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July 29, 2021

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

APPEAL SUMMARY AND STAFF RESPONSE. 1550 North San Pablo Street, Units 70 and 100; CF # 21-0371 and CF # 21-0371-S1

Project Background

The projects involve the Main Plan Approvals (MPA) for the sale and dispensing of a full line of alcoholic beverages for on-site conjunction with live entertainment in conjunction with the Hyatt House Hotel (Case No. ZA-2020-1128-MPA) and the USC Conference Center (Case No. ZA-2020-1097-MPA) located within the USC Health Sciences Campus in the Lincoln Heights neighborhood. The hotel and conference center were originally approved by the City Planning Commission in 2015 (Case No. CPC-2015-375-MCUP-ZV-ZAD-SPR) which included a Main Conditional Use Permit that authorized the sale of a full line of alcoholic beverages for on-site consumption to areas within the hotel including the hotel conference center, hotel lobby bar and lounge, the backyard outdoor lounge, and hotel in-room mini-cabinets; and a full line of alcohol for on-site consumption at three restaurants and for on-site consumption of beer and wine only for one additional restaurant. Case No. ZA-2020-1128-MPA (Hyatt House Hotel) is tied to the hotel's 200 guest rooms, 18,400 square-foot ground-floor lobby area, restaurant, bar, conference rooms, and the outdoor pool area; it does not include any of the retail or restaurant spaces located on the ground-floor. The hotel project was conditioned to limit live entertainment to ambiance music and live band without amplified sound. Case No. ZA-2020-1097-MPA (USC Conference Center) includes its five banquet halls and two classrooms. Live entertainment within the conference center was limited to live band with limited amplified sound.

On October 29, 2020, the Zoning Administrator approved the Main Plan Approvals for both the Hyatt House Hotel and the USC Conference Center. Subsequently, the Zoning Administrator's Determinations were appealed to the East Los Angeles Area Planning Commission (APC) by SEIU Local 721 on the basis that the "ZA failed to provide more stringent conditions...to avoid adverse impacts stemming from the MPAs". The key issues raised by the Appellant include noise and public safety impacts associated with the use of the Hyatt House Hotel and USC Conference Center and the sale and consumption of alcohol on the premises.

On January 27, 2021, the East Los Angeles APC voted 3-2 to deny the appeals and sustain the Zoning Administrator's decisions for the Main Plan Approvals.

On March 4, 2021, SEIU Local 721 and Eastside LEADS filed appeals on APC's findings and approvals of the MPAs and the CEQA categorical exemptions (Class 1) for the two MPAs (Case No. ENV-2020-1129-CE and Case No. ENV-2020-1091-CE).

On March 10, 2021, Letters of Correction were distributed to clarify that the East Los Angeles APC's decision was not further appealable. An appeal of the CEQA clearances for a project is available if the Determination of the non-elected decision-making body (e.g., ZA, AA, APC, CPC) is not further appealable and the decision is final.

On April 7, 2021, a Letter of Correction for Case No. ZA-2020-1128-MPA-1A was distributed to clarify that dancing was permitted within banquet halls based on the Los Angeles Building and Safety's interpretation of LAMC Section 12.03 which elaborates on the definition of a dance hall.

Staff Recommendation

Staff recommends that the PLUM Committee recommend for Council Action to deny the submitted CEQA appeal and sustain the East Los Angeles Area Planning Commission's determination, based on the whole of the administrative record, that the project is exempt from CEQA pursuant to State CEQA Guidelines, Section 15301, Article 19 (Class 1), and that there is no substantial evidence demonstrating that an exception to the categorical exemption (ENV-2020-1129-CE and ENV-2020-1091-CE) pursuant to CEQA Guidelines Section 15300.2 applies. The following statements have been compiled and summarized from the submitted appeal and responded to below.

Appeal Summary

On March 4, 2021, the Appellants (SEIU Local 721 and Eastside LEADS) filed with their Appeal Applications an Appeal Justification memorandum outlining the reason for the appeals, the specific points at issue, how the Appellants are aggrieved by the previous Determination of the East Los Angeles APC, and how the East Los Angeles APC err or abused their discretion. In addition, the Appellants referenced prior noise and public safety concerns discussed in the East Los Angeles APC hearing on January 27, 2021 as well as a Noise Report prepared by Dale La Forest & Associates.

In regard to the appeals of the CEQA clearances for the Hyatt House Hotel (Case No. ENV-2020-1129-CE) and the USC Conference Center (Case No. ENV-2020-1091-CE), the appeal points discussed in the memorandum do not directly address adopted CEQA clearances. The Appellants state that "the APC failed to adopt more stringent mitigation measures to avoid impacts" and the "APC ignored pseudo-mitigation measures incorporated into the Project design that, under CEQA, can only be incorporated via a more demanding environmental review". The Appellants have not provided substantial evidence that proves that noise and public safety impacts will have a significant impact.

The projects were determined to be Categorical Exempt from CEQA, pursuant to CEQA Guidelines Section 15301, Class 1 (Existing Facilities). No substantial evidence was submitted demonstrating that any exceptions to the exemptions apply. A project qualifies for a Class I Categorical Exemption if it consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former

use. The proposed projects are the sale and dispensing of alcoholic beverages within venues that have been previously contemplated for alcohol sales. The projects do not result in any physical expansion or any additional uses that were not contemplated during the project's initial review. The proposed uses are operating within the parameters that were adopted under Case No. CPC-2015-375-MCUP-ZV-ZAD-SPR and are further conditioned based on the unique operating characteristics of each venue under Case Nos. ZA-2020-1128-MPA and ZA-2020-1097-MPA.

Conditions were imposed to specifically address noise and public safety impacts associated with the operation of the Hyatt House Hotel and the USC Conference Center. Conditions to address Noise include compliance with the Citywide Noise Ordinance (LAMC Sections 112.06 and 116.01), limitations on music, sound, and noise to not be audible beyond the subject site, and prohibitions on outdoor live entertainment. Conditions to address Public Safety include requirements for a camera surveillance system, adequate lighting, window glazing, and the inclusion of a complaint log to monitor complaints/concerns from the community.

The East Los Angeles Area Planning Commission denied the appeals and found that the projects, as conditioned, could meet the findings for conditional use authorization to sell and dispense alcoholic beverages. As such, the projects were determined to be exempt from CEQA based on CEQA Guidelines Section 15301.

Noise Report filed by the Appellants

In the Noise Report filed by the Appellants, the Report claims that during the operation of the Hyatt House Hotel and the USC Conference Center residents of the neighboring graduate student housing will be subject to excessive noise levels. However, the Report does not contain actual analysis of the hotel and conference center's noise levels. The Report makes assumptions and speculations and does not demonstrate any scientific process, including any actual measures of noise, reviews of materials or recognition of other mitigating factors. Furthermore, the letter uses findings from other reports without accounting for differences in the projects. It presumes a daytime ambient noise level based on the LA Municipal Code guidelines without taking into account nearby uses, including the train tracks, road traffic and mechanical equipment on other buildings, most of which generate noise at night also. Given the project's proximity to train tracks, both the hotel and adjacent student housing developments incorporated materials to attenuate noise to a higher than normal standard.

Conclusion

Based on the information in the record and after consideration of the appellant's arguments for appeal, Staff determines that the projects qualify for a Class 1 Categorical Exemption. Therefore, it is recommended that the PLUM Committee deny the appeals and affirm that the projects are Categorically Exempt from CEQA.

Sincerely,

VINCENT P. BERTONI, AICP
Director of Planning



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