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August 4, 2022

Steven Hakim (A) (O)  
Melrose Highland, LLC  
9350 Wilshire Boulevard, #300  
Beverly Hills, CA 90212

Terri Dickerhoff (R)  
CGR Development  
5635 Evening Sky Drive  
Simi Valley, CA 93063

CASE NO. ZA-2022-1671-CUB  
CONDITIONAL USE  
6535 West Melrose Avenue, #102  
(6535-6537 West Melrose Avenue, 700-  
712 North Highland Avenue)  
Hollywood Community Plan  
Zone: [Q]C2-1VL-SN  
C.D: 5 – Koretz  
D.M.: 141B185  
CEQA: ENV-2022-1672-CE  
Legal Description: Lots FR1 208 and FR  
209, Tract 4427

Pursuant to California Environmental Quality Act, I hereby DETERMINE:

based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15301, Class 1 (Existing Facilities), and Section 15305, Class 5 (Minor Changes in Land Use Limitations), and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the State CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies.

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

a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a proposed restaurant in the [Q]C2-1VL-SN 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. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
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 Los Angeles City Planning and the Department of Building and Safety for purposes of having a building permit issued at any time during the term of this grant.
6. Prior to the effectuation of this grant, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to Los Angeles City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided for inclusion in case file.
7. Authorized herein is the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a 2,605 square-foot restaurant and two outdoor uncovered patios in the public right-of-way totaling 511 square feet. The grant shall be subject to the following limitations:
  - a. The hours of operation shall be limited to 7:00 a.m. to 11:00 p.m., daily, for the indoor restaurant. Hours of operation for the outdoor patios are limited to 7:00 a.m. to 10:00 p.m., daily.
  - b. Indoor seating shall be limited to a maximum total of 56 seats provided that number of seats does not exceed the maximum allowable occupant load as determined by the Department of Building and Safety.
  - c. Outdoor seating in the public right-of-way shall be limited to a maximum of 28 seats. A Revocable Permit from the Bureau of Engineering, Department of Public Works is required for the outdoor dining located in the public right-of-way. The final number of seats and their location may be modified by said agency in order to provide accessibility and required clearances from existing structures. A copy of the approved Revocable Permit, including a plot plan and

any conditions thereto, shall be provided to Los Angeles City Planning prior to placing any seating in the public right of way as permitted by this grant.

8. No after-hours use is permitted, except routine clean-up. This includes but is not limited to private or promotional events, special events, excluding any activities which are issued film permits by the City.
9. Parking shall be provided in compliance with the Municipal Code and to the satisfaction of the Department of Building and Safety. No variance from the parking requirements has been requested or granted herein.
10. Coin operated game machines, pool tables or similar game activities or equipment shall not be permitted. Official California State lottery games and machines are allowed.
11. There shall be no Adult Entertainment of any type pursuant to LAMC Section 12.70.
12. A camera surveillance system shall be installed and operating at all times to monitor the interior, entrance, exits and exterior areas, in front of and around the premises. Recordings shall be maintained for a minimum period of 30 days and are intended for use by the Los Angeles Police Department.
13. All exterior portions of the site shall be adequately illuminated in the evening so as to make discernible the faces and clothing of persons utilizing the space. Lighting shall be directed onto the site without being disruptive to persons on adjacent properties.
14. **Complaint Log.** Prior to the utilization of this grant, a telephone number and email address shall be provided for complaints or concerns from the community regarding the operation. The phone number and email address shall be posted at the following locations:
  - a. Entry, visible to pedestrians.
  - b. Customer service desk, front desk or near the hostess station.

Complaints shall be responded to within 24-hours. The applicant shall maintain a log of all calls and emails, detailing: (1) date complaint received; (2) nature of complaint, and (3) the manner in which the complaint was resolved.

15. **STAR/LEAD/RBS Training.** Within the first six months of operation, all employees involved with the sale of alcohol shall enroll in the Los Angeles Police Department "Standardized Training for Alcohol Retailers" (STAR) or Department of Alcoholic Beverage Control "Licensee Education on Alcohol and Drugs" (LEAD) training program or the Responsible Beverage Service (RBS) Training Program. Upon completion of such training, the applicant shall request the Police Department or Department of Alcohol Beverage Control to issue a letter identifying which employees completed the training. STAR or LEAD or RBS training shall be conducted for all new hires within three months of their employment.

16. The applicant shall be responsible for monitoring both patron and employee conduct on the premises and within the parking areas under their control to assure behavior that does not adversely affect or detract from the quality of life for adjoining residents, property owners, and businesses.
17. Loitering is prohibited on or around these premises or the area under the control of the applicant. "No Loitering or Public Drinking" signs shall be posted in and outside of the subject facility.
18. At least one on-duty manager with authority over the activities within the facility shall be on the premises at all times that the facility is open for business. The on-duty manager's responsibilities shall include the monitoring of the premises to ensure compliance with all applicable State laws, Municipal Code requirements and the conditions imposed by the Department of Alcoholic Beverage Control (ABC) and the conditional use herein. Every effort shall be undertaken in managing the facility to discourage illegal and criminal activity on the subject premises and any exterior area over which the building owner exercises control, in effort to ensure that no activities associated with such problems as narcotics sales, use or possession, gambling, prostitution, loitering, theft, vandalism or truancy occur.
19. The approved conditions shall be retained on the premises at all times and produced immediately upon request of the Police Department, Department of Alcoholic Beverage Control, or the Department of Building and Safety. The on-site Manager and employees shall be knowledgeable of the conditions herein.
20. The applicant shall be responsible for maintaining free of debris or litter the area adjacent to the premises over which they have control, including the sidewalk in front of the establishment.
21. An electronic age verification device shall be purchased and retained on the premises to determine the age of any individual and shall be installed on at each point-of-sales location. This device shall be maintained in operational condition and all employees shall be instructed in its use.
22. Any music, sound or noise which is under control of the applicant shall not violate Sections 112.06 or 116.01 of the Los Angeles Municipal Code (Citywide Noise Ordinance). At any time, a City representative may visit the site during operating hours to measure the noise levels. If, upon inspection, it is found that the noise level exceeds those allowed by the citywide noise regulation, the owner/operator will be notified and will be required to modify or eliminate the source of the noise or retain an acoustical engineer to recommend, design and implement noise control measures within property such as, noise barriers, sound absorbers or buffer zones.
23. **Private Events.** Any use of the premises for private events, including corporate events, birthday parties, anniversary parties, weddings or other private events which are not open to the general public, shall be subject to all the same provisions and hours of operation stated herein.

24. The establishment shall be maintained as a bona fide eating place (restaurant) with an operational kitchen and shall provide a full menu containing an assortment of foods normally offered in such restaurants. Food service shall be available at all times during operating hours. The establishment shall provide seating and dispense food and refreshments primarily for consumption on the premises and not solely for the purpose of food takeout or delivery.
25. Partitions separating booth/dining areas shall not exceed 54 inches in height. No obstructions shall be attached, fastened or connected to the booths/dining areas within the interior space of the facility that restrict, limit or obstruct the clear observation of the occupants.
26. Valet parking shall be provided to patrons. The availability of said validated parking and the location of said parking shall be made known to the public via the restaurant menu, a posting of the information at readily visible locations and on the restaurant website. The applicant shall provide a copy of the menu, signs or web page, for inclusion in the case file.
27. Valet parking shall be required to obtain all applicable licenses and/or permits from the Department of Transportation and the Los Angeles Police Department. Proof of licenses and/or permits shall be submitted to the Department of City Planning.
28. The valet operator shall be required to obtain a valid LAPD Commission Investigation Division (CID) Valet Operator Permit pursuant to LAMC Section 103.203 (b) and each valet attendant shall have a valid CID permit along with a valid California Driver License in their possession while on duty.

Note: Prior to providing valet services, the applicant should e-mail [ladot.valetop@lacity.org](mailto:ladot.valetop@lacity.org) to begin the application process, review, and approval of valet operations.

29. Passenger loading shall be limited to the existing passenger loading spaces along Highland Avenue, which shall also apply to any valet service, and subject to the approval of the Department of Transportation. No other street parking shall be used by the valet service for passenger loading at any time.
30. Valet service shall not utilize any local streets for the parking of vehicles at any time.
31. 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.
32. No conditional use for dancing has been requested or approved herein. Dancing is prohibited.
33. There shall be no live entertainment or amplified music on the premises. There shall be no karaoke, disc jockey, topless entertainment, male or female performers or fashion shows. Amplified ambience music played by restaurant employees to

compliment the dining experience, shall be limited to background music at a low volume. Independent, professional or amateur disc jockeys are not allowed. A piano or cello shall be permitted to be played on the premises within a wholly enclosed building and only during special events, and shall be subject to the provisions of the hours of operation stated herein.

34. There shall be no speakers or amplified sound/music in the outdoor dining area.
35. The back door(s) shall always be closed during the operation of the premises except in cases of emergency and to permit deliveries.
36. Smoking tobacco or any non-tobacco substance, including from electronic smoking devices, is prohibited in or within 10 feet of the outdoor dining areas in accordance with Los Angeles Municipal Code Section 41.50 B 2 C. This prohibition applies to all outdoor areas of the establishment if the outdoor area is used in conjunction with food service and/or the consumption, dispensing or sale of alcoholic or non-alcoholic beverages.
37. The applicant(s) shall comply with 6404.5(b) of the Labor Code, which prohibits smoking within any place of employment. The applicant shall not possess ashtrays or other receptacles used for the purpose of collecting trash or cigarettes/cigar butts within the interior of the subject establishment.

#### **ADMINISTRATIVE CONDITIONS**

38. **Expedited Processing Section.** Prior to the clearance of any conditions, the applicant shall show proof that all fees have been paid to Los Angeles City Planning, Expedited Processing Section.
39. **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.
  - a. Within 24 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.
  - b. 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.
40. Should there be a change in the ownership and/or the operator of the business, the property owner and the business owner or operator shall provide the prospective new

property owner and the business owner/operator with a copy of the conditions of this action prior to the legal acquisition of the property and/or the business. Evidence that a copy of this determination including the conditions required herewith has been provided to the prospective owner/operator shall be submitted to Los Angeles City Planning in a letter from the new operator indicating the date that the new operator/management began and attesting to the receipt of this approval and its conditions. The new operator shall submit this letter to Los Angeles City Planning within 30 days of the beginning day of his/her new operation of the establishment along with any proposed modifications to the existing the floor plan, seating arrangement or number of seats of the new operation.

41. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant and/or the ABC license of the location, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator (Upon his/her initiative, or upon written request by LAPD or Department of ABC) reserves the right to call for a public hearing requiring the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19-01-E, the purpose of which will be to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office and the Los Angeles Police Department's corresponding division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review, the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

42. **INDEMINIFCATION 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 **AUGUST 19, 2022**, unless an appeal therefrom is filed with the Los Angeles City Planning. 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 Los Angeles 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,  
Fourth 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,  
Second 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 July 19, 2022, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements for authorizing a conditional use approval under the provisions of Section 12.24 W.1 have been established by the following facts:

### **BACKGROUND**

The applicant is requesting a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a proposed new 2,605 square-foot restaurant in a currently vacant commercial tenant space and two outdoor uncovered patios in the public right-of-way totaling 511 square feet. Proposed hours of operation are from 7:00 a.m. to 11:00 p.m., daily, for the indoor portion of the restaurant, and 7:00 a.m. to 10:00 p.m., daily for the outdoor patios.

The subject property consists of two contiguous lots encompassing a total of approximately 14,874 square feet. The rectangular-shaped property is located at the northeastern corner of Melrose Avenue and Highland Avenue, with street frontages of approximately 113 feet along the northern side of Melrose Avenue and approximately 131 feet along the eastern side of Highland Avenue. The subject property is currently developed with a new five-story mixed-use residential building with commercial space on the ground floor. The request is for a new restaurant known as Sushi Palace, which proposes to occupy the currently vacant commercial tenant space at the street corner. Outdoor seating is proposed along both street frontages. No new construction or other physical changes are proposed on the subject property as a part of the request herein.

The subject property is located within the boundaries of the Hollywood Community Plan Area. The Community Plan designates the subject property for Commercial Manufacturing land uses corresponding to the CM and P Zones. The project site is currently zoned [Q]C2-1VL-SN and is thus inconsistent with the existing land use designation. The subject property is also located within the Hollywood Signage (Media District) Sign District and the Los

Angeles State Enterprise Zone. There are no other specific plans, overlays, or interim control ordinances pertaining to the project site.

The surrounding area is heavily urbanized and has generally flat topography. The subject property is located in central Los Angeles at the border of the Hollywood and Hancock Park neighborhoods. The project site is located at the intersection of Melrose Avenue and Highland Avenue, two major arterial roadways in the area lined with a variety of commercial service and residential uses. Immediately adjacent to the project site are a two-story residential development to the east, zoned R2-1XL; a gas station to the south, zoned C4-1D; and a gas station to the west and a surface parking lot and one-story commercial building to the north, all zoned [Q]C4-1VL-SN.

Melrose Avenue, adjoining the subject property to the south, is a designated Avenue II and is currently dedicated to a right-of-way width of approximately 90 feet along the project's street frontage and improved with curb, gutter, and sidewalk.

Highland Avenue, adjoining the subject property to the west, is a designated Avenue I and is currently dedicated to a right-of-way width of approximately 100 feet along the project's street frontage and improved with curb, gutter, and sidewalk.

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

Case No. DIR-2019-647-TOC – On December 13, 2019, the Director of Planning approved a Transit Oriented Communities Affordable Housing Incentive Program project consisting of a five-story mixed-use building with 33 residential units and commercial space on the ground floor at 6535 Melrose Avenue.

**Relevant Cases on Surrounding Properties:**

Staff utilized a 600-foot radius map via the Zoning Information Mapping Access System (ZIMAS) and the Planning Case Tracking System (PCTS), seeking past Zoning Administrator determinations associated with alcohol-related conditional use and patron dancing approvals. The following cases were identified to be within 600 feet of the subject property and filed within the last 10 years:

Case No. ZA-2020-202-CU-CUB-ZV – On August 18, 2021, the Zoning Administrator approved a Conditional Use to permit the sale and dispensing of a full-line of alcoholic beverages, for on-site sale and consumption in conjunction with a private club use on the rooftop of an existing two-story commercial building in the C4-1XL Zone, with hours of operation from 7:00 a.m. to 11:00 p.m. Sunday through Thursday and from 7:00 p.m. to 12:00 a.m. Friday through Saturday, located at 706-710 North Citrus Avenue and 6623-6627 West Melrose Avenue.

Case No. ZA-2020-4901-CUB – On December 8, 2020, the Zoning Administrator approved a Conditional Use to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with an existing restaurant in the [Q]C2-1VL-SN Zone, with hours of operation from 11:00 a.m. to 2:00 a.m. daily, at 716 North Highland Avenue.

Case No. ZA-2018-4852-CUB – On March 26, 2019, the Zoning Administrator approved a Conditional Use to allow the sale and dispensing of beer and wine for on-site and off-site consumption in conjunction with the use and maintenance of an existing restaurant, with hours of operation from 10:00 a.m. to 11:00 p.m. Sunday through Thursday and from 10:00 a.m. to 12:00 a.m. Friday through Saturday, in the C2-1XL Zone, at 6610 Melrose Avenue.

Case No. ZA-2013-3179-CUB – On February 18, 2014, 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 an existing restaurant in the [Q]C2-1VL-SN Zone, with hours of operation from 11:00 a.m. to 2:00 a.m. daily, at 716-724 North Highland Avenue.

Case No. ZA-2013-566-CUB – On July 10, 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 in conjunction with a restaurant located in the C4-1XL Zone, with hours of operation from 10:00 a.m. to 11:00 p.m. Sunday through Thursday and from 9:00 a.m. to 12:00 a.m. Friday through Saturday, at 706 North Citrus Avenue.

A Plan Approval for this case was approved on May 24, 2018.

Case No. ZA-2012-1816-CUB – On March 19, 2013, the Zoning Administrator approved a Conditional Use to permit the sale and dispensing of beer and wine for on-site consumption and the sale and dispensing of wine for off-site consumption, in conjunction with an existing restaurant known as Mozza 2 Go in the C2-1XL Zone, with hours of operation from 10:00 a.m. to 11:00 p.m. Sunday through Thursday and from 10:00 a.m. to 12:00 a.m. Friday through Saturday, in the C2-1XL Zone, at 6610 Melrose Avenue.

## **PUBLIC CORRESPONDENCE**

Email correspondence dated July 8, 2022 was received from Cidy Chvatral-Keane, President of the Hancock Park Homeowners Association. The email mentioned a forwarded article of the applicant's representative and outreach efforts.

In correspondence dated July 5, 2022, the Greater Wilshire Neighborhood Council voted to support the request herein. Staff also received email correspondence from the Hancock Park Homeowners Association requesting that hours of operation be limited to 11:00 p.m. daily.

After the public hearing, letters from the Larchmont Homeowners Association and the South Hollywood Homeowners Association that were mentioned were sent to the Planning Department prior to the public hearing, were resubmitted.

On Sunday, July 24, 2022 (After the public hearing), staff received an attachment from forwarded emails from the South Hollywood Neighborhood Association. The letter stated their group met with the Hancock Park Homeowners Association, South Hollywood Neighborhood Association, and Larchmont Village Neighborhood Association, and stated their support in keeping with neighborhood restaurant hours with the exception of Cat & Fiddle (11 p.m.).

## **PUBLIC HEARING**

A public hearing was held before the Zoning Administrator on July 19, 2022, at 9:30 a.m. Due to COVID-19 and continued concerns that meeting in person would present imminent risks to the health and safety of the attendees, the hearing was conducted entirely telephonically. The hearing was attended by the applicant's representative, Terri Dickerhoff, and members of the community and a representative from Council District 5.

Ms. Dickerhoff made the following statements:

- She is the representative of the restaurant applicant and building owner.
- There have been a few meetings with the neighborhood and two homeowner groups.
- As a result, the hours of operation have been modified. Proposed hours were a closing time of 11 p.m., Sunday through Thursday, and 12 p.m., Friday and Saturday. Outdoor patios would close by 10 p.m.
- The homeowners group asked to close by 9:30 p.m. We are asking for an 11 p.m. close for all the nights, and a 10 p.m. close for the patio with a potential removal of the piano. The owners asked that the patio not be eliminated.
- All noise would be contained indoors. The piano would be just for special events and is part of the decor.

During the public comment portion of the public hearing, four people provided testimony.

The first speaker, Cynthia Chvatal-Keane, President of the Hancock Park Homeowners Association, stated our group came late to the discussion. We would like for this restaurant to hold to the same closing time as other establishments, which is closing by 10 p.m. This will abut residential homes and will cause disturbances. The piano should be indoors. We don't want to establish a precedent for late hours. Two letters from the homeowners association for Larchmont Village and South Hollywood were submitted.

The second speaker, Joaquin Macias, Planning Deputy for Council District 5, stated a request for clarity for what is being proposed. There is concern for the hours. The Greater Wilshire Neighborhood Council supported the project with recommended hours of operation. We would like to see them return in a year to assess the operation for nuisances.

The third speaker, Mark Alpers, Land Use Committee Chair for the Hancock Park Homeowners Association, supports a 10 p.m. close. Restaurants in the area close at 10 p.m. We are looking for consistent hours.

The fourth speaker, Jane Matz, a resident within the Hancock Park Homeowners Association, living one block from the restaurant, stated there is plenty of noise near Highland and Melrose. Noise comes from clubs north of Melrose. What kind of piano will be used? Will this be a standard piano and not electrified? Will there be ambient music? Will it be just a piano on special events or will music be piped in. In regard to parking, where is parking? Will there be valet? Will the area behind the restaurant be used for parking? This may cause an impact on Melrose Avenue.

Ms. Dickerhoff responded to the comments by stating:

- Parking. No access would be off of Melrose Avenue. Loading for Uber would be off of Highland. There would not be any parking off the alley.
- Valet. A valet plan will be submitted to the community. There are areas set out by the valet.
- Music. There would be a baby grand piano and maybe a cello. It would not utilize a synthesizer or electric music instruments. Ambient music would be provided as soft background music.
- Live music. This would be more of background music. This would be played softly. This would not be a piano bar. This would be played during special events.

At the conclusion of the public hearing, the Zoning Administrator took the case under advisement to allow for the letters that were mentioned by Ms. Matz to be read and submitted as part of the record.

**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 cocktail lounge shall be maintained on the premises separate from the dining area.
- No alcohol shall be allowed to be consumed on any adjacent property under the control of the applicant.
- There shall be no exterior advertising of any kind or type, including advertising directly to the exterior from within, promoting or indicating the availability of alcoholic beverages. Interior displays of alcoholic beverages or signs which are clearly visible to the exterior shall constitute a violation of this condition.
- The quarterly gross sales of food shall not exceed the quarterly gross sales of alcohol. The business operator shall maintain records which reflect these numbers and make them available to the Police Department upon request.
- No signs are permitted on the outside of the building or directed from the inside to the outside which display or advertise the availability of alcoholic beverages.
- Electronic age verification device(s) which can be used to determine the age of any individual attempting to purchase alcoholic beverages and 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.

- All service of alcoholic beverages shall be conducted by a waitress or waiter or bartender.
- No sale of alcohol shall be permitted at any self-service, automated check-out station (checkout conducted primarily by the customer, with assistance by a store monitor) if such are available on the site. All sales of alcohol shall be conducted at a full-service checkout station directly attended by a cashier/checkout clerk specifically assigned solely to that station.

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

A particular type of development is subject to the conditional use process because it has been determined that such use of property should not be permitted by right in a particular zone. All uses requiring a Conditional Use Permit from the Zoning Administrator are located within Section 12.24 W of the Los Angeles Municipal Code. In order for the sale and dispensing of alcoholic beverages 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.

### **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 project involves a Conditional Use Permit to allow the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a new proposed restaurant known as Sushi Palace. The subject property is developed with a new five-story mixed-use building with residential units above commercial space on the ground floor. The new restaurant proposes to occupy this space as well as outdoor seating areas along the street frontages.

The proposed new restaurant will activate an existing vacant commercial space in a brand-new mixed-use development. By utilizing the space with an active neighborhood serving use, the project will contribute to the economy and be compatible with the surrounding uses and neighborhood. In addition, the request herein facilitates the successful activation of a vacant commercial space to a restaurant, which is a desirable use along a neighborhood-serving commercial corridor lined with similar and compatible uses. The new restaurant will be a unique establishment which will provide valuable amenities for the community. The sale and dispensing of alcoholic beverages for on-site consumption allows patrons to enjoy their meals with an alcoholic beverage that will complement their meals. It will also allow the restaurant to be competitive with other restaurants that offer such amenities. The sale of alcoholic beverages will be incidental to the sale of food and build on the number of dining options for residents, employees, and visitors of the area. Therefore, the project will both enhance the built environment in the surrounding neighborhood and will provide a service that is beneficial to the community and region. The imposition of a number of conditions addressing operational, noise, and alcohol-

related issues will ensure that the project will not be disruptive to the surrounding community.

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

The subject property is developed with a new five-story mixed-use building with residential units above commercial space on the ground floor. The request is for the sale and dispensing of a full line of alcoholic beverages for on-site consumption in conjunction with a new restaurant known as Sushi Palace, which proposes to occupy this space as well as outdoor seating areas along the street frontages in the public right-of-way. The restaurant will offer 56 indoor seats and 28 outdoor seats on the adjacent outdoor patios and will operate from 7:00 a.m. to 11:00 p.m., daily, with the outdoor patio closing by 10 p.m., daily.

The subject operator will utilize a valet operator to facilitate the flow of patrons driving to the restaurant into and out of the site. Pickup and drop off points, including that for those using Uber and Lyft will be along Highland Avenue, subject to the approval of the Los Angeles Department of Transportation. In addition, the project will include acoustic piano and cello performances that will be entirely within the enclosed building and only during special events. No amplification of noise will be permitted and no speakers are permitted within the outdoor patio to ensure there will not be spillover music onto adjacent properties.

The subject property is developed in a manner consistent with the zoning on the property and the City's desired land use designation for the site and the surrounding area. The proposed restaurant use and the sale and dispensing of a full line of alcoholic beverages for on-site consumption are all compatible with the designated land uses on the subject property. The project is further compatible with the project's location at the intersection of two commercial corridors lined with restaurants, bars, and other commercial uses. As a new restaurant providing unique services and amenities, the project is a desirable and compatible use with the other uses in the area. Additionally, no new construction for the subject property is proposed, and there are no changes in any existing physical conditions or significant features of the operation, including parking. The new mixed-use development was approved and built with such uses in mind, and the project will not have any additional adverse physical impacts and will be compatible with adjacent properties and the surrounding community.

Conditions have been imposed to encourage responsible management and deter criminal activity. These conditions will ensure that the operation will address nuisances, include security and safety, provide training, valet, hours of operation, and ensure mode and character and responsible management. As conditioned, the operation of the proposed new restaurant with the sale and dispensing of a full line of alcoholic beverages for on-site consumption only 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 elements in the General Plan establish policies and provide the regulatory environment for managing the city and for addressing concerns and issues. The majority of the policies derived from the elements in the General Plan are in the form of Code Requirements, which collectively form the LAMC. The requested entitlement is for a conditionally permissible use, and thus does not propose to deviate from any of the requirements of the LAMC.

The subject property is located within the boundaries of the Hollywood Community Plan Area. The Community Plan designates the subject property for Commercial Manufacturing land uses corresponding to the CM and P Zones. The project site is currently zoned [Q]C2-1VL-SN and is thus inconsistent with the existing land use designation. However, the sale and dispensing of alcoholic beverages is a conditionally permissible use in both the underlying zone and land use designation.

Additionally, the project is consistent with the policies of the Community Plan which relate to commercial land uses in the area. The project will situate a new neighborhood serving restaurant within an existing vacant commercial tenant space in a mixed-use building designed for such uses and as encouraged by the Community Plan. In addition, by activating a currently vacant space with a new and desirable commercial use, the project enhances and strengthens the function of the area as a vibrant and holistic neighborhood. The project is compatible and complementary with surrounding uses and follows an established pattern of zoning and land use that is consistent and compatible with other properties and uses in the surrounding area, which include other commercial services in various other commercial buildings nearby. Thus, the project substantially conforms with the purpose, intent, and provisions of the General Plan and the Community Plan.

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

Conditional authorizations for the sale and dispensing of alcoholic beverages are allowed through the approval of the Zoning Administrator, subject to certain findings. Given the scope of the Conditions and other limitations established herein, the surrounding land uses will not be significantly impacted by the requested conditional uses.

Negative impacts commonly associated with the sale of alcoholic beverages include criminal activity, public drunkenness, loitering, and noise. However, as a restaurant with incidental alcoholic beverage service only, the project will likely not result in significant disturbances to the community. In addition, these potential concerns are all addressed by the imposition of conditions requiring responsible management and deterrents against the negative impacts. Employees will undergo training on the sale of alcoholic beverages, including training provided by the Los Angeles Police Department Standardized Training for Alcohol Retailers (STAR) program. In addition, other conditions related to excessive noise, noise prevention, and litter will prevent

any significant impacts and will safeguard the residential community. The operator will be subject to the State's Department of Alcoholic Beverage Control regulations to serve and dispense alcohol. Therefore, with the imposition of such conditions, the request herein will not adversely affect the welfare of the surrounding community.

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.**

According to the California Department of Alcoholic Beverage Control (ABC) licensing criteria, three on-site and one off-site consumption licenses are allocated to the subject census tract (Census Tract 1919.02). Currently, there are 18 active on-site licenses and three active off-site licenses total in this census tract.

Concentration can be undue when the addition of a license will negatively impact a neighborhood. However, concentration is not undue when the approval of a license provides a public service and benefits the community. Although the number of existing on-site licenses exceeds the number allocated to the subject census tract, a higher number of alcohol-serving establishments is to be expected in an area which functions as a neighborhood-serving commercial center with a variety of commercial service establishments. In active commercial areas where there is a demand for licenses beyond the allocated number, the ABC has recognized that high-activity retail and commercial centers are supported by significant employee population, in addition to the increasing resident population base in the area. The ABC has discretion to approve an application if there is evidence that normal operations will not be contrary to public welfare and will not interfere with the quiet enjoyment of property by residents. In this case, the project site is located at the prominent intersection of two commercial corridors developed with a variety of service uses. In such an area, a higher number of alcohol licenses would be expected in conjunction with the many restaurants in the area. In this case, the project will provide new and unique services and will cater to a large number of both local residents and workers as well as tourists and visitors, and thus will provide a beneficial service. Thus, the project will not result in undue concentration.

According to statistics provided by the Los Angeles Police Department's Wilshire Division Vice Unit, within Crime Reporting District No. 706 which has jurisdiction over the subject property, a total of 143 crimes were reported in 2021, including 121 Part I and 22 Part II crimes, compared to the Citywide average of 141 crimes and the High Crime Reporting District average of 169 crimes for the same reporting period. Alcohol-related Part II crimes reported include Narcotics (2), Liquor Laws (0), Public Drunkenness (0), Disturbing the Peace (0), Disorderly Conduct (0), Gambling (0), DUI-related (2), and Miscellaneous Other Violations (7). These numbers do not

reflect the total number of arrests in the subject reporting district over the accountable year. Arrests for this calendar year may reflect crimes reported in previous years.

The project will not adversely affect public welfare because the new proposed restaurant will be a desirable use in an area designated for such uses. In this case, the project will enable the proposed restaurant to provide unique services and amenities to workers, visitors, and residents and, as conditioned, will not negatively impact the area. Additionally, as a self-contained restaurant use with only incidental alcoholic beverage service, the project is unlikely to have a significant direct impact on the local crime rate, which also has relatively low alcohol-related crimes. Nonetheless, the Zoning Administrator has incorporated numerous operational conditions to the grant that address noise, safety, and security to further ensure the proposed use is conducted with due regard for surrounding properties and to reduce any potential crime issues or nuisance activity. Therefore, the granting of the request herein will not result in undue concentration.

6. **The proposed use will not detrimentally affect nearby residentially zoned communities in the area of the City involved, after giving consideration to the distance of the proposed use from residential buildings, churches, schools, hospitals, public playgrounds and other similar uses, and other establishments dispensing, for sale or other consideration, alcoholic beverages, including beer and wine.**

The project site is zoned for commercial uses and will continue to be utilized as such with the proposed restaurant use. The following sensitive uses are located within a 1,000-foot radius of the site:

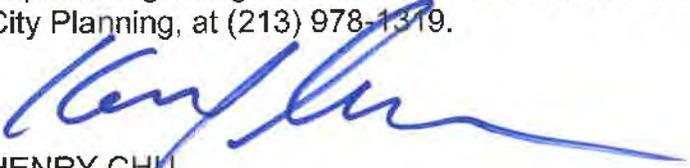
- Single- and Multi-Family Residences
- Lutheran Church, 6720 Melrose Avenue

Consideration has been given to the distance of the subject establishment from any nearby sensitive uses. Although there are nearby residential uses, they are located on side streets off of Highland Avenue and Melrose Avenue, while commercial uses including the subject property front these two major streets. As a self-contained restaurant use which is not visible from most of these residences, the project is unlikely to have any direct impact on these uses. In addition, hours of operation for the outdoor seating areas have been limited to 10 p.m., daily, and there will be no music outdoors, which will prevent any noise impacts. The grant has further been well conditioned, which should protect the health, safety, and welfare of the surrounding neighbors and residences in and adjacent to the subject building. The potential effects of excessive noise or disruptive behavior have been considered and addressed by imposing conditions related to noise and loitering. The project is consistent with the zoning and in keeping with the existing uses adjacent to the development. The project will contribute to the neighborhood and will serve neighboring residents and local employees as well as visitors. Therefore, as conditioned, the project will not detrimentally affect nearby residentially zoned communities, schools, parks, libraries, or any other sensitive uses in the area.

**FLOOD HAZARD FINDING**

7. 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.

Inquiries regarding this matter shall be directed to More Song, Planning Staff for Los Angeles City Planning, at (213) 978-1319.



HENRY CHU  
Associate Zoning Administrator

HC:MS:bk

Cc: Councilmember Paul Koretz  
Fifth Council District  
Adjoining Property Owners