

**Exhibit “A”
Elm Tree Investments
1800 E. 7th Street Project**

REQUESTED ENTITLEMENT ACTIONS

1. Pursuant to Section 11.5.6 of the Municipal Code, a General Plan Amendment to the Central City North Community Plan to change the land use designation from Heavy Manufacturing to Regional Center Commercial;
2. Pursuant to Section 12.32.Q of the Municipal Code, a Vesting Zone and Height District Change from M3-1-RIO (Heavy Manufacturing Zone) to C2-2D-RIO (Commercial). The D limitation would limit the FAR to 4.7 to 1;
3. Pursuant to Section 16.05 of the Municipal Code, Site Plan Review for the development of up to 122 residential Live/Work units with related amenities and art and production spaces, as well as 9,500 square feet of commercial space;
4. Pursuant to Section 12.22.A.25(f)(6) of the Municipal Code, an On-Menu Density Bonus Incentive to allow an approximately 20 percent reduction in open space;
5. Pursuant to Section 12.22.A.25(g)(3) of the Municipal Code, an Off-Menu Density Bonus Incentive for a modification or waiver of development standard to permit 5-foot side yard setback along east property line of the building (in lieu of code-required 10-foot setback) and 5-foot rear yard setback (in lieu of code-required 19-foot setback) for the residential portions of the building;
6. Pursuant to Section 12.22.A.25(g)(3) of the Municipal Code, an Off-Menu Density Bonus Incentives to waive the requirements of Sections 12.21.A.16(e)(2)(iii)(a) and (b) to allow long-term bicycle parking for the residential units to be provided in the first and second level of the underground parking garage in lieu of the parking-garage-level closest the ground floor and in lieu of the shortest walking distance to the nearest pedestrian entrance of the building; both in accordance with attached plans;
7. Pursuant to Section 12.24.W of the Municipal Code, a Conditional Use Permit to allow the service of a full line of alcohol in connection with a restaurant.
8. Pursuant to Section 17.15 of the Municipal Code, Vesting Tentative Tract Map 74309 for one ground lot and five airspace lots; and
9. Haul Route Approval.

By providing 14 Very Low Income affordable housing units (11 percent), the Project is entitled to by right reduced parking under AB 744.

PROJECT SUMMARY

Elm Tree Investments, L.P. (the “Applicant”) proposes the development of a residential project with a maximum of 122 live/work units, including 14 Very Low Income units, 15,385 square feet of related commercial, arts, and production space, 132 vehicular parking spaces in a two-level subterranean garage, and 145 bicycle spaces (the “Project”). The subject property is located at 1800 E. 7th Street in the Central City North Community Plan area of the City of Los Angeles and is generally bounded by 7th Street to the north, Decatur Street to the west, and the Metropolitan High School campus and parking to the south and east (the “Project Site”).

The Project Site is made up of one parcel that is generally a rectangular-shaped parcel on the southeast corner of 7th Street and Decatur Street and includes approximately 29,006 square feet of gross lot area. The Project Site is currently improved with a surface parking lot.

The proposed residential building will be seven stories and 85 feet in height with a total floor area of 129,440 square feet which results in a Floor Area Ratio (FAR) of approximately 4.7 to 1. The Project will include 10,393 square feet of open space and recreation area that will include a courtyard, rooftop garden, and balconies. The overall Project floor area includes approximately 15,385 square feet of commercial floor area, including an approximately 3,555-square foot restaurant with outdoor seating.

Vehicular access for the building will be provided from a driveway/garage entry on Decatur Street near the southwest corner of the Project Site and a driveway/garage entry approximately midblock on the Decatur Street frontage. Pedestrian access will be provided at the main entry on 7th Street. The Project will include 132 vehicular parking spaces and 145 bicycle parking spaces provided in two subterranean levels and one partial at-grade level that will be shielded from the Project’s primary street frontage on 7th Street by commercial, art, and production uses.

SURROUNDING LAND USES

The properties surrounding the Project Site include industrial, commercial/retail, office, restaurant, multi-family residential buildings, and parking lots. To the west of the Project site, across Decatur Street, is the Los Angeles Greyhound Bus Station. Properties to the west are zoned M3-1-RIO. Directly east and south of the Project Site is Metropolitan High School on property zoned PF-XL-RIO. To the north of the Project Site, across 7th Street, are one-, two-, and seven-story industrial and commercial buildings on property zoned M3-1-RIO.

PUBLIC TRANSIT

The Project Site is located near regional public transit in the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station, which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional

public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines.

ZONING AND LAND USE

The Project Site is located within the Central City North Community Plan Area (“Community Plan”) and is also located within the East Los Angeles Enterprise Zone. The Project Site has a General Plan land use designation of Heavy Manufacturing and corresponding zoning for Heavy Manufacturing is the M3 Zone. The M3-1 zoning indicates that the Project Site is located in Height District 1, which does not specify a building height limit, but limits FAR to 1.5:1. The RIO designation is for the City’s River Improvement Overlay (RIO) district, which is designed to provide for preservation of tributaries and rivers in the City of Los Angeles by promoting river identity, supporting local species, and convenient access, among many other things.

According to the City of Los Angeles Municipal Code (LAMC or the “Municipal Code”), residential uses in new buildings are generally not permitted in industrial zones; however, the Central City North Community Plan designates an area – generally bounded by First Street to Violet Street and Alameda Street to the Los Angeles River as the Artist-in-Residence (AIR) District. The AIR District permits adaptive reuse of obsolete industrial buildings to live/work units. Conversion of such buildings to live/work units is discretionary and requires a determination of the Zoning Administrator (known as a ZAD), per L.A.M.C. Section 12.24.X.13. As a result of policy changes in the 2000 Central City North Community Plan that encouraged adaptive reuse live/work units in the area, a thriving community of artists, entrepreneurs, and people working in creative industries has developed.

In February 2016, the City Council adopted the Hybrid Industrial (HI) Ordinance, which established an HI Zone that allows live/work units in new construction in projects that meet the development standards of the HI Ordinance. However, the Planning Department has advised that property owners not seek to utilize this new zoning tool due to a pending CEQA lawsuit challenging the adoption of the HI Ordinance.

Nonetheless, the Project would conform to all of the applicable development standards of the HI Ordinance as described below.

Therefore, in furtherance of expanding this thriving AIR District and consistent with the public policy goals of the HI Ordinance, the Project requests a Vesting Zone and Height District Change from M3-1-RIO to C2-2D-RIO and a corresponding General Plan Amendment to the Community Plan to change the land use designation from Heavy Manufacturing to Regional Center Commercial. The proposed C2-2D-RIO zone would permit construction of the proposed live-work units.

Density

Under the proposed Regional Center Commercial designation and C2-2D-RIO zone, pursuant to LAMC Section 12.22.A.18, the permitted residential density is one unit per 200 square feet of lot area, which would allow 139 units (27,883 sf/200). The Project does not include a density bonus request for additional units; however, in order to develop the Project as proposed, the Project includes 11 percent of the proposed density to be reserved for Very Low Income affordable housing units (122 x 11%). The Applicant intends to include only 122 units in the Project.

Floor Area and Height

The proposed Height District change to “2D” will allow the Project’s proposed 129,440 square feet of floor area which results in approximately 4.7 to 1 FAR. There is no prescribed height limit, and the maximum height of the Project is seven-stories and 85 feet.

Open Space

The Project requires 12,200 square feet of open space for the 122 live-work units per the Municipal Code. The Project proposes 10,393 square feet of open space that will include a courtyard, rooftop garden, and balconies. The Project includes a request for an On-Menu Density Bonus Incentive to allow an approximately 20 percent reduction in open space pursuant to Section 12.22.A.25(f)(6) of the Municipal Code.

Setbacks

The C2 zone does not require yard setbacks for buildings that are used exclusively for commercial uses; however, since the Project includes residential uses, yard setbacks at the residential levels would be required as follows: (i) 19-foot rear yard setback; and (ii) 10-foot side yard setback along east property line. The Project includes a request for an Off-Menu Density Bonus Incentive for a waiver of development standards to permit 5-foot side yard setback along east property line (in lieu of code-required 10-foot setback) and 5-foot rear yard setback (in lieu of code required 19-foot setback), respectively.

Compliance with the Development Standards of the Hybrid Industrial Zone

As noted above, although the Applicant is seeking a General Plan Amendment to Community Commercial and a Zone Change to C2. Nonetheless, the Project will further the public policy objectives of the HI Ordinance by complying fully with all applicable development standards of the HI Ordinance, as set forth below.

Section 12.04.06.E.1 – Maximum Permitted Floor Area

Pursuant to Section 12.04.06.E.1(d) of the HI Ordinance, the Project includes the number of Restricted Affordable Units sufficient to qualify for a 35% Density Bonus. Furthermore, the Project provides the Public Benefits described in Section 12.04.06.E.1(c) as follows:

Additional Floor Area Reserved for Nonresidential Uses. The Project includes 15,385 square feet of commercial, art, and production area, which exceeds the minimum required nonresidential floor area of 13,600 square feet that would be required for the 122 live/work units based on the formula set forth in the HI Ordinance.

Pedestrian Paseo. The Project is not located on a block longer than 400 feet and does not include more than 300 feet of frontage along a single street. Therefore, this development standard does not apply.

Pedestrian Plaza. The Project Site is 29,006 square feet and, therefore, does not meet the minimum standard of 50,000 square feet, which would require a pedestrian plaza.

Public Art/Façade Treatment. The Project includes public art on the Decatur Street façade which would meet the minimum standard for 15% façade coverage.

Resident Production/Art Gallery Space. The Project includes 5,885 square feet of residential production/art gallery space, which far exceeds the minimum requirement of 500 square feet.

Section 12.04.06.E.2 – Height of Building or Structures.

The Project will be 85 feet in height and therefore will not exceed the 110-foot maximum in the HI Ordinance.

Section 12.04.06.E.3 – Floor to Ceiling Height.

The Project will have a ground level height of 16 feet, which meets the minimum average 16 feet required. The upper floors will have a floor to floor height of 11 feet 4 inches with 10 feet clear as measured from top of floor to bottom of ceiling, which meets the minimum average 10 feet clear required.

Section 12.04.06.E.4 – Live/Work Units.

All live/work units in the Project have an average size of no less than 750 square feet with workspace areas that are a minimum of 150 square feet with minimum dimensions of 10 feet by 15 feet. There are no live/work units on the ground level, and all units have an open floor plan.

Section 12.04.06.E.5 – Open Space.

The Project includes an On-Menu Density Bonus incentive request to reduce the LAMC required open space. However, if Section 12.04.06.E.5 of the HI Ordinance applied, the Project could include the resident production area in the open space calculation, which would add 5,885 square feet of open space to the 10,393 square feet of open space provided pursuant to LAMC standards for a total of 16,278 square feet. Therefore, the Project would meet the minimum required open space area under the HI Ordinance of 12,200 square feet.

Section 12.04.06.E.6 – Massing.

No portion of the Project is greater than 275 feet in length along a continuous street frontage; therefore, this development standard does not apply.

Section 12.04.06.E.7 – Build-To Line and Streetwall.

The Project has a 0-foot setback along Decatur Street and 7th Street and does not locate any portion of the building façade along these frontages more than 10 feet from the lot lines that abut the public streets below 30'-0" except at the corner of 7th and Decatur where the pedestrian amenities are provided.

Section 12.04.06.E.8 – Buffer from Heavy Industry.

The Project Site does not abut a site containing heavy industrial uses; therefore, this development standard does not apply.

Section 12.04.06.E.9 – Façade Transparency.

Consistent with the HI Ordinance, the Project façade at the ground level is comprised of approximately 70 percent of transparent windows or openings and approximately 30 percent of transparent windows or openings at the upper floors.

Section 12.04.06.E.10 – Roof Treatment.

Consistent with the HI Ordinance, the Project provides the minimum of 75 percent of the roof area for solar, roof garden, green roof, or cool roof.

Section 12.04.06.E.11 – Trash Enclosures.

The Project includes enclosures for trash and recycling facilities as required by this development standard.

Section 12.04.06.E.12 – Trees.

The Project includes 31 trees on-site, which meets the requirement of one tree for every four live/work units.

Section 12.04.06.E.13 – Parking and Vehicular Access.

The parking for the Project is located within the building at ground level and in a subterranean garage, consistent with the requirements of the HI Ordinance. The Project will provide two parking spaces for each 1,000 square feet of commercial uses, or 19 parking spaces. Pursuant to Assembly Bill (AB) 744, the Project would require 61 parking spaces for the live/work units; however, the Project includes 113 parking spaces for the live/work units.

Section 12.04.06.E.14 – Signage.

The Project includes standard tenant and building identification signage that would not exceed a maximum of one square foot for each linear foot of building frontage.

General Plan Amendment Findings

1. The proposed General Plan Amendment is substantial conformance with the purposes, intent, and provisions of the General Plan.

The Project Site is located within the Central City North Community Plan (the “Community Plan”) area, which was adopted by the City Council on December 15, 2000 (pursuant to Council File 97-0282). The Project Site has a land use designation of Heavy Manufacturing, which corresponds to the M3 zone. The Applicant is requesting a General Plan Amendment to change the land use designation from Heavy Manufacturing to Regional Center Commercial with a corresponding Zone and Height District Change to C2-2D.

The Project Site is in proximity to the Artists-in-Residence District (“AIR District”) as identified in the currently adopted Central City North Community Plan. Established in 2000, the AIR District was originally bounded by 1st Street to the north, the LA River to the east, 6th Street to the south, and Alameda Street to the west; however, the Community Plan also identifies “Special Boundaries” which notes that “Artists-in-Residence occupy a large area of Central City North between the Santa Ana Freeway and the Santa Monica Freeway and between Alameda Street and the Los Angeles River.” The Project Site is located within the described Special Boundaries.

The Arts District has undergone substantial change over the last few years. There has been a significant amount of residential and commercial development in an area that was previously predominately characterized by warehouse and industrial uses. The existing Community Plan no longer accurately reflects current development trends or all of the City’s current planning goals for the area. The City intends to update the Community Plan, but the update process has been delayed and may not be completed during the current real estate market cycle. As an interim measure, the City Council recently adopted the HI Ordinance, which allows for the development of mixed use projects compatible with the area. However, the HI Ordinance has been placed on hold due to a pending lawsuit. Nonetheless, the Project will meet all of the development standards of the HI Ordinance.

Therefore, the subject General Plan Amendment is in substantial conformance with the purposes, intent, and provisions of the General Plan.

General Plan Framework Element

The General Plan Framework, adopted in December 1996, establishes the City’s long-range comprehensive growth strategy and provides guidance on Citywide land use and planning policies, objectives, and goals. The Framework defines Citywide policies for land use, housing, urban form and urban design, open space and conservation,

transportation, infrastructure and public spaces. The Project is consistent with the goals, objectives and policies of the General Plan Framework.

Chapter 3: Land Use

Within the Land Use Chapter of the Framework Element, the following goals, objectives, and policies relevant to the Community Center are applicable to the Project:

Goal 3: *Pedestrian-oriented, high activity, multi- and mixed-use centers that support and provide identity for Los Angeles' communities.*

Objective 3.9: *Reinforce existing and encourage new community centers, which accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhood and community activity, are compatible with adjacent neighborhoods, and are developed to be desirable places in which to live, work and visit, both in daytime and nighttime.*

Policy 3.9.5: *Promote pedestrian activity by the design and siting of structures in accordance with Pedestrian-Oriented District Policies 3.16.1 through 3.16.3.*

Policy 3.9.6: *Require that commercial and mixed-use buildings located adjacent to residential zones be designed and limited in height and scale to provide a transition with these uses, where appropriate.*

Policy 3.9.7: *Provide for the development of public streetscape improvements, where appropriate.*

Policy 3.9.8: *Support the development of public and private recreation and small parks by incorporating pedestrian-oriented plazas, benches, other streetscape amenities and, where appropriate, landscaped play areas.*

With approval of the proposed C2 zone and corresponding General Plan Amendment to change the subject site's land use designation from Heavy Manufacturing to Regional Center Commercial, the Project will be consistent with the General Plan and zoning of the Project Site. The proposed zone change will facilitate the creation of new live-work space with a design that preserves the surrounding industrial and artistic character, supports enhanced street level activity, maintains a consistent urban street wall, minimizes conflicts between cars and pedestrians, and orients buildings and pedestrians towards the streets.

The proposed General Plan Amendment from Heavy Manufacturing to Regional Center Commercial will be consistent and compatible with the recent pattern of development and expansion of residential live-work uses in the area and will allow for the proposed new construction of a mixed-use building with amenities on the Project Site. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy

Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area.

Community Plan

The Project substantially conforms with the following objectives and policies of the Community Plan:

Objective 1-1: *To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.*

The Project includes the development of 122 live-work units with a variety of unit sizes, including 14 units for Very Low Income Households, to meet the diverse economic and physical needs and overall demand for the projected increased population in the Central City North Community Plan area.

Objective 1-2: *To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.*

Residents of the Project will have access to a variety of nearby mass transit options which would help reduce vehicular trips and provide access to services and facilities within the adjacent Downtown area and the greater Los Angeles region. The Project area is served by a number of bus lines, and is just south of Union Station, a major transit hub for the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Objective 2-1: *To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.*

Objective 2-2: *To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.*

The Project is a mixed-use development that includes new commercial uses with approximately 15,385 square feet of commercial, art, and production uses. The addition of new commercial uses will complement the recent development trend in the surrounding Arts District which includes a variety of unique restaurants, creative office space, and boutique retail shops and will further strengthen the commercial viability of the neighborhood. In addition, as a live-work project that will provide the opportunity for home-based commerce, the residential unit type itself further strengthens the economic based of the Arts District.

Policy 2-2.2: *New development needs to add to and enhance the existing pedestrian street activity.*

The Project is designed to enhance the existing pedestrian activity along 7th Street and Decatur Street with the addition of new commercial uses which would draw patrons to the site. The Arts District area is evolving into a dynamic mixed-use area with numerous restaurants, gallery spaces, breweries, and boutique retail shops. Increasingly, patrons will walk to different venues and uses in the area. Development of the Project will further enhance the pedestrian connections in the area and the public realm along 7th Street. In addition, the Project provides substantial landscaping including 31 on-site trees, new street trees, and an outdoor area at the corner of 7th Street and Decatur Street that may include outdoor dining opportunities for restaurants.

Policy 2-2.3: *Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.*

The Project will create a strong street wall presence with commercial, arts, and production spaces at the ground level along 7th Street and Decatur Street. The primary residential entry would be located on 7th Street between the commercial spaces and will facilitate connectivity from the commercial uses to the residential live-work units and amenity spaces.

Objective 3-2: *Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.*

The Project is located within the Special Boundaries for the AIR District and continues the development of the artists-in-residence community with the proposed construction of 122 new residential live-work units, including 14 Very Low Income affordable units.

Urban Design

The Project also complies with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

1. Site Planning

- a. Locating surface parking to the rear of structures;
- b. Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- c. Maximizing retail and commercial service uses along frontages of commercial developments;
- d. Providing front pedestrian entrances for businesses fronting on main commercial streets;
- e. Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- f. Providing landscaping strips between driveways and walkways accessing the rear properties;
- g. Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;
- h. All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The Project proposes a lobby on the ground level with direct access from 7th Street that is surrounded by the Project's proposed commercial uses providing for easy pedestrian access. Setbacks adjacent to the commercial space will provide for outdoor pedestrian amenities and outdoor eating.

Each commercial space will be accessed directly from 7th Street or Decatur Street by pedestrians. The proposed parking is located within an enclosed parking structure and will not be visible from surrounding streets. The Project will provide a vehicular ingress/egress driveway located at the southwest corner of the Project Site on Decatur

Street and a vehicular ingress/egress driveway at midblock on the Decatur Street frontage.

2. Height and Building Design

- a. Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- b. Providing accenting, complimentary building materials to building facades;
- c. Maximizing the applications of architectural features or articulations to building facades;
- d. Designating architecturally untreated facades for signage;
- e. Screening of mechanical and electrical equipment from public view;
- f. Requiring the enclosure of trash areas for all projects;
- g. Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- h. Utilizing of complementary building materials in building facades;
- i. Integrating building fixtures, awnings, security gates, etc. into the design of a building;
- j. Screening all rooftop equipment and building appurtenances from adjacent properties.

3. Parking Structures

- a. Designing parking structure exteriors to match the style, materials and colors of the main building;
- b. Maximizing commercial uses, if appropriate, on the ground floor;
- c. Landscaping to screen parking structures not architecturally integrated with the main building;
- d. Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The architectural design of the Project references both the existing eclectic mix of the utilitarian industrial buildings, as well as the high quality purpose built masonry buildings in the adjacent neighborhood. The tall ground floor and 85-foot tall building complements the two- to seven-story scale of the Arts District. The combination of materials and colors on the façades give the building a texture and energy that is complements others in the neighborhood and contribute the neighborhood's cohesion as a place. The integration of the building program, including open space, balconies, and services, position the building to positively contribute to the vibrant neighborhood of commerce, galleries, and living.

The internal parking structure will be integrated into the building and entirely screened from the surrounding streets by the residential and commercial, arts, and production uses which further enhance the street experience. Trash receptacles will be located within the parking garage and will not visible to the public, while rooftop mechanical equipment will be screened from public view.

Zone Change Findings

1. The Zone Change is in Conformance with the Purposes, Intent and Provisions of the City of Los Angeles General Plan;

The proposed C2-2D zone with a Development D Limitation to restrict the FAR to 4.7 to 1 will be consistent with the proposed General Plan Amendment to change the land use designation from Heavy Manufacturing to Regional Center Commercial.

General Plan Framework Element

The General Plan Framework, adopted in December 1996, establishes the City's long-range comprehensive growth strategy and provides guidance on Citywide land use and planning policies, objectives, and goals. The Framework defines Citywide policies for land use, housing, urban form and urban design, open space and conservation, transportation, infrastructure and public spaces. The Project is consistent with the goals, objectives, and policies of the General Plan Framework.

Chapter 3: Land Use

Within the Land Use Chapter of the Framework Element, the following goals, objectives, and policies relevant to the Community Center are applicable to the Project:

Goal 3: *Pedestrian-oriented, high activity, multi- and mixed-use centers that support and provide identity for Los Angeles' communities.*

Objective 3.9: *Reinforce existing and encourage new community centers, which accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhood and community activity, are compatible with adjacent neighborhoods, and are developed to be desirable places in which to live, work and visit, both in daytime and nighttime.*

Policy 3.9.5: *Promote pedestrian activity by the design and siting of structures in accordance with Pedestrian-Oriented District Policies 3.16.1 through 3.16.3.*

Policy 3.9.6: *Require that commercial and mixed-use buildings located adjacent to residential zones be designed and limited in height and scale to provide a transition with these uses, where appropriate.*

Policy 3.9.7: *Provide for the development of public streetscape improvements, where appropriate.*

Policy 3.9.8: *Support the development of public and private recreation and small parks by incorporating pedestrian-oriented plazas, benches, other streetscape amenities and, where appropriate, landscaped play areas.*

The proposed C2 zone will be consistent with the proposed General Plan Amendment to change the subject site's land use designation from Heavy Manufacturing to Regional Center Commercial. The proposed zone change will facilitate the creation of new live-work space with a design that preserves the surrounding industrial and artistic character, supports enhanced street level activity, maintains a consistent urban street wall, minimizes conflicts between cars and pedestrians, and orients buildings and pedestrians towards the streets.

The proposed C2 Zone will be consistent and compatible with the recent pattern of development and expansion of residential live-work uses in the area and will allow for the new construction of a mixed-use building with amenities on the Project Site. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area.

Community Plan

The Project substantially conforms with the following objectives and policies of the Community Plan:

Objective 1-1: *To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.*

The Project includes the development of 122 live-work units with a variety of unit sizes, including 14 units for Very Low Income Households to meet the diverse economic and physical needs and overall demand for the projected increased population in the Central City North Community Plan area.

Objective 1-2: *To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.*

Residents of the Project will have access to a variety of nearby mass transit options which would help reduce vehicular trips and provide access to services and facilities within the adjacent Downtown area and the greater Los Angeles region. The Project area is served by a number of bus lines, and is just south of Union Station, a major transit hub for the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Objective 2-1: *To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.*

Objective 2-2: *To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.*

The Project is a mixed-use development that includes new commercial uses with approximately 15,385 square feet of commercial, art, and production uses. The addition of new commercial uses will complement the recent development trend in the surrounding Arts District which includes a variety of unique restaurants, creative office space, and boutique retail shops and will further strengthen the commercial viability of the neighborhood. In addition, as a live-work project which will provide the opportunity for home-based commerce, the residential unit type itself further strengthens the economic base of the Arts District.

Policy 2-2.2: *New development needs to add to and enhance the existing pedestrian street activity.*

The Project is designed to enhance the existing pedestrian activity along 7th Street and Decatur Street with the addition of new commercial uses which would draw patrons to the site. The Arts District area is evolving into a dynamic mixed-use area with numerous restaurants, gallery spaces, breweries, and boutique retail shops. Increasingly, patrons will walk to different venues and uses in the area. Development of the Project will further enhance the pedestrian connections in the area and the public realm along 7th Street. In addition, the Project provides substantial landscaping including 31 trees, new street trees,

and an outdoor area at the corner of 7th Street and Decatur Street that may include outdoor dining opportunities for restaurants.

Policy 2-2.3: *Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.*

The Project will create a strong street wall presence with commercial, arts, and production spaces at the ground level along 7th Street and Decatur Street. The primary residential entry would be located on 7th Street between the commercial spaces and will facilitate connectivity from the commercial uses to the residential live-work units and amenity spaces.

Objective 3-2: *Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.*

The Project is located within the Special Boundaries for the AIR District and continues the development of the artists-in-residence community with the proposed construction of 122 new residential live-work units, including 14 Very Low Income affordable units.

Urban Design

The Project also complies with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

1. Site Planning

- a. Locating surface parking to the rear of structures;
- b. Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- c. Maximizing retail and commercial service uses along frontages of commercial developments;
- d. Providing front pedestrian entrances for businesses fronting on main commercial streets;
- e. Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- f. Providing landscaping strips between driveways and walkways accessing the rear properties;
- g. Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;

- h. All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The Project proposes a lobby on the ground level with direct access from 7th Street that is surrounded by the Project's proposed commercial uses providing for easy pedestrian access. Setbacks adjacent to the commercial space will provide for outdoor pedestrian amenities and outdoor eating.

Each commercial space will be accessed directly from 7th Street or Decatur Street by pedestrians. The proposed parking is located within an enclosed parking structures and will not be visible from surrounding streets. The Project will provide a vehicular ingress/egress driveway located at the southwest corner of the Project Site on Decatur Street and a vehicular ingress/egress driveway located at midblock on the Decatur Street frontage.

2. Height and Building Design

- a. Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- b. Providing accenting, complimentary building materials to building facades;
- c. Maximizing the applications of architectural features or articulations to building facades;
- d. Designating architecturally untreated facades for signage;
- e. Screening of mechanical and electrical equipment from public view;
- f. Requiring the enclosure of trash areas for all projects;
- g. Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- h. Utilizing of complementary building materials in building facades;
- i. Integrating building fixtures, awnings, security gates, etc. into the design of a building;
- j. Screening all rooftop equipment and building appurtenances from adjacent properties.

3. Parking Structures

- a. Designing parking structure exteriors to match the style, materials and colors of the main building;
- b. Maximizing commercial uses, if appropriate, on the ground floor;
- c. Landscaping to screen parking structures not architecturally integrated with the main building;
- d. Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The architectural design of the Project references both the existing eclectic mix of the utilitarian industrial buildings, as well as the high quality purpose built masonry buildings in the adjacent neighborhood. The tall ground floor and 85-foot tall building complements the two- to seven-story scale of the Arts District. The combination of materials and colors on the façades give the building a texture and energy that is complements others in the neighborhood and contribute the neighborhood's cohesion as a place. The integration of the building program, including open space, balconies, and services, position the building to positively contribute to the vibrant neighborhood of commerce, galleries, and living.

The internal parking structure will be integrated into the building and entirely screened from the surrounding streets by the residential and commercial, arts, and production uses which further enhance the street experience. Trash receptacles will be located within the parking garage and will not visible to the public, while rooftop mechanical equipment will be screened from public view.

2. The Zone Change Will Conform to Public Necessity, Convenience and General Welfare of the City of Los Angeles.

The proposed Zone Change from M3-1-RIO to C2-2D-RIO is in conformance with public necessity, convenience, general welfare and good zoning practices.

Good Zoning Practice

The proposed Zone Change will facilitate redevelopment of the Project Site, permitting construction of 122 live-work units, and flexible commercial space that may include commercial, arts, and production space. The Project complements and continues the recent development of the immediate neighborhood and the surrounding Arts District with mixed-use buildings and residential and commercial uses. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located at 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area.

The majority of residential development in the area has occurred through the adaptive reuse of former industrial and warehouse buildings which often lack the on-site amenities common in new development including sufficient parking, open space, courtyards, and landscaping. In contrast to existing buildings converted to residential uses, the Project

will provide substantial residential amenities, including 10,393 square feet of open space and recreation area comprising a community room, courtyard, rooftop garden, and balconies. The on-site amenities will alleviate the burden on the City to provide such needed amenities for the growing residential population in the area.

In addition, future residents of the Project will have access to ample public transportation options and the Project Site is located in close proximity to Downtown's employment center. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Although the Applicant is seeking a Zone Change to C2, the Project fully complies with the development standards of the HI Ordinance, including all live/work units, affordable housing, minimum average unit size, minimum average floor to ceiling heights, public art/façade treatment, Resident Production Art Gallery, minimum non-residential space, underground/screened parking, building height, massing, façade transparency, and roof treatment.

Therefore, since the Project redevelops an underutilized infill site with housing and accessory commercial, arts, and production space in proximity to similar infill and converted projects, transit, and a major jobs center and will implement the public policies embodied in the HI Ordinance, the Zone Change allowing the development of the Project represents good zoning practice.

Public Necessity

According to the adopted City of Los Angeles Housing Element, the City is in need of new dwelling units to serve both the current population and the projected population. In conjunction with housing demand, the cost of housing continues to rise. An objective of the Central City North Community Plan is to "provide a diversity of housing opportunities capable of accommodating all persons regardless of income, age or ethnic background." The Project will provide the Central City North community with 122 new live/work units, including 14 Very Low Income affordable units. Additionally, the Project will be compatible and complementary with the adjacent Artist-in-Residence character of the area.

Therefore, the Project is in conformance with the public necessity for additional housing to serve the current and projected population.

Convenience

One of the objectives of the Central City North Community Plan is, “to promote an arrangement of land uses, streets, and services which will encourage and contribute to health, safety, welfare and convenience of the people who live and work in the community.” Changing the existing zoning to the proposed C2 zone is consistent with the objectives of the Community Plan in that it retains the commercial/industrial zoning of the Project Site.

The Community Plan encourages new housing in proximity to goods, services, and facilities. The Project Site not only incorporates commercial uses that can serve its residents, as well as live-work units that combine residences with business uses, but is also close to new and proposed commercial establishments providing residents the opportunity to walk to their destinations. Also, by locating residential development close to major transit and the Downtown employment center, and shopping areas, the Project will facilitate residents’ interactions with the community, bringing more people onto the street, without the need for their cars, and providing more customers for local businesses. It will create a public convenience by reducing reliance on the automobile, alleviating traffic congestion as a result.

General Welfare.

The Artists-in-Residence District is increasingly characterized by mixed-use residential and commercial developments. The proposed Zone Change will facilitate the transformation of the currently underutilized site into a mixed-use development that contributes to the vibrancy of the surrounding neighborhood. The Project will promote the general welfare of the community by helping to meet local market rate and affordable housing needs, enhancing the sense of community in the area with a project that contributes to the on-going development of a community of artists and professionals, and reducing dependency on automobiles by locating new development, particularly housing, near public transit and a major employment center.

Site Plan Review Findings

1. That the project is in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan;

The subject property is located within the Central City North Community Plan area, which was adopted by the City Council on December 15, 2000 (pursuant to Council File 97-0282). The Community Plan Map designates the subject property for Heavy Manufacturing land uses, which corresponds to the M3 zone. There is no applicable Specific Plan. The Project seeks a General Plan Amendment to change the land use designation from Heavy Manufacturing to Regional Center Commercial which would correspond to the proposed C2-2D zone.

The Project Site is in proximity to the Artists-in-Residence District (“AIR District”) as identified in the currently adopted Central City North Community Plan (the “Community Plan”). Established in 2000, the AIR District was originally bounded by 1st Street to the north, the LA River to the east, 6th Street to the south, and Alameda Street to the west; however, the Community Plan also identifies “Special Boundaries” for the Artists-in-Residence District which notes that “Artists-in-Residence occupy a large area of Central City North between the Santa Ana Freeway and the Santa Monica Freeway and between Alameda Street and the Los Angeles River. The Project Site is located within the described Special Boundaries.

The Arts District has undergone substantial change over the last few years. There has been a significant amount of residential and commercial development in an area that was predominately characterized by warehouse and industrial uses. The existing Community Plan no longer accurately reflects current development trends or all of the City’s current planning goals for the area. The City intends to update the Community Plan, but the update process has been delayed and may not be completed during the current real estate market cycle. As an interim measure, the City Council recently adopted the HI Ordinance, which allows for the development of mixed use projects compatible with the area. However, the HI Ordinance has been placed on hold due to a pending lawsuit. Nonetheless, the Project will meet all of the development standards of the HI Ordinance.

Therefore, the subject General Plan amendment is in substantial conformance with the purposes, intent, and provisions of the General Plan.

General Plan Framework Element

The General Plan Framework, adopted in December 1996, establishes the City’s long-range comprehensive growth strategy and provides guidance on Citywide land use and planning policies, objectives, and goals. The Framework defines Citywide policies for land use, housing, urban form and urban design, open space and conservation,

transportation, infrastructure and public spaces. The Project is consistent with the goals, objectives and policies of the General Plan Framework.

Chapter 3: Land Use

Within the Land Use Chapter of the Framework Element, the following goals, objectives, and policies relevant to the Community Center are applicable to the Project:

Goal 3: *Pedestrian-oriented, high activity, multi- and mixed-use centers that support and provide identity for Los Angeles' communities.*

Objective 3.9: *Reinforce existing and encourage new community centers, which accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhood and community activity, are compatible with adjacent neighborhoods, and are developed to be desirable places in which to live, work and visit, both in daytime and nighttime.*

Policy 3.9.5: *Promote pedestrian activity by the design and siting of structures in accordance with Pedestrian-Oriented District Policies 3.16.1 through 3.16.3.*

Policy 3.9.6: *Require that commercial and mixed-use buildings located adjacent to residential zones be designed and limited in height and scale to provide a transition with these uses, where appropriate.*

Policy 3.9.7: *Provide for the development of public streetscape improvements, where appropriate.*

Policy 3.9.8: *Support the development of public and private recreation and small parks by incorporating pedestrian-oriented plazas, benches, other streetscape amenities and, where appropriate, landscaped play areas.*

With approval of the proposed C2 zone and corresponding General Plan Amendment to change the subject site's land use designation from Heavy Manufacturing to Regional Center Commercial, the Project will be consistent with the General Plan and zoning of the Project Site. The proposed zone change will facilitate the creation of new live-work space with a design that preserves the surrounding industrial and artistic character, supports enhanced street level activity, maintains a consistent urban street wall, minimizes conflicts between cars and pedestrians, and orients buildings and pedestrians towards the streets.

The proposed General Plan Amendment from Heavy Manufacturing to Regional Center Commercial will be consistent and compatible with the recent pattern of development and expansion of residential live-work uses in the area and will allow for the new construction of a mixed-use building with amenities on the Project Site. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located at 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts

is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area.

Community Plan

The Project substantially conforms with the following objectives and policies of the Community Plan:

Objective 1-1: *To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.*

The Project includes the development of 122 live-work units with a variety of unit sizes, including 14 units for Very Low Income Households, to meet the diverse economic and physical needs and overall demand for the projected increased population in the Central City North Community Plan area.

Objective 1-2: *To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.*

Residents of the Project will have access to a variety of nearby mass transit options which would help reduce vehicular trips and provide access to services and facilities within the adjacent Downtown area and the greater Los Angeles region. The Project area is served by a number of bus lines, and is just south of Union Station, a major transit hub for the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Objective 2-1: *To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.*

Objective 2-2: *To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.*

The Project is a mixed-use development that includes new commercial uses with approximately 15,385 square feet of commercial, arts, and production uses. The addition of new commercial uses will complement the recent development trend in the surrounding Arts District which includes a variety of unique restaurants, creative office space, and boutique retail shops and will further strengthen the commercial viability of the neighborhood. In addition, as a live-work project that will provide the opportunity for home-based commerce, the residential unit type itself further strengthens the economic based of the Arts District.

Policy 2-2.2: *New development needs to add to and enhance the existing pedestrian street activity.*

The Project is designed to enhance the existing pedestrian activity along 7th Street and Decatur Street with the addition of new commercial uses which would draw patrons to the site. The Arts District area is evolving into a dynamic mixed-use area with numerous restaurants, gallery spaces, breweries, and boutique retail shops. Increasingly, patrons will walk to different venues and uses in the area. Development of the Project will further enhance the pedestrian connections in the area and the public realm along 7th Street. In addition, the Project provides substantial landscaping, including 31 trees on-site, new street trees, and an outdoor area at the corner of 7th Street and Decatur Street that may include outdoor dining opportunities for restaurants and will include short-term bicycle parking for the commercial spaces as well as the residents.

Policy 2-2.3: *Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.*

The Project will create a strong street wall presence with commercial, arts, and production spaces at the ground level along 7th Street and Decatur Street. The primary residential entry would be located on 7th Street between the commercial spaces and will facilitate connectivity from the commercial uses to the residential live-work units and amenity spaces.

Objective 3-2: *Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.*

The Project is located within the Special Boundaries for the AIR District and continues the development of the artists-in-residence community with the proposed construction of 122 new residential live-work units, including 14 Very Low Income affordable units.

Urban Design

The Project also complies with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

1. Site Planning

- a. Locating surface parking to the rear of structures;
- b. Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- c. Maximizing retail and commercial service uses along frontages of commercial developments;
- d. Providing front pedestrian entrances for businesses fronting on main commercial streets;
- e. Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- f. Providing landscaping strips between driveways and walkways accessing the rear properties;
- g. Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;
- h. All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The Project proposes a lobby on the ground level with direct access from 7th Street that is surrounded by the Project's proposed commercial uses providing for easy pedestrian access. Setbacks adjacent to the commercial space will provide for outdoor pedestrian amenities and outdoor eating.

Each commercial space will be accessed directly from 7th Street or Decatur Street by pedestrians. The proposed parking is located within an enclosed parking structures and will not be visible from surrounding streets. The Project will provide a vehicular ingress/egress driveway located at the southwest corner of the Project Site on Decatur Street and a vehicular ingress/egress driveway at approximately midblock on the Decatur Street frontage.

2. Height and Building Design

- a. Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- b. Providing accenting, complimentary building materials to building facades;
- c. Maximizing the applications of architectural features or articulations to building facades;
- d. Designating architecturally untreated facades for signage;
- e. Screening of mechanical and electrical equipment from public view;
- f. Requiring the enclosure of trash areas for all projects;
- g. Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- h. Utilizing of complementary building materials in building facades;
- i. Integrating building fixtures, awnings, security gates, etc. into the design of a building;
- j. Screening all rooftop equipment and building appurtenances from adjacent properties.

3. Parking Structures

- a. Designing parking structure exteriors to match the style, materials and colors of the main building;
- b. Maximizing commercial uses, if appropriate, on the ground floor;
- c. Landscaping to screen parking structures not architecturally integrated with the main building;
- d. Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The architectural design of the Project references both the existing eclectic mix of the utilitarian industrial buildings, as well as the high quality purpose built masonry buildings in the adjacent neighborhood. The tall ground floor and 85-foot tall building complements in the two- to seven-story scale of the Arts District. The combination of materials and colors on the façades give the building a texture and energy that is complements others in the neighborhood and contribute the neighborhood's cohesion as a place. The integration of the building program, including open space, balconies, and services, position the building to positively contribute to the vibrant neighborhood of commerce, galleries, and living.

The internal parking structure will be integrated into the building and entirely screened from the surrounding streets by the residential and commercial, arts, and production uses which further enhance the street experience. Trash receptacles will be located within the parking garage and will not visible to the public, while rooftop mechanical equipment will be screened from public view.

1. That the project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that is or will be compatible with existing and future development on adjacent properties and neighboring properties; and

The Project consists of an arrangement of buildings and structures (including height, bulk, and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that will be compatible with existing and future development on adjacent properties and neighboring properties.

Immediately surrounding the Project Site are industrial and commercial buildings approximately one to six stories above grade. In a few blocks radius of the Project Site, there are commercial retail, office, restaurant, parking, industrial, and residential land uses ranging in height from one to seven stories above grade. The massing and height of the proposed building will be compatible with the height of the buildings surrounding the Project Site. Therefore, the Project's scale and massing at seven stories and approximately 85 feet in height will be consistent with the surrounding urban form.

The design of the architectural exteriors will evoke the repurposed industrial concept of the nearby Arts District's buildings and are designed to complement the refurbished residential loft architectural style common in the neighborhood. The ground floor is differentiated from the upper residential floors and includes cementitious panels and clear glazing finishes that complement the proposed street level landscaping. The upper residential portions feature masonry and plaster finish with clear glazing windows and doors that vary in size and proportion to create an articulated façade. "Cut outs" for courtyards and upper floor patios create additional sculptural interest in the building and modulate the building mass along the length of the block. The internal parking structure will be entirely screened from the surrounding streets by the residential and commercial, arts and production uses which further enhances the street experience. Trash receptacles will be located within the parking garage and will not be visible to the public, while rooftop mechanical equipment will be screened from public view.

2. That any residential project provides recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.

Immediately surrounding the Project Site are industrial and commercial buildings approximately one to six stories above grade. Within a few blocks radius of the Project Site, there is commercial retail, office, restaurant, parking, industrial, and residential land uses ranging in height from one to seven stories above grade. The massing and height of the proposed buildings would be compatible with the height of the buildings surrounding the Project Site. Therefore, the Project's scale and massing at seven stories and approximately 85 feet in height would be consistent with the surrounding urban form.

The Project includes 10,393 square feet of open space and recreation area comprised of a courtyard including a pool and outdoor fitness, rooftop garden, and balconies.

Conditional Use Permit (Greater than 35% Density Bonus) Findings

1. That the project will enhance the built environment in the surrounding neighborhood or will perform a function to provide a service that is essential or beneficial to the community, city, or region.

The Project will enhance the built environment by including 122 live-work units including 14 units reserved for Very Low Income Households in a new seven-story building that will include off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that will be compatible with existing and future development on adjacent properties and neighboring properties. The Project will meet all of the development standards of the HI Ordinance, which were developed to enhance the built environment in the surrounding neighborhood.

Immediately surrounding the Project Site are industrial and commercial buildings approximately one to seven stories above grade. Within a few blocks radius of the Project Site, there are commercial retail, office, restaurant, parking, industrial, and residential land uses ranging in height from one to seven stories above grade. The massing and height of the proposed building will be compatible with the height of the buildings surrounding the Project Site. Therefore, the Project's scale and massing at seven stories and approximately 85 feet in height will be consistent with the surrounding urban form.

The design of the architectural exteriors will evoke the repurposed industrial concept of the nearby Arts District's buildings and are designed to complement the refurbished residential loft architectural style common in the neighborhood. The ground floor is differentiated from the upper residential floors and includes cementitious panels and clear glazing finishes that complement the proposed street level landscaping and draw daylight into the proposed courtyard spaces. The upper residential portions feature masonry and plaster finish with clear glazing windows and doors that vary in size and proportion to create an articulated façade. "Cut outs" for courtyards and upper floor patios create additional sculptural interest in the building and modulate the building mass along the length of the block. The west outdoor area is designed to be visible from the corner of 7th Street and Decatur Street and creates an invitation to explore the amenities of the Project. The internal parking structure will be entirely screened from the surrounding streets by the residential and commercial, arts and production uses, which will further enhance the street experience. Trash receptacles will be located within the parking garage and will not be visible to the public, while rooftop mechanical equipment will be screened from public view.

The Project will serve a critical need to provide new quality market rate and affordable live-work units for the community and the region.

2. That 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 Project will facilitate redevelopment of the subject property, permitting construction of 122 live-work units, and flexible commercial space that may include commercial, arts, and production space. The Project complements and continues the recent development of the immediate neighborhood and the surrounding Arts District with mixed-use buildings and residential and commercial uses. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area. In addition, the Project will meet all of the development standards of the HI Ordinance, which were developed to enhance the built environment in the surrounding neighborhood.

The majority of residential development in the area has occurred through the adaptive reuse of former industrial and warehouse buildings which often lack the on-site amenities common in new development including sufficient parking, open space, courtyards, and landscaping. In contrast to existing buildings converted to residential uses, the Project will provide substantial residential amenities, including 10,393 square feet of open space and recreation area comprising a community room, courtyard, rooftop garden, and balconies. The on-site amenities will alleviate the burden on the City to provide such needed amenities for the growing residential population in the area.

In addition, future residents of the Project will have access to ample public transportation options and the Project Site is located in close proximity to Downtown's employment center. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

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

The Project Site is located within the Central City North Community Plan area, which was adopted by the City Council on December 15, 2000 (pursuant to Council File 97-0282). The Project Site has a land use designation of Heavy Manufacturing, which corresponds to the M3 zone. The Applicant is requesting a General Plan Amendment to change the land use designation from Heavy Manufacturing to Regional Center Commercial with a corresponding Zone and Height District Change to C2-2D.

The Project Site is in proximity to the Artists-in-Residence District (“AIR District”) as identified in the currently adopted Central City North Community Plan (the “Community Plan”). Established in 2000, the AIR District was originally bounded by 1st Street to the north, the LA River to the east, 6th Street to the south, and Alameda Street to the west; however, the Community Plan also identifies “Special Boundaries” which notes that “Artists-in-Residence occupy a large area of Central City North between the Santa Ana Freeway and the Santa Monica Freeway and between Alameda Street and the Los Angeles River. The Project Site is located within the described Special Boundaries.

The Arts District has undergone substantial change over the last few years. There has been a significant amount of residential and commercial development in an area that was previously predominately characterized by warehouse and industrial uses. The existing Community Plan no longer accurately reflects current development trends or all of the City’s current planning goals for the area. The City intends to update the Community Plan, but the update process has been delayed and may not be completed during the current real estate market cycle. As an interim measure, the City Council recently adopted the HI Ordinance, which allows for the development of mixed-use projects compatible with the area. However, the HI Ordinance has been placed on hold due to a pending lawsuit. Nonetheless, the Project will meet all of the development standards of the HI Ordinance and will implement the public policy goals of that Ordinance.

The proposed General Plan Amendment from Heavy Manufacturing to Regional Center Commercial will be consistent and compatible with the recent pattern of development and expansion of residential live-work uses in the area and will allow for the proposed new construction of a mixed-use building with amenities on the Project Site. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and

20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial St. (between Jesse and 7th Streets), which is the first gourmet food store in the area.

The Project substantially conforms with the following objectives and policies of the Community Plan:

Objective 1-1: *To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.*

The Project includes the development of 122 live-work units with a variety of unit sizes, including 14 units for Very Low Income Households, to meet the diverse economic and physical needs and overall demand for the projected increased population in the Central City North Community Plan area.

Objective 1-2: *To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.*

Residents of the Project will have access to a variety of nearby mass transit options which would help reduce vehicular trips and provide access to services and facilities within the adjacent Downtown area and the greater Los Angeles region. The Project area is served by a number of bus lines, and is just south of Union Station, a major transit hub for the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Objective 2-1: *To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.*

Objective 2-2: *To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.*

The Project is a mixed-use development that includes new commercial uses with approximately 15,385 square feet of commercial, arts, and production uses. The addition of new commercial uses will complement the recent development trend in the surrounding Arts District which includes a variety of unique restaurants, creative office space, and boutique retail shops and will further strengthen the commercial viability of the neighborhood. In addition, as a live-work project which will provide the opportunity for home-based commerce, the residential unit type itself further strengthens the economic based of the Arts District.

Policy 2-2.2: *New development needs to add to and enhance the existing pedestrian street activity.*

The Project is designed to enhance the existing pedestrian activity along 7th Street and Decatur Street with the addition of new commercial uses which would draw patrons to the site. The Arts District area is evolving into a dynamic mixed-use area with numerous restaurants, gallery spaces, breweries, and boutique retail shops. Increasingly, patrons will walk to different venues and uses in the area. Development of the Project will further enhance the pedestrian connections in the area and the public realm along 7th Street. In addition, the Project provides substantial landscaping including 31 trees on-site, new street trees, and an outdoor area at the corner of 7th Street and Decatur Street that may include outdoor dining opportunities for restaurants.

Policy 2-2.3: *Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.*

The Project will create a strong street wall presence with commercial, arts, and production spaces at the ground level along 7th Street and Decatur Street. The primary residential entry would be located on 7th Street between the commercial spaces and will facilitate resident connectivity from the commercial uses to the residential live-work units and amenity spaces.

Objective 3-2: *Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.*

The Project is located within the Special Boundaries for the AIR District and continues the development of the artists-in-residence community with the proposed construction of 122 new residential live-work units, including 14 Very Low Income affordable units.

Urban Design

The Project also complies with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

1. Site Planning

- a. Locating surface parking to the rear of structures;
- b. Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- c. Maximizing retail and commercial service uses along frontages of commercial developments;
- d. Providing front pedestrian entrances for businesses fronting on main commercial streets;
- e. Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- f. Providing landscaping strips between driveways and walkways accessing the rear properties;
- g. Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;
- h. All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The Project proposes a lobby on the ground level with direct access from 7th Street that is surrounded by the Project's proposed commercial uses providing for easy pedestrian access. Setbacks adjacent to the commercial space will provide for outdoor pedestrian amenities and outdoor eating.

Each commercial space will be accessed directly from 7th Street or Decatur Street by pedestrians. The proposed parking is located within an enclosed parking structures and will not be visible from surrounding streets. The Project will provide a vehicular ingress/egress driveway located at the southwest corner of the Project Site on Decatur Street and a vehicular ingress/egress driveway located at midblock along the Decatur Street frontage.

2. Height and Building Design

- a. Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- b. Providing accenting, complimentary building materials to building facades;

- c. Maximizing the applications of architectural features or articulations to building facades;
- d. Designating architecturally untreated facades for signage;
- e. Screening of mechanical and electrical equipment from public view;
- f. Requiring the enclosure of trash areas for all projects;
- g. Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- h. Utilizing of complementary building materials in building facades;
- i. Integrating building fixtures, awnings, security gates, etc. into the design of a building;
- j. Screening all rooftop equipment and building appurtenances from adjacent properties.

3. Parking Structures

- a. Designing parking structure exteriors to match the style, materials and colors of the main building;
- b. Maximizing commercial uses, if appropriate, on the ground floor;
- c. Landscaping to screen parking structures not architecturally integrated with the main building;
- d. Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The architectural design of the Project references both the existing eclectic mix of the utilitarian industrial buildings, as well as the high quality purpose built masonry buildings in the adjacent neighborhood. The tall ground floor and 85-foot tall building complements in the two- to seven-story scale of the Arts District. The combination of materials and colors on the façades give the building a texture and energy that is complements others in the neighborhood and contribute the neighborhood's cohesion as a place. The integration of the building program, including open space, balconies, and services, position the building to positively contribute to the vibrant neighborhood of commerce, galleries, and living.

The internal parking structure will be integrated into the building and entirely screened from the surrounding streets by the residential and commercial, arts, and production uses which further enhance the street experience. Trash receptacles will be located within the parking garage and will not visible to the public, while rooftop mechanical equipment will be screened from public view.

Density Bonus/Affordable Housing Incentives Program Determination

The Director shall approve a density bonus and requested incentive(s) unless the Director finds that:

1. *The Incentives are not required in order to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5, or Section 50053 for rents for the affordable units.*

Requested On-Menu Incentives

The record does not contain substantial evidence that would allow the Director to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for Very Low, Low, and Moderate Income Households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

The list of On-Menu incentives in 12.22.A.25 were pre-evaluated at the time the Density Bonus Ordinance was adopted to include types of relief that minimize restrictions on the size of the project. As such the Director will always arrive at the conclusion that the density bonus On-Menu incentives are required to provide for affordable housing costs because the incentives by their nature increase the scale of the project.

Open Space Reduction Less Than 20 Percent:

Based on LAMC open space requirements, the Project would require 12,200 square feet of open space. The Project reduction in open space is necessary in order to expand the building envelope to allow for the construction of the density bonus units and increase the overall space dedicated to residential uses.

Requested Off-Menu Waiver

The requested Off-Menu Waiver for reduced yard setbacks are not expressed in the Menu of Incentives per LAMC Section 12.22.A.25(f) and, as such, are subject to LAMC Section 12.22.A.25(g)(3) which requires a pro forma or other documentation to show that the waiver or modification of any development standards are needed in order to make the Restricted Affordable Units economically feasible.

The requested Off-Menu Waiver allows the Applicant to expand the building envelope to allow for the construction of the density bonus units and increase the overall floor area dedicated to residential uses. This waiver supports the Applicant's decision to set aside 14 units for Very Low Income Households for a period of 55 years. In addition, by providing the reduced yard setbacks, the Project

will better complement the architectural character of the Project area which primarily consists of industrial buildings with no yard setbacks that have been repurposed as residential lofts.

2. *The Incentives will have a specific adverse impact upon public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the Specific Adverse Impact without rendering the development unaffordable to Very Low, Low, and Moderate Income households. Inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.*

There is no evidence that the proposed incentive will have a specific adverse impact. A "specific adverse impact" is defined as, "a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22-A,25(b)). The Project and potential impacts were analyzed in accordance with the City's Environmental Quality Act (CEQA) Guidelines and the City's L.A. CEQA Thresholds Guide. These two documents establish guidelines and thresholds of significant impact, and provide the data for determining whether or not the impacts of a proposed project reach or exceed those thresholds. Analysis of the Project involved the preparation of a Mitigated Negative Declaration (MND) (ENV-____-____-MND), and it was determined that the Project may have an impact on the following environmental factors: aesthetics, air quality, cultural resources, geology and soils, greenhouse gases, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, population and housing, public services, transportation and traffic, and utilities and service systems. However, project design features and mitigation measures will reduce impacts to less than significant levels, and are imposed as Conditions of Approval herein (Condition Nos. ____ through ____). Therefore, there is no substantial evidence that the Project will have a specific adverse impact on the physical environment, on public health and safety, and on property listed in the California Register of Historic Resources.

Conditional Use Permit for Alcohol (CUB) 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 requests approval of a Conditional Use Permit (CUB) to permit the sale or dispensing for consideration of a full line of alcoholic beverages for on-site consumption at a restaurant.

In particular, restaurants promote pedestrian activity, and the serving of alcoholic beverages is a normal and expected component of most restaurants. The Project would continue to enhance this area of the Arts District as a walkable community by developing on-site dining, located in a popular and expanding commercial and residential area.

Through the requested Conditional Use Permit, the restaurant will be subject to specific operational conditions of approval. The floor plan, seating limitation, and other recommended conditions, as well as the mode and character of the operation are addressed as part of the subject CUB. Accordingly, the approval of the CUB will not detrimentally affect nearby residential neighborhoods.

With respect to the economic welfare of the community, the proposed alcohol-serving establishment will serve as accessory to the primary role of the Project as a residential project and to the urban commercial and residential character of the Arts District in general. The Project will consist of live/work units and ground-level retail and restaurants, and will not contain any type of use which may typically be associated with adverse effects upon the economic health of a neighborhood, such as a liquor store, or stand-alone nightclub. The Project will positively affect the economic vitality of the community by comprising a well-balanced development including live/work units, retail, and restaurants.

In addition, the proposed CUB will positively serve the public welfare by redeveloping the Site with a new mid-rise project, generating additional sales and property taxes, and by providing additional short-term and long-term employment opportunities to area residents.

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 Project will facilitate redevelopment of the subject property, permitting construction of 122 live-work units, and flexible commercial space that may include commercial, arts, and production space and includes a 3,555-square foot restaurant with outdoor seating. The Project complements and continues the recent development of the immediate neighborhood and the surrounding Arts District with mixed-use buildings and residential and commercial uses. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development,

located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial Street (between Jesse and 7th Streets), which is the first gourmet food store in the area. In addition, the Project will meet all of the development standards of the HI Ordinance, which were developed to enhance the built environment in the surrounding neighborhood.

The majority of residential development in the area has occurred through the adaptive reuse of former industrial and warehouse buildings which often lack the on-site amenities common in new development including sufficient parking, open space, courtyards, and landscaping. In contrast to existing buildings converted to residential uses, the Project will provide substantial residential amenities, including 10,393 square feet of open space and recreation area comprising a community room, courtyard, rooftop garden, and balconies. The on-site amenities will alleviate the burden on the City to provide such needed amenities for the growing residential population in the area.

In addition, future residents of the Project will have access to ample public transportation options and the Project Site is located in close proximity to Downtown's employment center. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of the Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

- 3. The proposed use will be in harmony with the various elements and objectives of the General Plan.*

The Project Site is located within the Central City North Community Plan area, which was adopted by the City Council on December 15, 2000 (pursuant to Council File 97-

0282). The Project Site has a land use designation of Heavy Manufacturing, which corresponds to the M3 zone. The Applicant is requesting a General Plan Amendment to change the land use designation from Heavy Manufacturing to Regional Center Commercial with a corresponding Zone and Height District Change to C2-2D.

The Project Site is in proximity to the Artists-in-Residence District (“AIR District”) as identified in the currently adopted Central City North Community Plan (the “Community Plan”). Established in 2000, the AIR District was originally bounded by 1st Street to the north, the LA River to the east, 6th Street to the south, and Alameda Street to the west; however, the Community Plan also identifies “Special Boundaries” which notes that “Artists-in-Residence occupy a large area of Central City North between the Santa Ana Freeway and the Santa Monica Freeway and between Alameda Street and the Los Angeles River. The Project Site is located within the described Special Boundaries.

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The proposed General Plan Amendment from Heavy Manufacturing to Regional Center Commercial will be consistent and compatible with the recent pattern of development and expansion of residential live-work uses in the area and will allow for the proposed new construction of a mixed-use building with amenities on the Project Site. New residential live-work uses in the immediate area include the six-story Toy Factory Lofts development, located 1855 East Industrial Street immediately northeast of the Project Site which includes 119 residential units with ground floor retail space. Across the street from Toy Factory Lofts is the seven-story Biscuit Company Lofts development which includes 104 residential units and ground floor commercial space currently occupied by Church & State restaurant. The 2121 Lofts located at 2135 7th Street at Santa Fe Avenue is a three-story development with 78 residential units and also includes Bestia restaurant. The AMP Lofts project, located at 7th Street and Santa Fe Avenue is entitled for 320 residential units and 20,000 square feet of ground floor commercial space. Additional commercial development has also occurred in the southern portion of the AIR District, including a number of restaurants and the Urban Radish market located at 661 Imperial St. (between Jesse and 7th Streets), which is the first gourmet food store in the area.

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Objective 1-1: To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.

The Project includes the development of 122 live-work units with a variety of unit sizes, including 14 units for Very Low Income Households, to meet the diverse economic and physical needs and overall demand for the projected increased population in the Central City North Community Plan area.

Objective 1-2: To locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.

Residents of the Project will have access to a variety of nearby mass transit options which would help reduce vehicular trips and provide access to services and facilities within the adjacent Downtown area and the greater Los Angeles region. The Project area is served by a number of bus lines, and is just south of Union Station, a major transit hub for the Los Angeles area. The Project area is served by Metro Rapid Bus Line 760 and several Metro Local Lines, including lines 18, 60, and 62. These lines provide access and connections to several Metro Rail Stations, including 7th Street/Metro Center Station which provides access to the Metro Red, Purple, Expo, and Blue Rail lines. The Metro Red and Purple Rail lines then provide connections to Union Station. From Union Station, a variety of regional public transit options are available, including Metrolink, Metro Silver Bus Line, and Metro Red, Gold, and Purple Lines. Additionally, the Greyhound Bus Terminal is located across Decatur Street to the west of the Project Site on 7th Street, which provides inter-city bus service to various locations outside of Los Angeles. Finally, with the increasingly residential nature of the Arts District, the availability of commercial services has also increased so that there are retail stores and restaurants within walking distance of the Project Site.

Objective 2-1: To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.

Objective 2-2: To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.

The Project is a mixed-use development that includes new commercial uses with approximately 15,385 square feet of commercial, arts, and production uses. The addition of new commercial uses will complement the recent development trend in the surrounding Arts District which includes a variety of unique restaurants, creative office space, and boutique retail shops and will further strengthen the commercial viability of the neighborhood. In addition, as a live-work project which will provide the opportunity for home-based commerce, the residential unit type itself further strengthens the economic based of the Arts District.

Policy 2-2.2: New development needs to add to and enhance the existing pedestrian street activity.

The Project is designed to enhance the existing pedestrian activity along 7th Street and Decatur Street with the addition of new commercial uses which would draw patrons to the site. The Arts District area is evolving into a dynamic mixed-use area with numerous restaurants, gallery spaces, breweries, and boutique retail shops. Increasingly, patrons will walk to different venues and uses in the area. Development of the Project will further enhance the pedestrian connections in the area and the public realm along 7th Street. In addition, the Project provides substantial landscaping including 31 trees on-site, new street trees, and an outdoor area at the corner of 7th Street and Decatur Street that may include outdoor dining opportunities for restaurants.

Policy 2-2.3: Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.

The Project will create a strong street wall presence with commercial, arts, and production spaces at the ground level along 7th Street and Decatur Street. The primary residential entry would be located on 7th Street between the commercial spaces and will facilitate resident connectivity from the commercial uses to the residential live-work units and amenity spaces.

Objective 3-2: Encourage the continued development and maintenance of the artists-in-residence community in industrial areas of the proposed redevelopment plan areas and of the plan, as appropriate.

The Project is located within the Special Boundaries for the AIR District and continues the development of the artists-in-residence community with the proposed construction of 122 new residential live-work units, including 14 Very Low Income affordable units.

Urban Design

The Project also complies with the Urban Design policies in Chapter 5 of the Community Plan with respect to site planning, height and building design, parking structures, and landscaping.

1. Site Planning

- a. Locating surface parking to the rear of structures;
- b. Minimizing the number of widths of driveways providing sole access to the rear of commercial lots;
- c. Maximizing retail and commercial service uses along frontages of commercial developments;
- d. Providing front pedestrian entrances for businesses fronting on main commercial streets;
- e. Providing through arcades from the front of buildings to rear parking for projects within wide frontages;
- f. Providing landscaping strips between driveways and walkways accessing the rear properties;

- g. Requiring site plans which include ancillary structures, service areas, pedestrian walkways, vehicular paths, loading areas, drop off and landscaped areas;
- h. All multi-family residential projects of five or more units shall be designed around a landscaped focal point or courtyard to serve as an amenity for residents

The Project proposes a lobby on the ground level with direct access from 7th Street that is surrounded by the Project's proposed commercial uses providing for easy pedestrian access. Setbacks adjacent to the commercial space will provide for outdoor pedestrian amenities and outdoor eating.

Each commercial space will be accessed directly from 7th Street or Decatur Street by pedestrians. The proposed parking is located within an enclosed parking structures and will not be visible from surrounding streets. The Project will provide a vehicular ingress/egress driveway located at the southwest corner of the Project Site on Decatur Street and a vehicular ingress/egress driveway located at midblock along the Decatur Street frontage.

2. Height and Building Design

- a. Requiring the use of articulations, recesses, surface perforations, and porticoes to break up long, flat building facades;
- b. Providing accenting, complimentary building materials to building facades;
- c. Maximizing the applications of architectural features or articulations to building facades;
- d. Designating architecturally untreated facades for signage;
- e. Screening of mechanical and electrical equipment from public view;
- f. Requiring the enclosure of trash areas for all projects;
- g. Requiring freestanding walls to use articulation, recesses, surface perforations, porticoes to break up long freestanding walls.
- h. Utilizing of complementary building materials in building facades;
- i. Integrating building fixtures, awnings, security gates, etc. into the design of a building;
- j. Screening all rooftop equipment and building appurtenances from adjacent properties.

3. Parking Structures

- a. Designing parking structure exteriors to match the style, materials and colors of the main building;
- b. Maximizing commercial uses, if appropriate, on the ground floor;
- c. Landscaping to screen parking structures not architecturally integrated with the main building;
- d. Utilizing decorative walls and landscaping to buffer residential uses from parking structures.

The architectural design of the Project references both the existing eclectic mix of the utilitarian industrial buildings, as well as the high quality purpose built masonry

buildings in the adjacent neighborhood. The tall ground floor and 85-foot tall building complements in the two- to seven-story scale of the Arts District. The combination of materials and colors on the façades give the building a texture and energy that is complements others in the neighborhood and contribute the neighborhood's cohesion as a place. The integration of the building program, including open space, balconies, and services, position the building to positively contribute to the vibrant neighborhood of commerce, galleries, and living.

The internal parking structure will be integrated into the building and entirely screened from the surrounding streets by the residential and commercial, arts, and production uses which further enhance the street experience. Trash receptacles will be located within the parking garage and will not be visible to the public, while rooftop mechanical equipment will be screened from public view.

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

The approval of the CUB to allow alcohol service in conjunction with the Project will not adversely affect the welfare of the community. The Project is a proposed mid-rise live/work development that would provide new high-quality residential opportunities, as well as new dining and retail options, in close proximity to regionally serving transit.

These uses would be contained in a new building designed to be welcoming to pedestrians through its provision of an active and engaging streetscape, including landscaping along the Project Site's sidewalks, thereby fostering a quality urban environment.

The Project promotes the public convenience and welfare by enhancing pedestrian activity through these building design and streetscape enhancements.

A natural component of the Project's proposed restaurant use would include the sale and dispensing alcoholic beverages to patrons. It is anticipated that new residents in the area will patronize the Project's restaurant. The restaurant that will be publicly accessible will also be patronized by local residents as well as visitors to downtown Los Angeles. By facilitating the provision of a new restaurant that can provide the amenity of serving alcohol to accompany a meal, the requested CUB will therefore serve the convenience and/or general welfare.

The proposed Project will also positively serve the public welfare by generating additional jobs, sales and property taxes, and by providing additional employment opportunities to area residents. Ample on-site parking will be provided and security will be provided as part of the Project. The Project will provide attractive lighting, properly shielded and directed on-site, as well as sufficient security lighting throughout the Project Site. Moreover, the sale of alcohol will be entirely contained within a carefully controlled mixed-use development with appropriate security protections.

5. That 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.

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.

The additional on-site license would not result in an over-concentration of alcohol licenses within the census tract. Over-concentration can be undue when the addition of licenses will negatively impact a neighborhood. Over-concentration is not undue when the approval of licenses does not negatively impact an area, but rather such license benefits the public welfare and convenience. Although the census tract is numerically over-concentrated, the Project will not adversely affect community welfare because the proposed neighborhood-serving restaurant use is a needed use in an area designated for such uses. The number of licenses allocated by ABC is primarily calculated based upon resident population, and often does not take into account employment and visitor populations. Because the Project Site is located in a heavily urbanized urban area with a high concentration of hotels, restaurants, entertainment venues, retail and other commercial uses, a higher number of the alcoholic beverage licenses is anticipated. Moreover, the Arts District is experiencing a tremendous growth in residential uses, so the Census Data does not reflect the influx of additional residents to the area.

It is not anticipated that the character of the proposed uses would exacerbate existing levels of crime or be a magnet for criminal activity. To ensure that the Project would not create detrimental impacts on the surrounding area, the specific detail of the alcohol-serving restaurant is the subject of this CUB request. This process has allowed input from the Los Angeles Police Department, the Los Angeles Fire Department, the Neighborhood Council, and the City Council office. Security plans, floor plans, occupancy/seating limitations, as well as the mode and character of the operation (including hours of operation) have been addressed and assured through the imposition of site-specific conditions. Under this application, a variety of premises-specific characteristics can be determined, including hours of operation, occupancy loads, entertainment, the precise type of alcoholic beverages permitted, the location of any cocktail lounges, and security measures.

Therefore, in consideration of the foregoing, the granting of the CUB would not result in an undue concentration of premises for the sale or dispensing of alcoholic

beverages giving consideration to applicable state laws and to the California Department of Alcoholic Beverage Control's guidelines for undue concentration.

6. *That 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 would enhance the AIR District by creating new live/work, retail, and restaurant uses that would continue the development of the area into a dynamic urban mixed-use area, which currently includes a vibrant mix of residential, retail, and other commercial uses, including the on-site sale of alcohol in connection with many of these uses. The Applicant has requested a General Plan Amendment to change the designated land use to Regional Center Commercial and such a diversity of uses is common and expected in a regional commercial center and the inclusion of alcohol-serving uses is entirely consistent with the existing urban environment. Moreover, through the requested Conditional Use Permit, the restaurant will be subject to specific operational conditions of approval. Accordingly, the approval of the Conditional Use Permit will not detrimentally affect nearby residential neighborhoods.