

RESOLUTION

WHEREAS, the restaurant and hospitality industry is a vitally important part of the City's economy, employing 380,000 people and generating more than \$200 million in tax revenues to the City prior to the COVID-19 pandemic; and

WHEREAS, under the Los Angeles Municipal Code, a restaurant can only be permitted to sale alcohol by obtaining a Conditional Use Permit (CUP) or meeting the eligibility requirements for the streamlined process known as the Restaurant Beverage Program; and

WHEREAS, the CUP process can often be time consuming and costly for both applicants and City staff and resources, hindering entrepreneurs' ability to create or expand their businesses; and

WHEREAS, the City recognizes that the public health and economic impacts of the COVID-19 pandemic, and further appreciates the need to facilitate Zoning Code relief to support the local economy and livelihood of those living and working in the City; and

WHEREAS, the Restaurant Beverage Program for sit-down restaurants only is an alternative to the CUP process to remove economic and time constraints and promote economic development; and

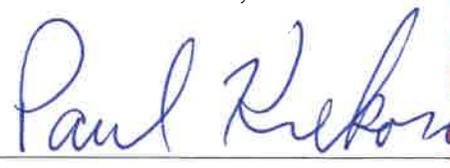
WHEREAS, the Restaurant Beverage Program contains more and stricter standards than those typically imposed during the CUP process and requires participating restaurants to be subject to enforcement procedures; and

WHEREAS, the City has undertaken an environmental review of the Restaurant Beverage Program's provisions and found that will not have a significant effect on the environment (ENV-2018-4661-ND), and further found that aspects of the proposed regulatory relief are exempt from environmental review (ENV-2020-3154-CE); and

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the Council hereby activates the streamlined permitting land use regulatory process, the *Restaurant Beverage Program-Alcohol Sensitive Use Zone*, that shall be in force and full effect in the geographical boundaries attached in Exhibit A.

BE IT FURTHER RESOLVED, that based on the findings outlined in Exhibit B relative to the geographic boundaries found in Exhibit A maps, the *Restaurant Beverage Program-Alcohol Sensitive Use Zone* is in conformity with public necessity, convenience, general welfare, and good zoning practice.

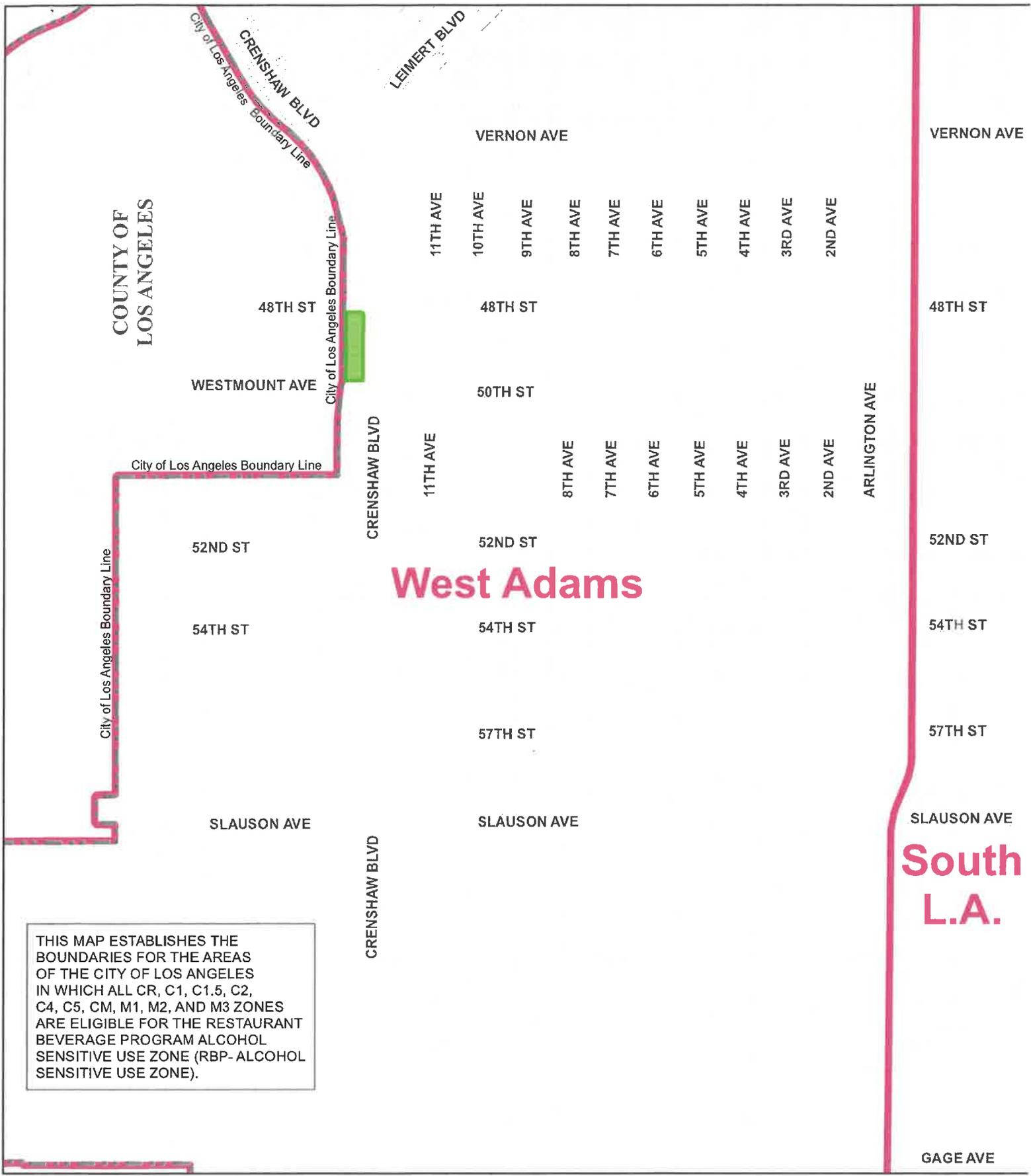
PRESENTED BY: 
MARQUEECE HARRIS-DAWSON
Councilmember, 8th District

SECONDED BY: 

ORIGINAL

APR 02 2024

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THIS MAP ESTABLISHES THE BOUNDARIES FOR THE AREAS OF THE CITY OF LOS ANGELES IN WHICH ALL CR, C1, C1.5, C2, C4, C5, CM, M1, M2, AND M3 ZONES ARE ELIGIBLE FOR THE RESTAURANT BEVERAGE PROGRAM ALCOHOL SENSITIVE USE ZONE (RBP- ALCOHOL SENSITIVE USE ZONE).

Restaurant Beverage Program (RBP)

 RBP- Alcohol Sensitive Use Zone
Beer & Wine Eligible

 Community Plan Area



CPC-2018-4660-CA

CF/ R/S 022224



EXHIBIT B: FINDINGS

South Los Angeles has historically experienced the negative effects associated with alcohol sales, particularly off-site sales in the form of liquor stores. In an effort to curtail these impacts, the City Council adopted the South Central Alcohol Sales Specific Plan, which became effective on September 13, 1997, to limit the number of off-site alcohol establishments within South Los Angeles.

At the same time, on-site alcohol sales can provide a much-needed boost in revenue for full-service restaurants, which currently face financial barriers due to the aftermath of the COVID-19 pandemic and rising operating costs. Additionally, alcohol service incidental to a meal is an amenity that is not widely available in South Los Angeles. This incidental service can provide opportunities for the economic growth along Crenshaw Boulevard in light of the recently-opened Metro K Line and the under-construction Destination Crenshaw open-air museum.

The Restaurant Beverage Program-Alcohol Sensitive Use Zone (RBP-ASUZ) is an administrative approval program for full-service restaurants only to serve alcoholic beverages subject to more than 50 performance and operating standards. The RBP-ASUZ limits alcohol sales to beer and wine only for the first year of the approval. As such, the boundary selected for the RBP-ASUZ in Exhibit A is limited to one block on Crenshaw Boulevard in an effort to contain the potential negative impacts of introducing alcohol sales in the neighborhood. The selected block contains the only full-service restaurant on Crenshaw Boulevard from Vernon Avenue and Slauson Avenue.

Furthermore, this block will serve as a “pilot” to assess the suitability of the RBP-ASUZ in other parts along the Crenshaw Corridor and South Los Angeles in the future. As authorized by the enabling Restaurant Beverage Program Ordinance (Ord. 187,402), the City Council may expand the boundaries of the RBP and RBP-ASUZ on the Crenshaw Corridor and South Los Angeles as other suitable boundaries are discovered via the adoption of a new resolution subject to the required findings per City Charter Section 558.

- 1. The RBP-ASUZ will provide a public necessity within the mapped area in Exhibit A by removing financial barriers for full-service restaurants and promoting economic development, in light of the financial impacts associated with the COVID-19 pandemic and rising operating costs.**

The restaurant and hospitality industry is an important part of the City's economy, employing more than 380,000 people and generating more than \$200 million in tax revenue to the City during pre-pandemic levels. The RBP-ASUZ will reduce the costs and time for full-service restaurants in the mapped area to obtain City approval to serve alcoholic beverages for on-site consumption, while requiring more than 50 provisions. Alcohol service provides a substantial portion of restaurants' revenue and often make or break their viability as a business, however, restaurants with alcohol sales must meet

both state and local regulations for serving alcohol. The RBP-ASUZ will offer an administrative clearance process to allow the sale of alcohol in full-service restaurants with an operating kitchen and a full menu.

New restaurants with alcohol service under the RBP-ASUZ will be subject to enforcement measures and security standards. The RBP-ASUZ also contains a one-year provisional period, at the end of which the City will conduct a review of complaints and other relevant citations to determine whether the restaurant will be able to continue to serve alcoholic beverages under the RBP-ASUZ.

South Los Angeles has historically suffered from negative impacts associated with off-site alcohol establishments, namely liquor stores. This region in particular has a higher ratio of off-site alcohol-selling establishments per capita than the rest of the City. At the same time, South Angeles, namely the Crenshaw Corridor, contains few full-service restaurants and lacks a mix of commercial uses. The RBP-ASUZ will provide a public necessity by placing less emphasis on off-site alcohol sales and facilitating on-site alcohol sales for full-service restaurants subject to strict operating provisions to limit negative impacts. As such, the RBP-ASUZ will create a service that is beneficial to the community, City, and region mapped by reducing the amount of entry barriers for new local restaurants.

- 2. The RBP-ASUZ will provide a public convenience within the area mapped in Exhibit A by accommodating the demand for an amenity that will serve residents, workers, employees, and visitors.**

A variety of uses, including sit-down restaurants, are necessary for the conservation, development, and success of a vibrant neighborhood. The RBP-ASUZ reflects a shift in how the City processes alcohol requests for eligible full-service restaurants. As such, the RBP-ASUZ can provide local full-service restaurants with a boost, which will allow them to open quicker, expand, hire employees, and become an economically viable business. A consistent and streamlined review of alcohol requests, the RBP-ASUZ can create more vibrant neighborhoods that will benefit employees, local residents, and visitors leading to the growth of regulated full-service restaurants within the mapped area, which are planned and zoned for commercial uses such as restaurants.

The RBP-ASUZ on this portion of Crenshaw Boulevard will complement the recently-opened Metro K Line and soon-to-open Destination Crenshaw open-air museum. These developments aim to create more amenities for residents. Furthermore, the RBP-ASUZ incorporates more than 50 operating standards to ensure that the alcohol service will not be disruptive to the community.

- 3. The RBP-ASUZ contains more than 50 provisions to ensure that it will not adversely affect the welfare of the area mapped in Exhibit A.**

The RBP-ASUZ's provisions are intended to protect the public health, welfare, and safety of the communities within the mapped area. The City via the RBP-ASUZ will regulate alcohol service in eligible full-service restaurants. Therefore, alcohol service under the RBP-ASUZ must be incidental to food service for on-site consumption. This means that high-impact uses such as bars, nightclubs, and liquor stores will not be eligible under the RBP-ASUZ and must obtain a Conditional Use Permit (CUP). Eligible restaurants will not be allowed to have dancing, live entertainment, pool tables, and portable bars. Bar-like practices, such as minimum drink purchase, admission charges, and age limitations, will also be prohibited.

Operating standards will ensure that impacts to the community, such as noise, will be kept at a minimum. The RBP-ASUZ will prohibit the use of television monitors and speakers in outdoor areas. Restaurants will also be required to remove graffiti, clean debris and litter, maintain an electronic age verification device, and respond to patron complaints in a timely manner. As a means of establishing additional safety policies, the RBP-ASUZ contains interior and exterior lighting requirements and will require restaurants to install and maintain a camera surveillance system in operation at all times. In addition, all employees involved with the sale of alcohol will be subject to regulatory safety practices such as enrolling in an alcohol safety training program offered by the Los Angeles Police Department and/or the California Department of Alcoholic Beverage Control. Restaurants that repeatedly violate the RBP-ASUZ's provisions will be suspended from the Program and be required to obtain a CUP to continue to sell alcohol.

As mentioned in Finding No. 1, the RBP-ASUZ contains a one-year provisional period, at the end of which a review of complaints and other relevant citations will be conducted to determine whether the restaurant will be able to continue to serve alcoholic beverages under the RBP-ASUZ. Restaurants operating under the RBP-ASUZ version that repeatedly violate the eligibility requirements and use standards will be suspended from the Program and be required to obtain a CUP to continue to sell alcohol.

Lastly, the RBP-ASUZ does not authorize any new construction, nor result in construction activities that would change the size, height, or other significant features of existing buildings and therefore not degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety of the public at large. Therefore, the RBP-ASUZ, operations, and other significant features will be compatible with and not adversely affect or degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety of the mapped area.

- 4. The RBP-ASUZ will follow good zoning practices restricting the expansion of alcohol sales and limiting the impact of commercial activity on residential areas and other sensitive uses through strict provisions while encouraging economic development.**

The mapped boundaries in Exhibit A limit the RBP-ASUZ to one block along the Crenshaw Corridor in an effort to limit the impact of increased alcohol sales in the neighborhood. South Los Angeles has been historically burdened with the negative impacts associated with alcohol sales due to the proliferation of off-site alcohol establishments such as liquor stores. To address this problem, the City Council adopted the South Central Alcohol Sales Specific Plan, which is still in effect today. However, the South Los Angeles region contains fewer full-service restaurants than the rest of the City.

The majority of the lots along Crenshaw Boulevard between Vernon Avenue and Slauson Avenue are zoned C2, however, they are surrounded by residential-zoned lots directly to the east and west. This portion of Crenshaw Boulevard also contains 4 schools and one health center. Crenshaw High School is also found one block east of Crenshaw Boulevard. Given the amount of sensitive uses along and near this portion of Crenshaw Boulevard, Exhibit A limits the RBP-ASUZ to one block to ensure that these sensitive uses are not negatively impacted.

Dulan's On Crenshaw, which is located on the block mapped in Exhibit A, is the only full-service restaurant along Crenshaw Boulevard between Vernon Avenue and Slauson Avenue. The other three restaurants along this corridor are fast food restaurants. Fast food restaurants are not eligible for the RBP-ASUZ. As such, it is the intention of this Resolution to "pilot" the RBP-ASUZ in a block with an existing full-service restaurant in order to assess the resulting impacts and determine whether to expand the RBP-ASUZ in other parts of the Crenshaw Corridor and South Los Angeles in the future.

In addition, the RBP-ASUZ includes numerous operational restrictions related to indoor and outdoor seating, allowed activities, and bar-like practices to limit noise and other impacts. Additional provisions concerning operations, security, monitoring, and enforcement are included. Any changes to the mode of operations of the restaurant, including hours of operation and seating, will not be permitted. Therefore, the RBP-ASUZ will follow good zoning practices by encouraging economic development while limiting the impact of commercial activity on nearby residential areas and other sensitive uses through strict and enforcing provisions.

The RBP-ASUZ subjects restaurants to a one-year provisional period. At the end of the provisional period, the City will conduct a review of complaints and other relevant citations will be conducted to determine whether the restaurant will be able to continue to serve alcoholic beverages under the RBP-ASUZ. Local residents will be able to report violations of the RBP-ASUZ, which will assist the City in identifying and removing restaurants that do not comply with the RBP-ASUZ's provisions.