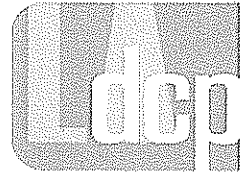




DEPARTMENT OF CITY PLANNING RECOMMENDATION REPORT



City Planning Commission

Date: Thursday, July 12, 2012
Time: after 8:30 a.m.
Place: Los Angeles City Hall
200 N. Spring Street, Room 1010
Los Angeles, CA 90012

Public Hearing: Required
Appeal Status: N/A
Expiration Date: N/A
Multiple Approval: N/A

Case No.: CPC-2012-1504-ICO
CEQA No.: ENV-2012-1505-CE
Incidental Cases: N/A
Related Cases: N/A
Council No.: 1 – Reyes
Plan Area: Central City North
Specific Plan: N/A
Certified NC: Historic Cultural NC
GPLU: Various
Zone: Various
Applicant: City of Los Angeles

REQUESTED ACTION: Interim Control Ordinance (ICO)

PROPOSED PROJECT: A proposed ICO temporarily prohibiting the establishment of new Formula Retail uses which are 20,000 square feet or larger in Chinatown.

PROJECT LOCATION: Portions of Chinatown, generally bounded by the 110 Pasadena Freeway to the west, Sunset Boulevard and Cesar Chavez Avenue to the south, Main Street and Alameda Street to the east, and Cottage Home Street to the North (see Exhibit A).

RECOMMENDED ACTIONS:

1. **Disapprove** the proposed ICO (Exhibit B) and recommend that it **not** be adopted by the City Council.
2. **Adopt** the Staff Report as the Commission Report
3. **Do Not Adopt** Categorical Exemption No. ENV-2012-1505-CE.
4. **Adopt** the attached findings.

MICHAEL J. LOGRANDE
Director of Planning

Ken Bernstein, Principal City Planner

Kevin Keller, Senior City Planner

Conni Pallini-Tipton, City Planner

Nicholas P. Maricich, City Planning Associate
Telephone: (213) 978-1240

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- C – Council Motion
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SUMMARY

On March 23, 2012, the City Council adopted Motion CF 12-0382 (Reyes-Garcetti) instructing the Department of City Planning, with the assistance of the City Attorney, to prepare and present an Interim Control Ordinance (ICO) temporarily prohibiting the issuance of demolition, building, or any other applicable permits for the establishment and operation of New Formula Retail Uses 20,000 square feet or larger in Chinatown. Per the Council Motion, the ICO would apply to the area generally bounded by the 110 Pasadena Freeway to the west, Sunset Boulevard and Cesar Chavez Avenue to the south, Main Street and Alameda Street to the east, and Cottage Home Street to the North (see Exhibit A). A discussion draft Interim Control Ordinance, attached as Exhibit B, was prepared by Staff and is now submitted to the Commission for their consideration. If approved, the ICO would be in effect for one year, with the possibility of two six-month extensions, during which time the Department would develop a permanent ordinance.

BACKGROUND

The subject area contains a mix of commercial and residential uses on properties designated for Regional Center Commercial and High Medium Residential land uses, and typically zoned C2 or R4, within the Central City North Community Plan. The existing zoning regulations permit a variety of retail establishments in the commercially zoned properties, which are primarily concentrated along Cesar Chavez Avenue, Figueroa Street, Yale Street, Hill Street, Broadway, Spring Street, Main Street, and Alameda Street. Most existing commercial retail establishments in the area are small, independent businesses, with few Formula Retail, or "chain" stores present.

DISCUSSION

Staff has prepared a discussion draft Ordinance (Exhibit B) that would address the issues outlined in the Council motion should the Commission decide to approve the item and forward it to the City Council. However, Staff has considered the issues presented and after taking into account the current policies, existing land uses and new permitting activity in the area, Staff does not recommend moving forward with an Interim Control Ordinance at this time. Staff has not observed a proliferation of new Formula Retail uses in the area, and limited Staff research has indicated this issue does not appear to have the urgency that would call for such a temporary suspension of new permits. Furthermore, the imposition of an ICO may have potential unintended positive and negative land use and economic consequences that are unknown at this time.

This is not to dispute the unique and historic character of Chinatown and its diverse, small business community, which is appropriately recognized and supported by the City's existing land use policies. In addition, Chinatown's commercial district is identified in the General Plan Framework as one of the City's Regional Centers, which are characterized by "a diversity of uses such as corporate and professional offices, retail commercial malls, government buildings, major health facilities, major entertainment and cultural facilities and supporting services." While limitations on large-scale retail uses may be appropriate to consider in certain circumstances, such regulations should be subject to additional analysis and careful consideration for any designated Regional Center. Such a study could be initiated in the future for Chinatown, but a temporary moratorium does not appear necessary in order to proceed with such a study.

CONCLUSION

In the event of a proliferation of Formula Retail establishments in Chinatown, Staff may respond by returning to the Commission at such time to consider the adoption of an ICO. Given careful consideration of current land use patterns, the area's General Plan designation as a Regional Center, and the uncertainty of ICO related land use and economic impacts to the area, Staff does not consider an ICO to be warranted at this time. As such, Staff recommends disapproval of the proposed ordinance (Exhibit B).

FINDINGS

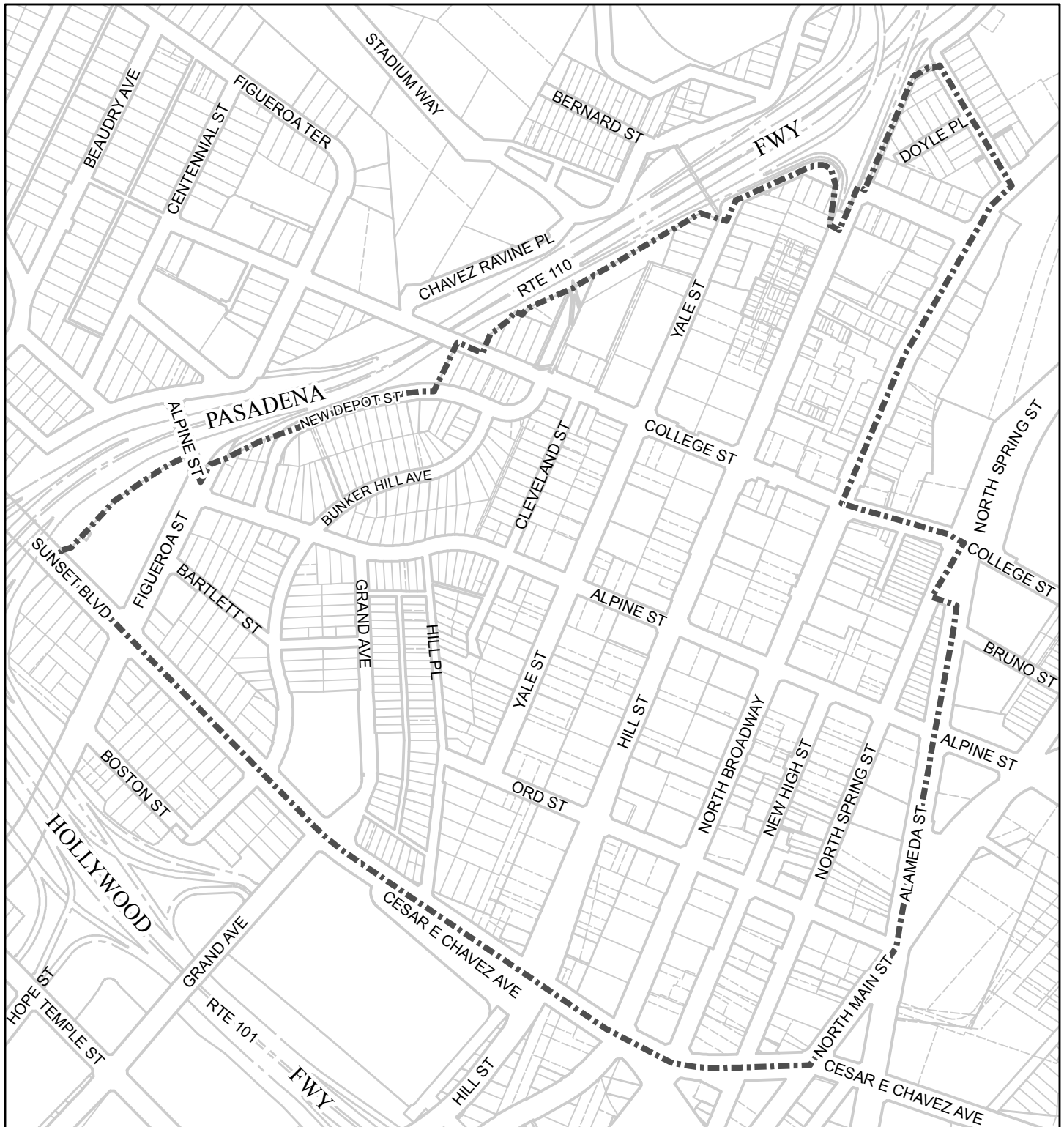
General Plan/Charter Findings

In accordance with Charter Section 556, the proposed ordinance (Exhibit B) is not in substantial conformance with the purposes, intent, and provisions of the City's General Plan. No proliferation of new formula retail uses has been observed to warrant the institution of an Interim Control Ordinance. Additionally, the subject area is one of the City's Regional Centers, which are identified by the General Plan Framework as appropriate locations for "a diversity of uses such as corporate and professional offices, retail commercial malls,...major entertainment and cultural facilities and supporting services." Such intended land uses could include new formula retail uses over 20,000 square feet, which would be temporarily prohibited under the proposed ordinance. Therefore, the proposed ICO is not in substantial conformance with the purposes, intent, and provisions of the General Plan.

In accordance with Charter Section 558(b)(2), the proposed ordinance is not in substantial conformance with the public necessity, convenience, general welfare, and good zoning practice, as no proliferation of new formula retail uses has been observed in the subject area. In addition, the temporary limitation on permits for such uses in a designated Regional Center has the potential to conflict with adopted General Plan Framework policies as referenced above.

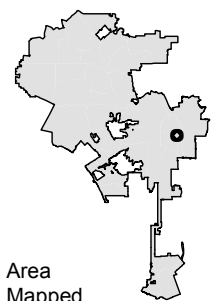
CEQA Findings

A Categorical Exemption (ENV-2012-1505-CE) was considered for the proposed project, but has not been recommended for adoption. The proposed ordinance (Exhibit B) is exempt from the requirements of the California Environmental Quality Act (CEQA) and the City Guidelines for the implementation thereof pursuant to Article II, Section 2, Subsection (m) of the City of Los Angeles Guidelines, as it does not have a negative impact on the environment.



0 250 500 1,000 Feet

Chinatown Formula Retail ICO



DISCUSSION DRAFT

ORDINANCE NO. _____

An ordinance imposing interim regulations on the issuance of all building permits in the area generally bounded by the 110 Pasadena Freeway to the west, Sunset Boulevard and Cesar Chavez Avenue to the south, Main Street and Alameda Street to the east, and Cottage Home Street to the North.

WHEREAS, Chinatown is a focal point of commerce and culture for the Chinese population of Southern California with a unique and historic character; and

WHEREAS, on March 23, 2012, the Los Angeles City Council adopted a motion directing the Department of City Planning and City Attorney to create an Interim Control Ordinance (ICO) temporarily prohibiting the issuance of demolition, building, or any other applicable permits for the establishment and operation of New Formula Retail Uses which are 20,000 square feet or larger in the subject area; and

WHEREAS, the ICO will be enforced until such time as other permanent land use regulations pertaining to larger, New Formula Retail Uses in the ICO area are adopted; and

WHEREAS, the proposed ordinance is required in the interest of the health, economic prosperity, and general welfare of the people.

NOW THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. **DEFINITIONS.** The following terms, whenever used in this Ordinance, shall be as defined in this Section. Words and phrases not defined here shall be construed as defined in Section 12.03 of the Los Angeles Municipal Code (LAMC), if defined therein.

PROJECT means the construction, erection, reconstruction, addition to, or change of use of any building or structure which requires the issuance of a demolition, building, or any other applicable permit.

FORMULA RETAIL USES means any retail sales activity or retail sales establishment which, along with eleven or more other retail sales establishments in the United States, maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a servicemark.

Sec. 2. **PROHIBITION.** Notwithstanding any provision of the Los Angeles Municipal Code to the contrary, for a period of 180 days from the effective date of this Ordinance, or until the adoption of permanent regulations pertaining to New Formula Retail Uses within the ICO area, whichever occurs first:

No permit shall be issued for any Project that contains any single Formula Retail Use of 20,000 square feet or greater, except that existing businesses operating within the ICO area as of the effective date of this Ordinance may expand in size or move their location within the ICO area.

Sec. 3. **INTERIM CONTROL AREA.** The provisions of this Ordinance shall apply to all lots within the shaded area between the 110 Pasadena Freeway and Main and Alameda Streets, and between Sunset Boulevard, Cesar Chavez Avenue and Cottage Home Street, as shown on the attached map.

Sec 4. **EXCEPTIONS.** The prohibition specified in Section 2 of this Ordinance shall not apply to any construction for which a permit is required:

- A. To comply with an order issued by the Department of Building and Safety to repair, remove, or demolish an unsafe or substandard condition.
- B. To restore a damaged nonconforming building in accordance with Section 12.23 A.4 of the LAMC.

The prohibition specified in Section 2 of this Ordinance shall not apply to any Project that secures a vested right pursuant to Section 12.26 A.3 of the LAMC.

Sec. 5. **EXTENSION OF REGULATIONS.** The City Council may, by resolution, extend the provisions of this Ordinance for not more than two additional periods of six months, so long as the City Council makes the following finding: That the appropriate City agencies and officials are exercising due diligence to assure that permanent regulations pertaining to New Formula Retail Uses within the ICO area are being expeditiously processed.

Sec. 6. **HARDSHIP EXEMPTIONS.** The City Council, acting in its legislative capacity and by resolution, may grant exemptions from any or all of the provisions of this Ordinance in cases of extreme hardship duly established to the satisfaction of the City Council.

Sec. 7. **APPLICABILITY OF THE ZONING CODE.** The regulations of this Ordinance are in addition to those set forth in the planning and zoning provisions of Chapter 1 of the Los Angeles Municipal Code and any other ordinances adopted by the City Council and do not contain any rights not otherwise granted under the provisions and procedures contained in that Chapter or other ordinances.

Sec. 8. **SEVERABILITY.** If any provision of this Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions of this Ordinance, which can be implemented without the invalid provision, and, to this end, the provisions of this Ordinance are declared to be severable.

Sec. 9. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than three-fourths** of all of its members, at its meeting of _____.

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
General Information - (213) 978-1133
Fax: (213) 978-1040

SHANNON HOPPE
Council and Public Services
Division

www.cityclerk.lacity.org

March 27, 2012

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 12-0382, at its meeting held March 23, 2012.

City Clerk
srb

MAR 16 2012

MOTION

Chinatown is a focal point of commerce and culture for the Chinese population of Southern California with a unique and historic character.

There is a need to protect Chinatown's historically significant resources, including its vibrant small business sector, which supports the needs of local residents and are compatible with the neighborhood; create a supportive environment for new small business innovations; and preserve and enhance existing neighborhood-serving retail uses and future opportunities for resident employment, and business ownership.

As such, the City needs to pursue the necessary land use regulatory controls to protect Chinatown from the establishment of new *Formula Retail Uses*, characterized as those businesses that maintain two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a servicemark.

The establishment and possible proliferation of new formula retail uses in Chinatown, if not monitored or regulated, will hamper its diverse retail bases with distinct neighborhood retailing uses comprised of a mix of local businesses, and thereby limit or eliminate business establishment opportunities for smaller or medium-sized businesses, many of which tend to be non-traditional or unique. In turn, without the appropriate land use regulatory controls in place, there could be a decrease in the diversity of merchandise available to residents, visitors, and tourists.

I THEREFORE MOVE that the Council instruct the Planning Department, with the assistance of the City Attorney, to prepare and present an Interim Control Ordinance (ICO), to prohibit the issuance of demolition, building, and any other applicable permits for the establishment and operation of new Formula Retail Uses in Chinatown, which is generally bounded by the Pasadena Freeway on the North, North Broadway and North Main Street on the East, Cesar E. Chavez Avenue and the Santa Ana Freeway on the South, and Beaudry Avenue on the West.

I FURTHER MOVE that the ICO include an Urgency Clause making it effective upon publication.

PRESENTED BY

ED P. REYES

Councilmember, 1st District

SECONDED BY

March 16, 2012

rrm

ADOPTED

MAR 23 2012

LOS ANGELES CITY COUNCIL

ORIGINAL


MOTION

I MOVE that the matter of CONSIDERATION OF MOTION (REYES-GARCETTI), relative to an Interim Control Ordinance (ICO) related to the establishment and operation of new Formula Retail Uses in Chinatown, Item 16 on today's Council Agenda (Council File No. 12-0382), BE AMENDED to ADOPT the following ADDITIONAL RECOMMENDATIONS:

1. Exclude existing and new businesses that are less than 20,000 square feet.
2. Exclude existing businesses currently operating in Chinatown that want to either expand or move.
3. Revise the geographical boundaries of the Chinatown ICO to reflect that it is generally bounded by the 110 Pasadena Freeway on the West, to Cesar Chavez on the South, to Main and Alameda to College to Broadway on the East, and to Cottage Home on the North, and then back to the 110 Freeway.

PRESENTED BY: **ED P. REYES**Councilmember, 1st DistrictSECONDED BY: **ADOPTED**

MAR 23 2012

LOS ANGELES CITY COUNCIL
March 23, 2012**ORIGINAL**

MOTION

I HEREBY MOVE that the Council ADOPT the following recommendations relative to an Interim Control Ordinance related to the establishment and operation of new Formula Retail Uses in Chinatown (Council file No. 12-0382, Item No. 16):

1. INSTRUCT the Department of City Planning, with the assistance of the City Attorney, and any other affected departments to ensure the proposed Ordinance:
 - a. Encompasses the input of the community, particularly the Neighborhood Council for the impacted area.
 - b. Includes an economic analysis to suggest whether it would help existing businesses or hurt existing businesses.
2. INSTRUCT the Office of Economic Analysis to provide a detailed review this matter.

PRESENTED BY _____

PAUL KREKORIAN
Councilmember, 2nd District

SECONDED BY _____

RICHARD ALARCON
Councilmember, 7th District

CF 12-0382

March 23, 2012

ADOPTED

MAR 23 2012

LOS ANGELES CITY COUNCIL

COUNTY CLERK'S USE

CITY OF LOS ANGELES

CITY CLERK'S USE

OFFICE OF THE CITY CLERK
200 NORTH SPRING STREET, ROOM 360
LOS ANGELES, CALIFORNIA 90012

CALIFORNIA ENVIRONMENTAL QUALITY ACT

NOTICE OF EXEMPTION

(California Environmental Quality Act Section 15062)

Filing of this form is optional. If filed, the form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, CA 90650, pursuant to Public Resources Code Section 21152 (b). Pursuant to Public Resources Code Section 21167 (d), the filing of this notice starts a 35-day statute of limitations on court challenges to the approval of the project. Failure to file this notice with the County Clerk results in the statute of limitations being extended to 180 days.

LEAD CITY AGENCY

City of Los Angeles Department of City Planning

COUNCIL DISTRICT

PROJECT TITLE

* Chinatown Formula Retail ICO

LOG REFERENCE

ENV 2012-1505-CE
CPC-2012-1504-ICO

PROJECT LOCATION

* Portions of Chinatown gen. bounded by SR-110, Cesar Chavez Av, Main St + Alameda St, and Cottage Home St

DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT:

* Interim Control Ordinance to temporarily prohibit permits for Formula Retail uses.

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT, IF OTHER THAN LEAD CITY AGENCY:

*

CONTACT PERSON

* Nicholas Maricich

AREA CODE

* 213

TELEPHONE NUMBER

* 978-1240

EXT.

EXEMPT STATUS: (Check One)

STATE CEQA GUIDELINES

CITY CEQA GUIDELINES

☐ MINISTERIAL

Sec. 15268

Art. II, Sec. 2b

☐ DECLARED EMERGENCY

Sec. 15269

Art. II, Sec. 2a (1)

☐ EMERGENCY PROJECT

Sec. 15269 (b) & (c)

Art. II, Sec. 2a (2) & (3)

☐ CATEGORICAL EXEMPTION

Sec. 15300 et seq.

Art. III, Sec. 1

☒ GENERAL EXEMPTION

Sec. 15060

n/a

Class II

Category 2(m)

(City CEQA Guidelines)

☐ OTHER

(See Public Resources Code Sec. 21080 (b) and set forth state and City guideline provision.)

JUSTIFICATION FOR PROJECT EXEMPTION: The proposed ordinance is exempt in that it will not result in impacts on the physical environment. The proposed ICO would temporarily regulate uses.

IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT ISSUED BY THE CITY PLANNING DEPARTMENT STATING THAT THE DEPARTMENT HAS FOUND THE PROJECT TO BE EXEMPT.

SIGNATURE

Nicholas Maricich

TITLE

City Planning Associate

DATE

6/21/12

FEE:

RECEIPT NO.

REC'D. BY

DATE

DISTRIBUTION: (1) County Clerk, (2) City Clerk, (3) Agency Record
Rev. 11-1-03

IF FILED BY THE APPLICANT:

* Nicholas Maricich
NAME (PRINTED)

* Nicholas P. Maricich
SIGNATURE

* 6/21/12
DATE