalk, and bicycle lanes.

**Previous Relevant Cases, Affidavits, Permits, and Orders on the Applicant's Property:**

Case No. ZA 2013-1925(CUB) - On January 15, 2014, the Zoning Administrator approved a conditional use to permit the on-site sales and dispensing of a full line of alcoholic beverages in conjunction with an existing bar/restaurant in the C2-4D Zone.

Case No. ZA 2012-967(CUB) - On August 21, 2012, the Zoning Administrator approved a conditional use to permit the sale and dispensing of a full-line alcoholic beverages and live entertainment limited to a jazz trio or ambient music in conjunction with an existing restaurant/bar in the C2-4D Zone.

Case No. ZA 2009-1889(CUB) - On October 6, 2009, the Zoning Administrator approved a conditional use to permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption with live entertainment limited to a jazz trio in conjunction with a restaurant/bar in the C2-4D Zone.

**Previous Relevant Cases on Surrounding Properties**

Case No. ZA 2016-1681 (CUB) - On November 29, 2016, the Zoning Administrator approved a conditional use to permit the sale and dispensing of beer and wine for on-site consumption in conjunction with a proposed restaurant in the [Q]C5-4D-CDO-SN and C5-4D Zones, located at 531-545 South Spring Street.

Case No. ZA 2015-633(CUB)(ZV) - On September 19, 2016, the Zoning Administrator approved conditional use to permit the sale and dispensing of a full-line of alcoholic beverages for on-site consumption in conjunction with a bar/lounge with live entertainment and games in the C5-4D Zone, located at 206 West 6<sup>th</sup> Street.

Case No. ZA 2015-3123 (CUB) - On February 24, 2016, the Zoning Administrator approved a conditional use to permit the sale and dispensing of beer and wine for on-site consumption in conjunction with a proposed restaurant in the [Q]C5-4D-CDO-SN and C5-4D Zones, located at 531-545 South Spring Street.

Case No. ZA 2015-1255(CUB) - On December 22, 2015, the Zoning Administrator approved a conditional use to permit the on-site sale of a full line of alcoholic beverages in conjunction with a restaurant in the [Q]C5-4D-CDO Zone, located at 510 South Broadway.

Case No. ZA 2014-4732(CUB) - On September 21, 2015, the Zoning Administrator approved a conditional use to permit the sale and dispensing of beer and wine only for on- and off-site consumption, in conjunction with a fashion retail shop and wine bar in the [Q]C5-4D and C5-4D Zone, located at 541 South Spring Street.

Case No. ZA 2014-4270(CUB) - On August 7, 2015, the Zoning Administrator approved a conditional use to permit the sale and dispensing of beer and wine for off-site consumption in conjunction with an existing mini-mart in the [Q]C5-4D-CDO Zone, located at 219 West 7<sup>th</sup> Street, Unit 231.

Case No. ZA 2014-2037(CUB)(CUX) - On June 9, 2015, the Zoning Administrator approved a conditional use to permit the sale of a full line of alcoholic beverages and live entertainment with public dancing in conjunction with a proposed bar in the C2-2D Zone, located at 131 East 5th Street.

Case No. ZA 2013-3011(CUB) - On August 8, 2014, the Zoning Administrator approved a conditional use to permit the sale of a full line of alcoholic beverages for on-site consumption in conjunction with a proposed pharmacy in the C5-4D Zone, located at 210 West 7th Street.

Case No. ZA 2013-3234(CUB) - On April 22, 2014, the Zoning Administrator approved a conditional use to permit the continued sale of beer and wine for on-site consumption in conjunction with an existing restaurant in the C5-4D Zone, located at 322-324 West 7th Street.

Case No. ZA 2013-2111(CUB)(CUX) - On December 13, 2013 the Zoning Administrator approved a conditional use to permit the sale and dispensing of a full line of alcoholic beverages for on-site consumption with live entertainment and limited incidental dancing in conjunction with a new restaurant in the C2-4D Zone, located at 712 South Spring Street and 713-717 South Main Street.

Case No. ZA 2012-3462(CUB) - On April 23, 2013 the Zoning Administrator approved a request for a conditional use to permit the on-site sales and dispensing of a full line of alcoholic beverages in conjunction with an existing café in the C2-4D Zone, located at 600 South Spring Street, 610 South Spring Street #108, 114 West 6th Street# 601, and 629 South Main Street.

Case No. ZA 2012-0231(CUB) - On May 22, 2012, a public hearing was conducted to consider a Conditional Use to permit the sale of beer and wine only for off-site consumption, in conjunction with a 24-hour daily convenience store. At that time, additional information was requested prior to making a final determination on the request. On May 16, 2014, the case was terminated for lack of progress taken on the case.

Case No. ZA-2011-2547(CUB) - On February 24, 2012, the Zoning Administrator approved a conditional use to permit the sale of beer and wine for on-site consumption in conjunction with an existing café in the C2-4D Zone, located at 108 West 5th Street.

Case No. ZA 2011-2123(CUB)(CUX) - On January 18, 2012, the Zoning Administrator approved a conditional use to permit the sale and dispensing of a full-line of alcoholic beverages for on-site consumption in conjunction with a proposed restaurant/bar in the [Q]C5-4D-CDO Zone, located at 618 South Broadway.

Case No. ZA 2010-2511(CUB) - On December 7, 2010, the Zoning Administrator approved a conditional use to permit the sale and dispensing of full line of alcoholic beverages for on-site consumption in conjunction with a proposed bar/lounge in the [Q]C5-4D-CDO Zone, located at

221 West 7th Street

Case No. ZA 2010-3384(CUB)(CUX) - On April 13, 2011, the Zoning Administrator approved a conditional use to permit the sale and dispensing of a full-line of alcoholic beverages for on-site consumption and beer and wine for off-site consumption in conjunction with the expansion of an existing restaurant in the [Q]C5-4D-CDO Zone, located at 686-654 South Broadway.

Case No. ZA 2009-3928(CUB)(CUX) - On March 8, 2011, the Zoning Administrator approved a conditional use to permit the sale of a full line of alcoholic beverages for on-site consumption with patron dancing and live entertainment in conjunction with a proposed banquet hall lounge in C5- 4D Zone, located at 650 South Spring Street.

### **PUBLIC CORRESPONDENCE**

No communications were received prior to the completion of this Letter of Determination.

### **Staff Review of Compliance with Conditions**

Staff review of compliance with conditions from Case No. ZA 2012-0967(CUB) indicated the subject operation is generally in compliance with the Conditions of Approval. Two conditions were noted as having online resources that showed otherwise for Condition Nos. 7 and 21. However, no evidence has been submitted showing the operation is not in compliance with these conditions.

### **PUBLIC HEARING**

The public hearing was held on October 5, 2017 at 10:00 a.m. There were two persons in attendance – the applicant and her representative.

Gary Benjamin, representative for Michelle Marini, the applicant, indicated that the applicant was present and made the following comments:

- A copy of the Powerpoint presentation was submitted to the record.
- The restaurant, The Falls Bar opened in 2010.
- It's well known for happy hour, and its flatbread.
- The first Conditional Use permit occurred in 2010 for the establishment of alcohol sales and was subsequently modified in 2012 with a second Conditional use entitlement for which the restaurant is currently operating under. The patio addition was a part of this application.
- The applicant is now asking for a Plan Approval to accomplish the following:
  - To add one hour of closing time to the existing 1am to 2 am.
  - To add karaoke and other live music than a quartet.
  - The Falls is also requesting that the "Cocktails" sign on the outside of the storefront remain.
  - That distilled spirits be served by the bottle at the two existing booths. Drinks will be poured by a server – there will be no self-service.
  - They request that the security condition be modified to indicate one (1) security guard as oppose to one (1) security guard for every 75 patrons. Such condition and the ratio was derived from an industry standard previously.

- The applicant intends to abide by the noise ordinance requirements and currently has no problems with the building owner, the neighborhood, or police with noise.
- They have met with the Certified Neighborhood Council who will vote on October 10, 2017 regarding this case.
- They have met with LAPD who has indicated that they have no problems with the project.
- CD 14 has also been consulted and they have not yet responded.

Michelle Marini, the applicant responded to the Zoning Administrator when asked, "How are noise issues handled thus far"? The applicant indicated that their doorman answers a telephone hotline number to address any concerns from the neighbors. If anyone did complain about noise from the restaurant, entertainment or otherwise, the doors would be closed immediately and other measures taken.

The Zoning Administrator closed the public hearing and stated that he finds the testimony favorable and subject to making the findings in review of the case, will likely result in conditional approval requiring the closure of the doors during times of entertainment performances. Further, the case will be under advisement for a minimum of two weeks to allow the LAPD and the Neighborhood Council to provide their comments.

#### **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.

No recommendations have been submitted for consideration.

#### **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 plan approval from the Zoning Administrator are located within Section 12.24-M of the Los Angeles Municipal Code. In order for the sale of a full line of alcoholic beverages for on-site consumption to be authorized, certain designated findings have to be made. In these cases, there are additional findings in lieu of the standard findings for most other conditional use categories.

**AUTHORITY FOR PLAN APPROVAL**

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

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

1. Development of Site. On any lot or portion of a lot on which a deemed-approved conditional use is permitted pursuant to the provisions of this section, new buildings or structures may be erected, enlargements may be made to existing buildings, existing uses may be extended on an approved site, as permitted in Subsection L of this Section, provided plans are submitted to and approved by the Zoning Administrator, the Area Planning Commission, or the City Planning Commission, whichever has jurisdiction at that time ...".

**CONDITIONAL USE FINDINGS**

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 request involves the review of the current operation and condition compliance for the continued sales of a full line of alcoholic beverages for on-site consumption within an existing bar. The bar previously obtained a Conditional Use in Case No. ZA 2012-0967(CUB) for the on-site sale and consumption of a full line of alcoholic beverages and has been in operation since 2013 without any known issues. The subject site, comprised of one lot, is located in the heart of Downtown Los Angeles on Spring Street, in the Historic Financial District. The site is improved with a five-story structure consisting of apartment units above two ground floor commercial spaces. Both tenant spaces A and B are occupied by bars. The subject bar includes 1,932 square feet of interior space and a 164 square-foot outdoor patio.

The existing restaurant/bar has been in operation by the applicant for approximately five years and has successfully operated with no known issues. The applicant proposes some changes to the existing grant which have been incorporated in part here in. The requested changes include extending the restaurant/bar's closing time to 2:00 a.m., daily, permitting additional forms of live entertainment, a DJ and karaoke, permitting a reduction in the quantity of security staff members present on site at a given time, permitting the sale of distilled spirits by the bottle, and permitting limited exterior advertisements promoting the availability of alcoholic beverages. The applicant does not propose additions or changes to other conditions of approval and seeks to continue the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with the existing bar. Records from the California Department of Alcoholic Beverage Control show that the Falls Bar has active Type 48 and 58 ABC licenses (License No. 520028) since July 31, 2012. No active disciplinary action was found. The continued conditional use authorization will not add an additional ABC License to the area.

Surrounding properties along Spring Street in the Downtown Los Angeles Historic Financial Center include a diverse range of uses including restaurants, retail, residential, entertainment, and hotel uses. Several theaters, including the Los



Angeles Theater and Palace Theater, are located within two blocks to the northwest on South Broadway. The area is a regional destination for local residents and is an emerging destination for tourists. The area has seen a significant increase in the quantity of entertainment, restaurant, and retail venues over the past decade. A variety of entertainment and restaurant uses are an intrinsic part of the amenities necessary for the conservation, development, and success of a vibrant urban neighborhood. The continued restaurant/bar use and compliance with the conditions of approval herein will assure that the continued service of a full line of alcoholic beverages for on-site consumption will not be disruptive to the surrounding urban mixed-use community. The continued availability of a full line of alcoholic beverages for on-site consumption in conjunction with an existing bar will offer an amenity to the local community, local employees, the patrons of adjacent retail, and the residents in the neighborhood.

**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.**

This grant continues to permit the sale and dispensing of a full line of alcoholic beverages and limited entertainment. The restaurant/bar has been in operation since 2013 and has in general demonstrated compliance with the conditions of approval established under Case No. ZA 2012-967(CUB), as indicated above.

Further, as indicated by the LAPD, the site has not been the subject of any nuisance activity or problems. The nature of the restaurant/bar consists of limited live entertainment and the sale and dispensing of a full line of alcoholic beverages for on-site consumption. The applicant seeks to expand the limited live entertainment offerings to accommodate up to four musicians and include karaoke and DJ. The applicant will continue to maintain Type 48 and 58 ABC licenses. Further, the restaurant/bar operator has submitted a security plan, which includes provisions for allocation of security officers dependent on quantity of patrons, utilization of electronic age verification for alcohol sales, and continued maintenance of an existing security camera system in interior and exterior areas of the restaurant/bar.

Given that the restaurant/bar's location is in a major urban dining, shopping and entertainment area and that all activities associated with alcohol consumption will occur within the building and the designated patio area, there is not a high propensity for the sale of alcohol at the bar to result in actions detrimental to the public welfare. As discussed above, the bar operator has submitted a security plan that will ensure the restaurant/bar and surroundings are maintained in a secure manner. Properties surrounding the subject site and generally improved with mixed-use residential and commercial (retail, dining, entertainment uses) structures or surface parking lots, in the C2-4D Zone or C5-4D Zone.

The existing use and continued operation will continue to promote revitalization efforts in the Downtown Core as a community with amenities for residents and tourists, including dining, retail, and entertainment establishments. Conditions have been imposed to encourage continued responsible management and deter criminal

activity. As conditioned, the operation of the restaurant/bar with the sale of a full line of alcoholic beverages for on-site consumption will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety and the development of the community.

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

The City's General Plan consists of eleven elements that establish policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The subject site is located in the Central City Community Plan. The Plan Map designates the property for Regional Center Commercial land uses with corresponding zones of CR, C1.5, C2, C4, C5, R3, R4, R5, RAS3, and RAS4. The land use designation and commercial zoning permits a wide variety of mixed commercial and residential uses including the subject bar. The Central City Community Plan text is silent in regards to alcohol sales. In such cases, the Zoning Administrator must interpret the intent of the Plan. The purpose of the Central City Community Plan is to promote an arrangement of land use, circulation, and services which will encourage and contribute to the economic, social, and physical health, safety, welfare, and convenience to the community. The existing use and modified conditions are consistent with and advances the following objective and policy identified in the Community Plan:

*Objective 2-4:* To encourage a mix of uses which create an active, 24-hour downtown environment for current residents and which would also foster increased tourism.

*Policy 2-4.1:* Promote night life activity by encouraging restaurants, pubs, night clubs, small theaters, and other specialty uses to reinforce existing pockets of activity.

The request is also consistent with General Plan Framework Element objectives and policy:

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

*Objective 7.3:* Maintain and enhance the existing businesses in the City.

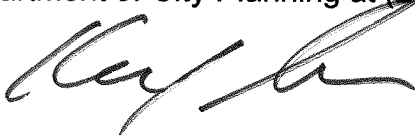
*Policy 7.3.2:* Retain existing neighborhood commercial activities within walking distance of residential areas.

Given the scope of the conditions and limitations established by the previous determination, the surrounding land uses will not be significantly impacted by the continued operation of the proposed use. The existing use conforms with the intent, purpose, and provisions of the General Plan and the Central City Community Plan by offering a service that will address the needs of all visitors and residents in the community. The Plan Approval is, therefore, consistent with the purpose and intent of the General and Community Plans.

**ADDITIONAL MANDATORY FINDINGS**

4. 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 C, areas outside of a flood zone.
5. DETERMINED based on the whole of the administrative record, that the Project is exempt from CEQA pursuant to CEQA Guidelines, Section 1, Class 5, Category 23, 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 Will Huguen, Planning Staff for the Department of City Planning at (213) 978-1182.



HENRY CHU  
Associate Zoning Administrator

HC:HB:WH:bk

cc: Councilmember Jose Huizar  
Fourteenth Council District  
Adjoining Property Owners