

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at [NCsupport@lacity.org](mailto:NCsupport@lacity.org).

This is an automated response, please do not reply to this email.

#### Contact Information

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The Board approved this CIS by a vote of: Yea(17) Nay(0) Abstain(1) Ineligible(0) Recusal(0)

Date of NC Board Action: 12/18/2018

Type of NC Board Action: For if Amended

#### Impact Information

Date: 01/31/2019

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 17-0981

Agenda Date:

Item Number:

Summary: In order to promote responsible use of alcohol and economic stability for small businesses and the labor force in Los Angeles, the Echo Park Neighborhood Council supports the motion proposing a streamlined process for certain restaurants to obtain alcohol permits (“Restaurant Beverage Program”), including the draft ordinance with the following recommendations. Item (a) of the Ordinance should be amended as follows: • Hours of alcohol service not be tied to food service, in order to de-emphasize the relationship of alcohol sales and reinforce that food service is the primary function of the business being granted the administrative operating permit; Our recommendation would be to limit hours of service of alcohol from 9 am to 11 pm daily. That the following additions be made: • Drink minimums result in an automatic disqualification from the granting or further use of a permit. • That permits are granted on a provisional basis until the results of the first inspection period can be concluded (within 24 months according to the motion), and that the local Neighborhood Council is consulted as part of the first inspection by the inspector; pending the results of the inspection, the permit may be revoked or continued as a provisional permit if the inspection results are not satisfactory. • In addition to the notifications specified in section (gg) (after obtaining administrative clearance), that a separate notification to the appropriate Neighborhood Council be made within 7 days of an application being submitted, with such notification to include the name and address of the business and contact information for the applicant and its representatives. We would encourage the City of Los Angeles Department of Building and Safety to develop a mechanism to revoke existing permits in response to community concerns and operator best practices.

# ECHO PARK NEIGHBORHOOD COUNCIL

1226 Alvarado St., L.A. CA 90026



## Community Impact Statement (CIS)

**Council File Number: 17-0981**

Issue Over the Counter/On-Site Alcohol  
Sales/Conditional Use Permit

January 22, 2019



**CERTIFIED NEIGHBORHOOD  
COUNCIL  
APRIL 16, 2002**

**To:** Honorable City Council, Los Angeles City Hall, 200 N. Spring Street, room 395, Los Angeles, CA 90012 c/o Office of the City Clerk.

The Echo Park Neighborhood Council (EPNC) is requesting that the aforesaid CIS be attached to Council File No. 17-0981. On December 18, 2018, with a quorum of 18, the EPNC Board of Governors held a Brown Act-noticed meeting and with a vote of 17 yeas, 1 nay, and 0 abstentions, the EPNC voted to submit this CIS.

In order to promote responsible use of alcohol and economic stability for small businesses and the labor force in Los Angeles, the Echo Park Neighborhood Council supports the motion proposing a streamlined process for certain restaurants to obtain alcohol permits ("Restaurant Beverage Program"), including the draft ordinance with the following recommendations.

Item (a) of the Ordinance should be amended as follows:

- Hours of alcohol service not be tied to food service, in order to de-emphasize the relationship of alcohol sales and reinforce that food service is the primary function of the business being granted the administrative operating permit; Our recommendation would be to limit hours of service of alcohol from 9 am to 11 pm daily.

That the following additions be made:

- Drink minimums result in an automatic disqualification from the granting or further use of a permit.
- That permits are granted on a provisional basis until the results of the first inspection period can be concluded (within 24 months according to the motion), and that the local Neighborhood Council is consulted as part of the first inspection by the inspector; pending the results of the inspection, the permit may be revoked or continued as a provisional permit if the inspection results are not satisfactory.

- In addition to the notifications specified in section (gg) (after obtaining administrative clearance), that a separate notification to the appropriate Neighborhood Council be made within 7 days of an application being submitted, with such notification to include the name and address of the business and contact information for the applicant and its representatives.

These recommendations are made recognizing the following:

Restaurants are a substantial part of the economy of Los Angeles, with a proportionally higher impact on job creation than other less labor-intensive businesses;

While restaurants contribute substantially to sales tax revenue, the extremely low profit margins and extremely high failure rates of individual restaurants contributes to commercial rent instabilities and negative fluctuations in the job market, particularly affecting introductory level and unskilled positions that pay a living wage, and these instabilities are an aggregate negative influence on the economic health of the City;

Any measures that reduce the chance of failure of restaurants will contribute enormously to the stability of the local job market, commercial rent market, and sales tax base;

One of the most important assets a restaurant can have to ensure a higher chance for success and continued operation is the ability to see alcoholic beverages; and

While alcohol and drug abuse remains a problem in our communities, it is unclear that the data supports that restaurants that serve alcohol in a responsible way contribute in any negative way to substance abuse frequency or intensity;

Drug and alcohol abuse data may in fact support the finding that restaurants that emphasize responsible and socially acceptable uses of alcohol in fact contribute in a positive way to the incidence of drug and alcohol abuse;

Historically prohibition has not been an effective tool in reducing drug and alcohol abuse;

The best solution to fighting drug and alcohol abuse is education and a shifting of the culture of abuse to one of responsible use of alcohol.

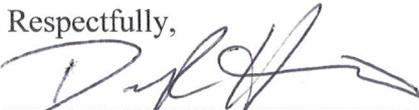
We would also like to note the following at this time:

We would encourage the City of Los Angeles Department of Building and Safety to develop a mechanism to revoke existing permits in response to community concerns and operator best practices;

We would encourage the City of Los Angeles City Attorney's office to examine its determination that hours of alcohol service and hours of food service necessarily coincide, as this position not only severely diminishes the choices available to operators, but also is contradicted by almost every other municipality in the United States that grants use permits to businesses;

That advertising be addressed appropriately in a separate measure that considers that issue more closely, and that advertising not be addressed specifically by this ordinance in order to preserve the long term usefulness and benefit of the ordinance as written.

Respectfully,



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Darcy Harris

Vice Chair, Echo Park Neighborhood Council