Attachment A

Master Conditional Use Permit for Alcoholic Beverage Sales 3005-45 N. Gilroy St. and 3014 N. Worthen Avenue Los Angeles, CA 90039

I. Applicant

The applicant, 3010 Gilroy Owner, LLC (the "**Applicant**"), is the owner of the Property (as defined below).

II. Property and Vicinity

This application concerns the property commonly referred to as 3005, 3009, 3013, 3017, 3021, 3041, 3045 N. Gilroy Street and 3014 N. Worthen Avenue, Los Angeles, California, and identified as Los Angeles County Assessor Parcel Nos. 5437-029-004, 5437-029-003, 5437-029-025, 5437-029-029, 5437-029-023 (the "**Property**"). The Property contains ten (10) vacant commercial and industrial buildings.

The legal description of the Property is Lots 119, 120, 121, 122 and 181 of Tract 5892. The Property is approximately 82,825 sq. ft. (1.9 acres) in area and is bounded by the Los Angeles River on the North, Worthen Avenue on the West, vacant commercial buildings to the South, and Gilroy Street on the East.

The Property is located in the City of Los Angeles (the "City") Silver Lake-Echo Park-Elysian Valley Community Plan ("Community Plan") Area and within the River Improvement Overlay District ("RIO") and East Los Angeles State Enterprise Zone. The Property has a General Plan land use designation of Light Industrial and is zoned M2-1VL-RIO.

The surrounding properties are generally developed with a mix of industrial and commercial uses. The Elysian Valley neighborhood continues to experience significant economic revitalization, with new restaurants and community-gathering businesses recently built.

III. The Request

Pursuant to Los Angeles Municipal Code Section 12.24-W.1 and 12.24-W.18, the Applicant seeks approval of a Master Conditional Use Permit authorizing the sale and dispensing of a full line of alcoholic beverages for on-site consumption in six tenant spaces on the Property, including four (4) proposed restaurants, one (1) proposed wine bar, and one (1) proposed full-service bar, with patron dancing at two (2) of the proposed restaurants (the "**Proposed Use**"). The Proposed Use will provide dining and community-gathering options in an area currently underserved by retail services, providing a needed amenity to the local community.

The Proposed Use is depicted in the Master Site Plan, Site A Floor Plan (Tenants 1-4), Site B Floor Plan (Tenant 5), Site C Floor Plan (Tenant 6), and Aerial View submitted with this application.

The following is a brief summary of each of the proposed tenant spaces. Additional details concerning each tenant space are contained in the attached matrix (Attachment B).

- Site A (Tenant 1-4): Site A contains four (4) venues with shared kitchen and bathroom facilities. Each venue is described below:
 - Tenant 1 is an approximately 3,516 sq. ft. restaurant with 1,559 sq. ft. of outdoor space and 1,957 sq. ft. of indoor space (including back-of-house operations). The restaurant will include up to 153 seats (55 outdoor seats and 98 indoor seats) and will serve a full line of alcoholic beverages (Type 47 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily.
 - Tenant 2 is an approximately 5,668 sq. ft. restaurant with 4,169 sq. ft. of outdoor space and 1,499 sq. ft. of indoor space (including back-of-house operations). The restaurant will include up to 220 seats (173 outdoor seats and 47 indoor seats) and will serve a full line of alcoholic beverages (Type 47 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily. Tenant Space 2 will also include two areas for patron dancing (one indoor and one outdoor).
 - Tenant 3 is an approximately 1,205 sq. ft. restaurant (coffee bar) with 385 sq. ft. of outdoor space and 820 sq. ft. of indoor space (including back-of-house operations). The coffee bar will include up to 37 seats (20 outdoor seats and 17 indoor seats) and will serve a full line of alcoholic beverages (Type 47 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily.
 - Tenant 4 is an approximately 1,142 sq. ft. outdoor bar. The bar proposes 5 seats and will serve a full line of alcoholic beverages (Type 48 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily.
- <u>Site B (Tenant 5)</u>: Tenant 5 is an approximately 6,619 sq. ft. restaurant with 4,187 sq. ft. of outdoor space and 2,432 sq. ft. of indoor space (including back-of-house and entry operations). The restaurant will include up to 235 seats (127 outdoor seats and 108 indoor seats) and will serve a full line of alcoholic beverages (Type 47 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily. Alcohol service is not proposed in the exterior or interior waiting seats. The restaurant will also include an outdoor area for patron dancing. Site B will include a kitchen and bathroom facilities that will be shared with Site C, as indicated in the Site B Floor Plan and the Site C Floor Plan.
- <u>Site C (Tenant 6)</u>: Tenant 6 is an approximately 1,670 sq. ft. wine bar with 921 sq. ft. of outdoor space and 749 sq. ft. of indoor space (including back-of-house operations). The wine bar will include up to 72 seats (51 outdoor seats and 21

indoor seats) and will serve wine and beer (Type 42 license) for on-site consumption, offering alcoholic beverage sales from 8:00 a.m. to 2:00 a.m. daily. Tenant 6 will not include a kitchen, and will share both kitchen and bathroom facilities with Tenant 5 as indicated in the Site C ((Tenant 6) Floor Plan and the Site B (Tenant 5) Floor Plan.

The Property contains 10 vacant commercial and industrial buildings; however, only three of the buildings (Site A, Site B, and Site C) are proposed for alcohol consumption. The remaining seven buildings (Buildings B1, G1, G2, G3, G4, D, and E as identified on the Master Site Plan) are not proposed for alcoholic beverage sales or consumption. However, as shown on the Master Site Plan, the bathroom facilities that will be shared by Site B (Tenant 5) and Site C (Tenant 6) will be constructed on a portion of the lot that is currently occupied by Buildings D and E (3014 and 3017 N. Worthen Avenue), and a portion of the lot that is occupied by Building G1 (3017 N. Gilroy Street) will be used as part of the outdoor area for Site B (Tenant 5).

The Proposed Use will provide a minimum of twenty-three (23) parking spaces in accordance with the parking requirements applicable to properties in Enterprise Zones, which require restaurants, bars, and related uses to provide two (2) parking spaces for every 1,000 sq. ft. of floor area. (Los Angeles Municipal Code §12.21.A.4(x)(3)6.) In addition, an off-site parking facility that will provide up to 63 parking spaces will be developed on property located across the street at 3010 N. Gilroy Street as shown on the Master Site Plan. Although these parking spaces are not required for code purposes, these spaces will be used on a shared basis by Site A, Site B, and Site C as needed for overflow and/or valet parking, and will be managed by a valet provider. The existing parking spaces on the portion of the Property that includes Buildings D and E (*i.e.*, Assessor Parcel No. 5437-029-023) will not be used in connection with the Proposed Use.

The requested Master Conditional Use permit provides an umbrella entitlement with conditions applicable to the Property and, in general, to all proposed venues. Approval of Plans (*i.e.*, Master Plan Approval) will need to be obtained for each of the six tenant spaces, which will detail the operational conditions tailored to the specific use. The Applicant is not applying for Master Plan Approvals at this time, as specific operators for the proposed venues have not yet been identified.

IV. Prior Land Use Approvals

Based on a review of the Zone Information and Map Access System (ZIMAS), there are no prior discretionary land use approvals for the Property.

V. Radius Map Requirements

The 500'/600' radius map package and a list of alcohol establishments within 1,000 feet of the Property will be submitted with this application.

VI. Proposed Findings

A. General Conditional Use

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 (LAMC 12.24-E.1).

The Applicant proposes the sale and dispensing of alcoholic beverages for on-site consumption at four (4) restaurants, one (1) wine bar, and one (1) full-service bar as detailed in the Master Site Plan. The Applicant is also proposing patron dancing in connection with two of the proposed restaurants. The proposed uses, estimated floor area, hours of operation, number of seats (indoor and outdoor), and type of alcohol sold at each of the six tenant spaces proposed on the site are detailed in Attachment B.

The Property is located in the Silver Lake – Echo Park – Elysian Valley Community Plan and is designated for Light Industrial land uses and is zoned M2-1VL. The Property consists of approximately 72,373 sq. ft. (1.66 acres) of land located along the Los Angeles River at the northern terminus of Gilroy Street and Worthen Avenue. The applicant proposes to convert three (3) existing, vacant commercial and industrial buildings on the Property into a unique collection of restaurants and bars with generous outdoor spaces and amenities, including a pedestrian connection to the existing bike path along the Los Angeles River. The Proposed Use will revitalize an underutilized area along the Los Angeles River, providing dining and gathering places for nearby residents and visitors in a pedestrian-friendly environment.

The Property is in a prime location next to the Los Angeles River and the Los Angeles River Greenway Trail. The Proposed Use will enhance the built environment in the surrounding neighborhood and will provide services that will be beneficial to the Elysian Valley community, the City, and the region.

2. The project's location, size, height, operations and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety (LAMC 12.24-E.2).

The Property is designated for Light Industrial land uses and is zoned M2-1VL. The site contains older commercial and industrial buildings that are currently vacant. The Property is in need of aesthetic and other improvements, with graffiti covering portions of the currently vacant commercial buildings and abandoned cars dotting the perimeter of the Property.

The Proposed Use consists of a change of use that entails the remodel of the existing structures, creating indoor and outdoor spaces for community gathering. Surrounding properties are M2-1VL and CM and are predominantly characterized by older industrial buildings occupied by a mix of office uses, a dance studio, a brewery, auto repair shops, and commercial contractors. The Property does not directly adjoin any residential uses and the nearest residential uses are approximately 600 feet to the northeast of the Property, across the Glendale Freeway.

Approving the proposed Master Conditional Use Permit for the Proposed Use will not adversely affect adjacent properties, the surrounding neighborhood, or the public health, safety or welfare. The proposed alcohol service and patron dancing will be carefully controlled. The location is proper in relation to adjacent uses as it is located on a site zoned for commercial uses. The proposed hours of operation are reasonable for the neighborhood. Additionally, the sale of alcohol is regulated by the State of California through the issuance of an Alcohol Beverage Control ("ABC") License. The land use conditions combined with the enforcement authority of ABC and Los Angeles Police Department will ensure that the sale of alcohol will not be detrimental to the public health, safety and welfare.

3. The project substantially conforms with the purpose, intent and provisions of the General Plan, the applicable community plan, and any applicable specific plan (LAMC 12.24-E.3).

Under the Community Plan, the Property has a General Plan designation of Light Industrial with corresponding zones of M2, MR2, and P. The Proposed Use would be located in the M2 zone, consistent with the Community Plan's land use designation and corresponding zone categories.

The Property is planned and zoned for commercial uses. The Proposed Use is consistent with the underlying policy goals and objectives for Light Industrial, which include the promotion of neighborhood-serving commercial uses to better support and provide amenities for residents. The conditional authorization for the sale of alcoholic beverages and dancing is allowed through the approval of the Zoning Administrator subject to certain written findings, which can be made based on the information provided herein.

The area is lacking in commercial services and the proposed restaurants and related uses will promote dining and recreational opportunities for residents and area visitors, contributing to the revitalization of the area. Restaurants are an intrinsic part of neighborhood amenities necessary for the development of a vibrant urban life. The Community Plan states that "the industrial land in Elysian Valley abuts an equally cohesive and viable single and multiple-family residential community. This Plan aims to preserve each of the adjacent uses and find ways to mitigate some of the impacts of the industrial use on the neighboring residential community." (Page III-30). Conditioning the sale of alcoholic beverages, live entertainment, and patron dancing as accessory uses to new restaurants will ensure the use is compatible with surrounding uses. As such, the Proposed Use conforms with the intent and provisions of the General Plan.

B. Additional Findings

4. The proposed use will not adversely affect the welfare of the pertinent community (LAMC 12.24-W.1(a)(1)).

The Proposed Use will not adversely affect the welfare of the community. The Proposed Use seeks to enhance dilapidated buildings and provide much needed community services. The restaurants, with both indoor and outdoor spaces, will provide a community gathering space catering to residents and area visitors. The restaurants will also enhance the commercial vitality and further activate the pedestrian environment along the Los Angeles River.

5. The granting of the application will not result in an undue concentration of premises for the sale or dispensing 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 (LAMC 12.24-W.1(a)(2)).

According to the California State Department of Alcoholic Beverage Control licensing criteria, two on-site and two off-site licenses are allocated to the subject Census Tract No. 1872.00. There are currently four on-site licenses (3 – Type 47, 1- Type 41) with one small beer manufacturer license (Type 77) in the Property's subject Census Tract No. 1872.00. There are no off-site licenses active within this census tract. Although the approval of additional on-site alcoholic beverage licenses will exceed the allocated number for the census tract, it should not be considered an undue concentration as it is located in an area where it is anticipated that a larger number of restaurants and commercial services would operate. The incorporation of operating conditions created with cooperation from LAPD will reduce potential impacts on police services.

Overconcentration is only "undue" when additional alcohol-selling establishments would adversely impact a neighborhood. The Proposed Use will not adversely affect community welfare. Instead, the Proposed Use will further enhance the community and help with the revitalization of the Los Angeles River. Granting the requested Master Conditional Use Permit for the Proposed Use will not adversely affect the community welfare because no detriment will occur to the surrounding neighborhood and the public convenience will be served by the issuance of the requested Master Conditional Use Permit.

6. The proposed use will not detrimentally affect nearby residentially zones 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 (LAMC 12.24-W.1(a)(3)).

The following sensitive uses are located within 1,000 feet of the Property:

- Rattlesnake Mini Park
- Los Angeles River
- Single and multi-family residential uses.

While the Property is located in proximity to these sensitive uses, the Proposed Use will not detrimentally affect these uses. The nearest residential uses are located across Glendale Freeway, a route with five lanes each direction. They are a substantial distance from the

Property so as not to be directly affected by activities on the Property. The sale of alcoholic beverages will be in a controlled environment by trained employees and subject to multiple noise and security measures. As such, the Proposed Use will not detrimentally affect the sensitive uses within proximity of the Property.

VII. <u>CEQA Categorical Exemption</u>

The Proposed Use is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines, Section 15301, Class 1 (Existing Facilities).