

## RESOLUTION

## PLANNING & LAND USE MANAGEMENT

**WHEREAS**, the restaurant and hospitality industry is a vitally important part of the City's economy, employing 380,000 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 sell alcohol by obtaining a Conditional Use Permit (CUP) or meeting the eligibility requirements for a Conditional Use Exception (CUE); 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**, very few restaurants are eligible for or have utilized the CUE process; and

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

**WHEREAS**, the City intends to create a new streamlined process known as the Restaurant Beverage Program for sit-down restaurants only as an alternative to the CUP and CUE process to remove the financial burden and time constraints and promote economic development; and

**WHEREAS**, this ordinance will contain more and stricter standards than those typically imposed during the CUP or CUE process and require participating restaurants to be subject to enforcement procedures; and

**WHEREAS**, the City has undertaken an environmental review of the proposed provisions and found that the Program 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 a new streamlined permitting land use regulatory process, the *Restaurant Beverage Program*, that shall be in force and full effect in the geographical boundaries attached in Exhibit A.

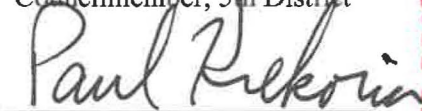
**BE IT FURTHER RESOLVED**, that based on the findings outlined in Exhibit B relative to the geographic boundaries found in Exhibit A maps, the Restaurant Beverage Program is in conformity with public necessity, convenience, general welfare, and good zoning practice.

PRESENTED BY:

PAUL KORETZ

Councilmember, 5th District

SECONDED BY:



ORIGINAL

- 1. The Restaurant Beverage Program (RBP) will provide a public necessity within the areas mapped in Exhibit A by removing financial barriers for sit-down restaurants and promoting economic development, in light of the financial impacts associated with the COVID-19 pandemic.**

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 proposed Ordinance will preserve and strengthen a viable sector of the City's economy by creating the RBP, which will reduce the costs and time for sit-down restaurants in the mapped areas to obtain City approval to serve alcoholic beverages for on-site consumption, while subjecting them to 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 will offer an administrative clearance process to allow the sale of alcohol in sit-down restaurants with an operating kitchen and a full menu. In addition, new restaurants with alcohol service under the RBP will be subject to enforcement measures and security standards. This in-turn will provide long-term financial incentives as it will bolster the opening of new restaurants, enable the hiring of new employees, and create more vibrant neighborhoods.

The COVID-19 pandemic and subsequent stay-at-home and indoor restrictions have presented unprecedented financial challenges to sit-down restaurants throughout the City, namely those located within the mapped areas. A simpler, more predictable, less costly process to serve alcoholic beverages would ease some of the burdens placed on impacted restaurants, giving them a boost and reducing the time needed for them to re-open and start hiring people. As such, the RBP 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 will provide a public convenience within the areas 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 proposed RBP reflects a shift in how the City will process alcohol requests for eligible sit-down restaurants. As such, the RBP will provide local sit-down restaurants with a boost, which will allow them to open quicker, expand, hire employees, and become an economically viable business. By creating a consistent and streamlined review of alcohol requests, the RBP will create more vibrant neighborhoods that will benefit employees, local residents, and visitors leading to the growth of regulated sit-down restaurants within the mapped areas, which are planned and zoned for commercial uses such as restaurants.

On-site alcohol service incidental to food service is an amenity that is often expected in bona fide sit-down restaurants. The local community, employees, patrons of adjacent commercial uses, and the residents in the neighborhood will be able to utilize the benefits of having on-site sit-down restaurants and alcohol service nearby. Furthermore, the RBP incorporates more than 50 operating standards to ensure that the alcohol service will not be disruptive to the community.

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

The RBP's provisions are intended to protect the public health, welfare, and safety of the communities within the mapped areas. The City is establishing operational and enforcing policies via the RBP to regulate alcohol service in eligible sit-down restaurants. Therefore, alcohol service under the RBP must be incidental to food service on-site consumption. This means that high-impact uses such as bars, nightclubs, and liquor stores will not be eligible under the RBP 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.

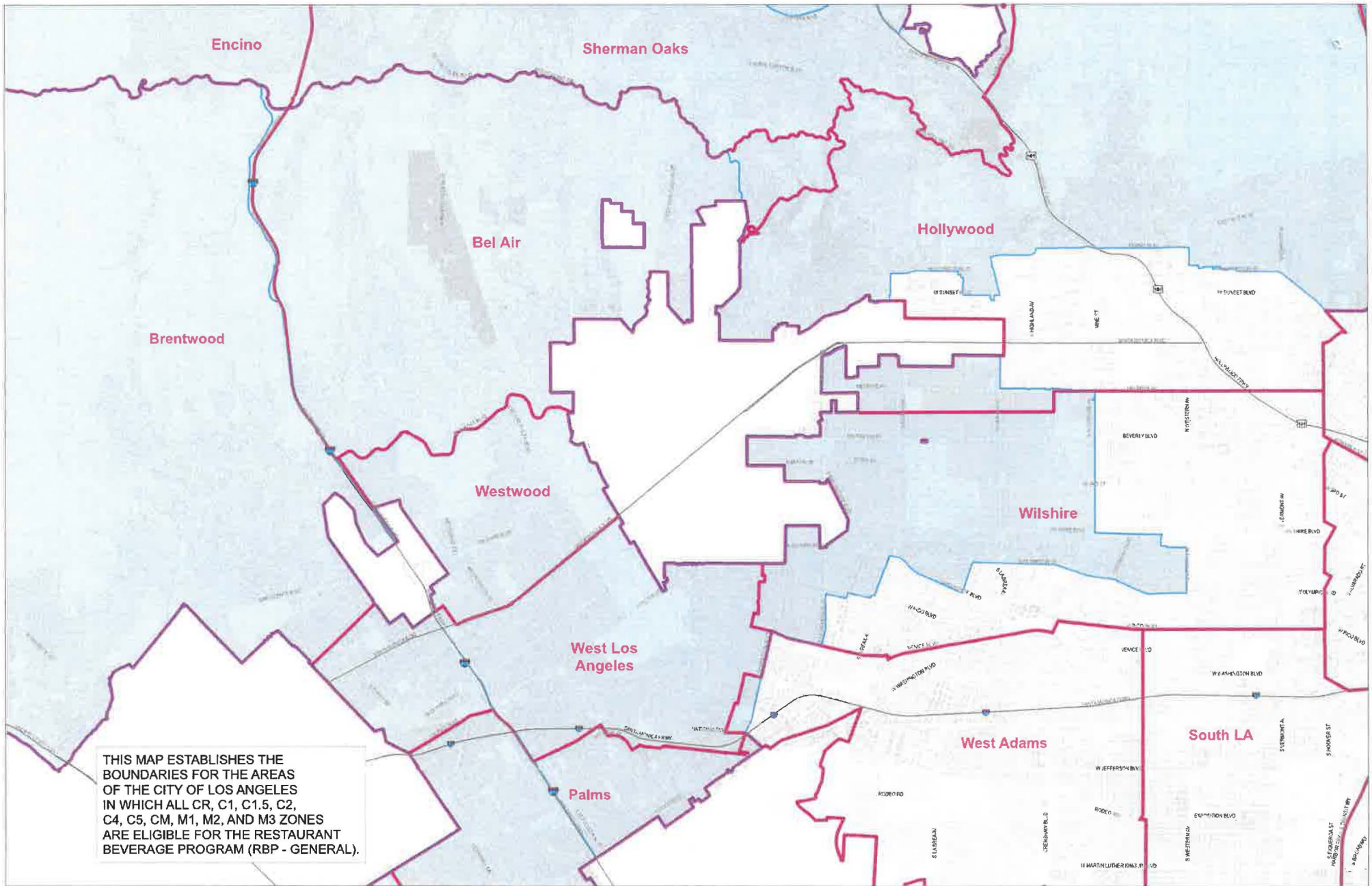
Operating standards will ensure that impacts to the community, such as noise, will be kept at a minimum. The RBP will prohibit the use of television monitors and speakers in outdoor areas. Restaurants will also be required to remove graffiti, clean debris and litter, maintain an electronic age verification device, and respond to patron complaints in a timely manner. As a means of establishing additional safety policies, the RBP 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's provisions will be suspended from the Program and be required to obtain a CUP to continue to sell alcohol.

Lastly, the RBP or proposed Ordinance 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, the proposed Ordinance, 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 areas.

**4. The RBP will follow good zoning practices by encouraging economic development in the areas mapped while limiting the impact of commercial activity on residential areas and other sensitive uses through strict provisions.**

The mapped areas are well suited for sit-down restaurants that offer alcohol service, which are planned and zoned for commercial uses such as restaurants. This will promote livability and convenience for residents and employees, promote a variety of uses, and strengthen the employment and amenity base of the mapped areas. As such, the RBP substantially conforms to the purpose, intent, and provisions of the General Plan, the applicable community plan, and any specific plan.

At the same time, the RBP serves the purpose of imposing provisions aimed at limiting impacts to surrounding neighbors, including residential areas and other sensitive uses. The RBP will only be applicable in specific commercial and manufacturing zones where alcohol service is currently allowed through a CUP. In addition, the RBP 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 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.



## Restaurant Beverage Program (RBP)

- RBP- General Eligible
- Community Plan Area

Data Sources: Department of City Planning & Bureau of Engineering

