## LAW OFFICE OF JOHN P. GIVEN

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March 14, 2022

## VIA EMAIL ONLY to ira.brown@lacity.org

Ira Brown City Planning Associate Los Angeles Department of City Planning Los Angeles City Hall 200 N. Spring Street, Suite 525 Los Angeles, CA 90012

> RE: ZA-2021-7223-CUB-CU-CDP; ENV-2021-7224-CE Property address: 1217 Ocean Front Walk, Venice, CA 90291 (Related case: ZA-2020-1541-CUB-CU-CDP; ENV-2020-1542-CE)

Dear Mr. Brown:

This letter is submitted on behalf of *Keep Neighborhoods First*, a grassroots community coalition of neighbors, tenants, and advocates who work together to solve the problems created by the proliferation of commercial short-term rentals in our neighborhoods and the resulting loss of affordable housing.

Currently pending before the City are two Planning Cases for the above-captioned property, the most recent of which was submitted to the City for review on August 25, 2021. The newer case is Planning Case No. ZA-2021-7223-CUB-CU-CDP (with related environmental case no. ENV-2021-7224-CE). According to the information available online, the previous related case (Planning Case No. ZA-2020-1541-CUB-CU-CDP and related environmental case ENV-2020-1542-CE), submitted in March of 2020, is on hold but may still be pending. As an initial matter, please ensure that my office is placed on the mail and/or email recipient list(s) for all notices regarding these and any related cases for this project.

Comparing materials for the two applications, especially the submitted Project Plans, they appear to be substantially the same project, a request for a CUB (conditional use beverage) for service of a full line of alcoholic beverages for on-site consumption at an "existing groundfloor restaurant" and "existing 706 sq. ft. basement theater," in an "existing apartment hotel."

The primary difference between the two application documents appears to be the studious avoidance in the latter of the word "hotel," the better to avoid any decisionmaker drawing the conclusion that the project in any way represents a change in use from the long-term, RSO-protected residential building that has stood at the site for many decades to a commercial hotel. The front page of the originally submitted project plans unembarrassedly proclaimed "The V **Hotel** & Restaurant." But of course, a hotel is not permitted at this C1-zoned site without a Conditional Use Permit, because the project is within 500 feet of a residential zone. (See LAMC,

12.13 A(1.5).) And there appears to be no certificate of occupancy allowing a hotel at the site. So obviously, this project, whatever it might happen to be called, can't be a hotel.

Except it is already a hotel. An illegally converted one. The evidence of the project's true nature as a long-term residential building that has already been transformed into a hotel is readily apparent in the *current* application, the *original* March 2020 application, the applicant's online advertising for the hotel, online advertising for another property owned by the same operator, reviews of the hotel that were undoubtedly sought by and are referenced by the applicant on its website, and statements by the applicant's chief executive, employees, and others.

Let us start with the Project Plans for the newest application, scanned by the City on September 20, 2021, and available online at Planning's case summary page for the application. The plans are entitled "Venice Waldorf & Restaurant." Page SK-000 includes the "Scope" of the existing "36 Room **Hotel** + Service Areas" and "Calculations of **Hotel** Floor Service Area for Alcohol" along with a table providing the square footage of "**Hotel** FSA" on each floor of the building. (Images accompanying this text are clipped from cited project plan pages without alteration.)

## SCOPE

(E) 36 ROOM HOTEL + SERVICE AREAS

- (E) 1,276 SF RESTAURANT
- (E) 748 SF BASEMENT THEATER

## CALCULATIONS OF HOTEL FLOOR SERVICE AREA FOR ALCOHOL

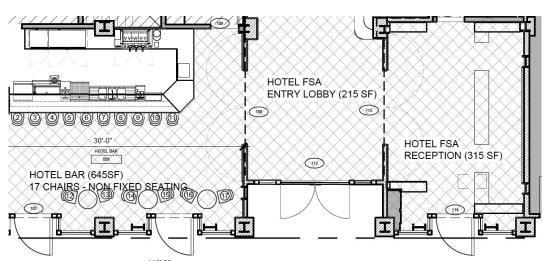
LOCATION	SF	SEATING
BASEMENT	360 SF HOTEL FSA (PRE-FUNCTION)	49 SEATS (NON-FIXED)
1ST FLOOR	1,175 SF HOTEL FSA (BAR)	17 SEATS (FIXED)
2ND FLOOR	0 SF HOTEL FSA	
3RD FLOOR	0SF HOTEL FSA	
4TH FLOOR	0SF HOTEL FSA	
PENTHOUSE	200 SF HOTEL FSA (PATIO)	13 SEATS (NON-FIXED)
TOTAL	1,620 SF HOTEL FSA	

Page SK-01 of the Project Plans show the site's adjacent parking lot, and claims (wrongly): "Parking Not Required for **Hotel** or Restaurant."

S	9 ∞	>	_	O	16
S	10 ∽	>	ADJACENT PARKING FOR 1217 OCEAN FRONT WALK	c	17
S	11 ∞	,	PARKING NOT REQUIRED FOR HOTEL OR RESTAURANT	c	18
S	12 ∽	,		C	19

Page SK-02 shows the basement level of the proposed project, including a 49-seat theater, and "Basement FSA **Hotel** 360 SF."

Similarly, page SK-03 shows the floor plan for the first floor, featuring a 645 square foot "**Hotel** Bar," a 215 square foot "**Hotel** FSA Entry Lobby," and 315 square foot "**Hotel** FSA Reception."

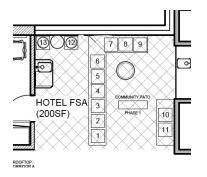


**BASEMENT FSA HOTEL** 

360SF

RE FUNCTION

Continuing with Project Plan page SK-07, another 200 square feet of "**Hotel** FSA" is located on the Penthouse level (which on information and belief is an entirely new use at the site).



Finally, SK-08 (not shown here), references a 100 square foot "Hotel Office."

The original project plans, apparently placed on hold, were submitted on March 5, 2020. The references to hotel in the new application are virtually identical to references made in these original project plans, except for the last one. (The online documents for the original submission do not include pages SK-08 or SK-09.)

While the newer project application seems a bit bashful about referencing the project as a hotel, the hotel's online advertising is not at all shy. The humble "Venice Waldorf" is better known online as the "Venice V Hotel." The V Hotel's website at <u>https://venicevhotel.com</u> features a slick video presentation showing the building from various angles along with a beautiful sunset. "Welcome to the Only Beachfront Lifestyle **Hotel** in Venice." The home page boasts the Venice V Hotel is one of "The Best New **Hotels** of 2021" according to Fathom. No less than Vogue says "Venice V is Los Angeles's Coolest New Beachside **Hotel**."<sup>1</sup> Similarly, Condé Nast Traveler 2021 allegedly has named it one of the "Best **Hotels** in LA."<sup>2</sup> Thrillist includes the V Hotel on a list of "11 Stunning LA **Hotels** for When you Need a Staycation Reset."<sup>3</sup>



The Venice V Hotel is easily booked online, either via the hotel's own website (see the convenient "book your stay" tab on every single page of the hotel's website), or via every major online hotel booking website, such as Hotels.com, Expedia, Priceline, Travelocity, and numerous

<sup>&</sup>lt;sup>1</sup> See the full Vogue review of the Venice V Hotel, published August 4, 2021, at

https://www.vogue.com/article/venice-v-is-los-angeless-coolest-new-beachside-hotel. The article includes a quote from hotel manager Leah Edwards: "Working in concert with local artisans and restaurants allows for our guests to seamlessly continue their Venice experience as they step foot into **the hotel**." *Ibid.* <sup>2</sup> Conde Nast Traveler's review is available at https://www.cntraveler.com/hotels/los-angeles/venice-v-

hotel . Conde Nast notes, without irony since it probably had no idea that the hotel was an improperly converted RSO property: "we'd be remiss not to mention that the city's homelessness crisis has hit this area of the beach particularly hard — a reality that you're bound to encounter in any area of LA — but something worth noting here."

<sup>&</sup>lt;sup>3</sup> <u>https://www.thrillist.com/travel/los-angeles/where-to-stay-in-la</u>.

others.<sup>4</sup> Venice Breeze Suites, owned by Venice Breeze Suites, LLC, which on information and belief has the same ownership and management as Venice Waldorf, LLC, suggests people "visit our sister properties," including the Venice V Hotel.

#### VISIT OUR SISTER PROPERTIES

# VENICESUITES.COM - VENICEVHOTEL.COM - THEAVALONHOTEL.COM

Proud of their impressive work, the project architects (Relativity Architects) proudly display images and describe the V Hotel at their website: <u>http://www.studioofrelativity.com/hospitality-1#/the-v-hotel-3-1-2/</u>. The text accompanying images of the hotel clearly states the project is a *hotel* and was already *completed* in 2021. But the applicant never received a land use authorization to convert this longstanding RSO-protected residential property to a hotel.

THE VENICE V HOTEL

LOCATION: Venice Beach, CA SIZE: 26,241 sf CLIENT: TYPOLOGY: Hospitality COMPLETED: 2021

PROGRAM: Hotel

Text blurbs from the architect's website page for the hotel state:

Located in a historic building on the famed Venice Boardwalk, **this boutique hotel features 36 rooms** of unique shapes and sizes with views of the Pacific Ocean and Venice's skate park on the sand. The ground floor and basement (currently in construction) will house a community theatre, a restaurant, coffee shop, and lobby/gift shop. **The branding of the hotel** takes its inspiration from the Dogtown-era of Venice, and the rooms are designed to give the traveler a taste of what living like a Venice local from its heyday was like... [¶] **The V Hotel is a boutique hotel** that invites its guests to experience life as a Venice local...

Unsurprisingly, given the illegal conversion of an RSO building with many long-term tenants into a boutique hotel, there is a long history of complaints regarding the building with both LADBS and HCID, which community members have obtained through Public Record Act requests. Following up on one such complaint, inspector Heber Jurado recorded the below comments regarding Case # 767111 on September 2, 2020:

At site for initial complaint inspection. Met with Carl Lambert 310-663-6030 who stated is the property owner, met with Jose Beltran who stated is the superintendent/foreman and Tina Bell with Relativity Architect. Owner granted consent to access all rooms and all levels of building. Inspected each room in all levels and confirmed all rooms are completely vacant except for PH4 on rooftop occupied by a gentleman who the

<sup>&</sup>lt;sup>4</sup> See Google map page for the "Venice V Hotel" located at 5 Westminster Ave in Venice, providing links to numerous internet hotel booking websites, including the Venice V Hotel's official website, attached as Exhibit A.

> superintendent and owner stated is the security guard for the building. Superintendant [sic] stated units [REDACTED] will be the only residential units in the building and **the rest will be hotel guest rooms**.

To briefly review, the original project application filed with the City in March 2020 referred to the project as a hotel. The project architect, whose impressive hotel design work was already completed in 2021, even though no land use authorization for a change of use to hotel was ever obtained by the applicant, states that the project is a boutique hotel. The applicant, via its own website and that of a related "sister" hotel property, refers in its own online advertising and in reviews of its project not only as a hotel, but a stunning, one of the best, coolest, hotels available. The hotel manager was directly quoted calling the project a hotel in a review cited by the applicant on its website. (See fn1, above.) The site superintendent explained to a city investigator that except for a few units "the rest will be hotel guest rooms."

Based on the above, and on abundant evidence not yet presented but available in the voluminous permit and complaint history for this site, the only possible conclusion that can be drawn is that the requested CUB is in conjunction with an illegally converted *hotel*, not an existing apartment hotel. The change of use to hotel is not disclosed in the application, which repeatedly states that there are "[n]o change(s) of use as part of this request." The application is therefore invalid on its face as inaccurate and incomplete.

In addition, under LAMC section 12.36, the City's Multiple Approvals Ordinance, applicants must "file applications at the same time for all approvals reasonably related and necessary to complete the project." No land use authorization permitting a hotel to operate at the site exists, and the C1 zone in which the building is located does not even permit a hotel use within 500 feet of residentially zoned parcels without a Conditional Use Permit. (LAMC, § 12.13 A(1.5).) There are residentially zoned properties much closer than 500 feet across Speedway, the quasi-alley between the hotel and its nearest residential neighbors.

Thus, in order to obtain a CUB to serve alcohol at a hotel restaurant, hotel bar, and hotel roofdeck (let alone to provide mini-bars with alcohol in every room, as the Project Plans indicate),<sup>5</sup> the applicant must first obtain authorization to operate a hotel, or must obtain that authorization contemporaneously with the CUB. But there is no such request, because the applicant denies that there has been any change in use.

Further, while restaurants *are* permitted in the C1 zone, the application record is unclear whether a restaurant has continuously operated at the Venice V Hotel site. If it has not, the City's Nonconforming Use ordinance, LAMC section 12.23, requires the recalculation of project parking and possibly application of other zoning regulations. (See LAMC, § 12.23 B(9): discontinuation of use of one year or more requires conformance "to the *current* use regulations of the zone and other applicable current land use regulations." [Emphasis added.])

<sup>&</sup>lt;sup>5</sup> See Project Plan pages SK-04, SK-05, SK-06, and SK-07, which all unequivocally state: "ALCOHOL LOCATED IN MINI-FRIDGE, TYP. ALL ROOMS." Project Plan page SK-09 indicates that all 36 out of 36 rooms in the building will include a mini-bar. The CUB application fails to note this discrepancy.

On the other hand, a theater use is simply not a permitted use in a C1 zone. (LAMC, § 12.13 A.)<sup>6</sup> On information and belief, while perhaps historic, a theater has not operated at the Venice V Hotel project site within recent memory. Therefore, notwithstanding any ancient certificates of occupancy, under LAMC section 12.23 there is no vested right to operate a theater of any kind in the basement without some additional land use authorization.<sup>7</sup>

Another entitlement apparently *intended* to be requested is a Coastal Development Permit. The City's use of the CDP suffix in the application case number perhaps reflects its interpretation that such a request has been made. The problem is the application fails to mention a Coastal Development Permit request at all. While CDP *findings* were submitted, the City cannot process an entitlement request that has simply not been made on the face of the application.

And a CDP is unquestionably necessary here, as a CUB for alcoholic beverages alone constitutes a substantial increase in the intensity of a coastal use. Taken along with the applicant's failure to disclose that a change of use to hotel has occurred, that a new restaurant, bar, roof deck patio space, and basement theater are requested, all likely with new parking requirements, there can be no question that a CDP will be required and may be difficult to obtain. Nothing supports an exemption from a CDP with such an increased intensity of use in the Coastal Zone.

Moreover, evidence shows the Coastal Commission has been aware of the applicant's illegal transformation of the property from an apartment building to a hotel since late 2017 (if not earlier). A Notice of Violation sent to Carl Lambert, CEO of Venice Waldorf, LLC, on November 3, 2017, states:

Our staff has confirmed that unpermitted development activities have occurred in your property including, but not necessarily limited to, the *unpermitted change in use from a 36-unit apartment building to hotel* within the community commercial zone of Venice and within 500 feet of a residential zone. [Fn. 3.] As described on your website, the hotel is available for nightly rentals complete with an on-site office and set check in and check out times for guests. This change in use occurred on property owned by you . . . and was not authorized by Coastal Exemption ("CEX") Nos. 5-05-108-X, 5-13-050-X, and 5-15-0290-X.

<sup>&</sup>lt;sup>6</sup> This is in accord with Los Angeles City Planning List No. 1 of Uses Permitted in Various Zones in the City of Los Angeles (aka "Use List"), updated 12/17/2020, see pp. 52-56 relative to permitted uses in the C1 zone, available at: <u>https://planning.lacity.org/odocument/647665b9-6246-4eaf-a70c-f06285ff28c4/UseListMemo.pdf</u>.

<sup>&</sup>lt;sup>7</sup> It is unclear what authorization would be required. Assuming that land use authority for a theater use could be established (or perhaps re-established), LAMC section 12.23 would still require the theater to be adequately parked, which according to the application and project plans are not necessary. These documents and the environmental review document would thus need to be updated and recirculated to the community before the City could act on the request.

[Fn. 3.] A conditional use permit from the City of Los Angeles is required to allow a transient occupancy residential structure within 500 feet of a residential zone. (Section 12.13.A.1.5 of LAMC) Commission staff has received no record of such a permit[.]<sup>8</sup>

Another very significant issue that needs to be addressed is application of the Mello Act to the hotel conversion. The purpose of the Mello Act (Govt. Code, § 65590 et seq.) is to preserve housing, especially affordable housing, in California's coastal zone. Los Angeles has not yet adopted its Mello Act Ordinance but continues to operate with Interim Administrative Procedures that must be part of the approval process for any conversion to a hotel or other commercial use that removes so many RSO-protected units from the City's coastal zone housing stock. The pending applications appear to be grossly inadequate for evading any consideration of potentially necessary Mello Act mitigations to address the significant loss in affordable housing.

Finally, as with the March 2020 application, the newer August 2021 application relies on a categorical exemption as its environmental review document. Given the Coastal Act violation, numerous zoning code conflicts, and apparent failure of the application to meet the basic requirements of LAMC sections 12.23 (nonconforming uses) and 12.36 (multiple approvals), it is obvious that a categorical exemption cannot possibly suffice for this project, which in total is far more than a simple CUB request for allegedly existing uses. Based on the application, on other available City records, and on the public record regarding the already completed illegal hotel conversion, the substantial land use conflicts show there is far more than a fair argument that the project may have a significant effect on the environment.

*Keep Neighborhoods First* and other concerned community members are very disappointed that the City has turned a blind eye to the conversion of an important residential property that contributed significant affordable housing to the Venice community. The City had significant notice in the form of many complaints, including from tenants, that this conversion was occurring. Public Record Act materials obtained by the community show that as long ago as March 2015 tenants were targeted with invalid 3-day notices for eviction, followed by a series of cash-for-keys agreements to remove tenants one-by-one. As one complaint alleged, "every time a renter quits her apartment, [Venice Waldorf, LLC CEO] Lambert renovates, paints, and pays to lock [a] keypad on the new knob, allowing for rapid guest changes – like a hotel."

When the first CUB application for this project was submitted in March 2020, advocates forcefully argued that a Coastal Development Permit was obviously necessary due to the hotel conversion and other intensifications of use at the property, among other significant deficiencies of the application.<sup>9</sup> Planning placed a hold on that application, but while the City waited to decide what to do, the applicant continued improvements for its new beachfront hotel, completed

<sup>&</sup>lt;sup>8</sup> See Notice of Violation of the California Coastal Act, Violation File No. V-5-17-0128, Nov. 3, 2017, attached as Exhibit B.

<sup>&</sup>lt;sup>9</sup> See, e.g., John Given letter to Vince Bertoni, AICP, Director of City Planning, March 20, 2020, attached as Exhibit C (exhibits not included).

in 2021 but for the ground floor restaurant and basement theater, according to the project architect. (See p. 5, *supra*.)

It is obvious that neither of the pending applications for a CUB can proceed due to their numerous gross deficiencies, including the failure to acknowledge that a substantial change in use required a Coastal Development Permit *before* the change in use was effectuated. The City must not only deny the CUB, it must also investigate the applicant's systematic removal of every long-term tenant from this historic RSO-protected apartment building to allow transformation of that building into a boutique hotel, and require remediation of the harm caused to the Venice community by the applicant's illegal hotel conversion.

Thank you for the opportunity to submit this public comment regarding the project.

Sincerely,

John Given

Encls.

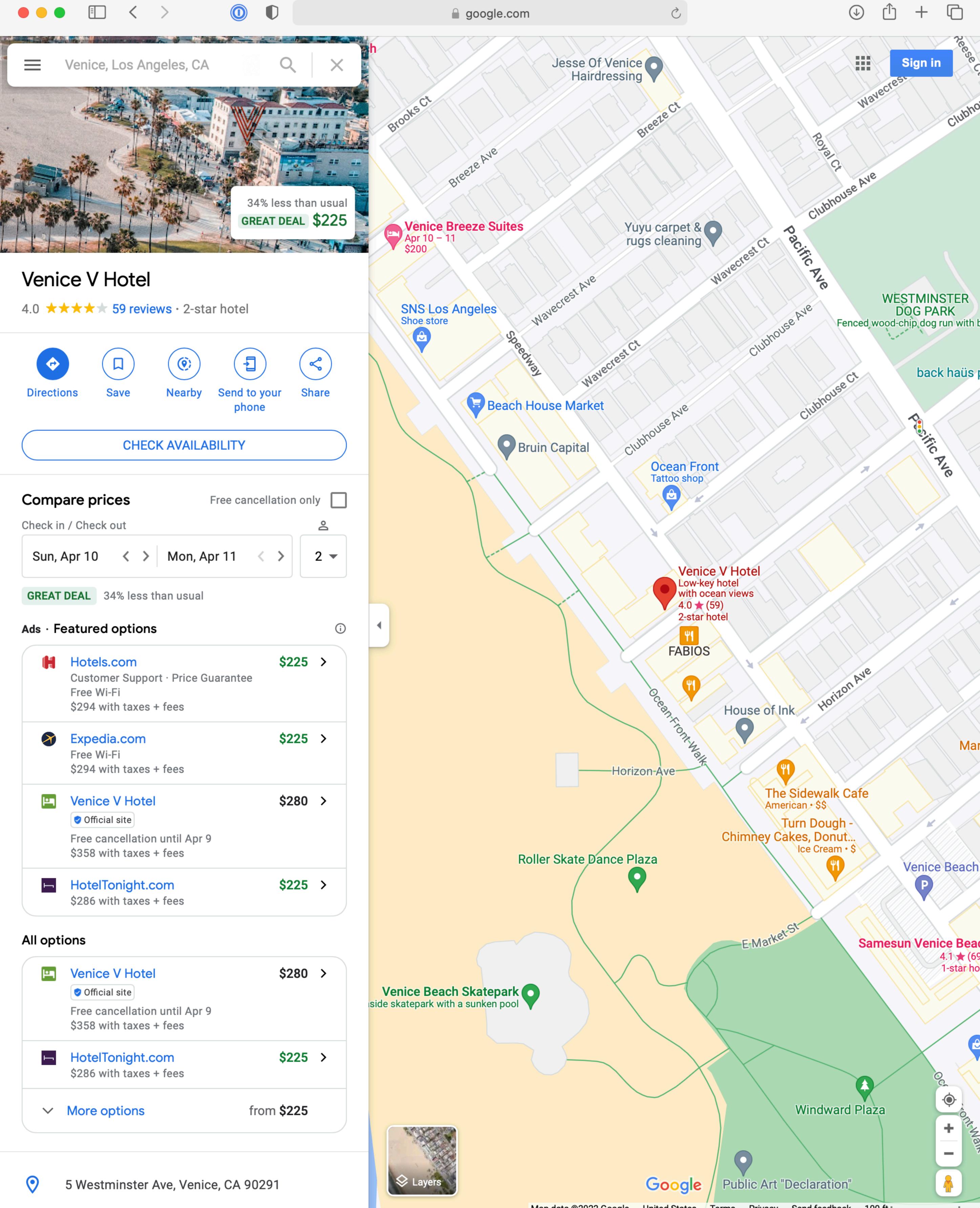
cc (by email only):

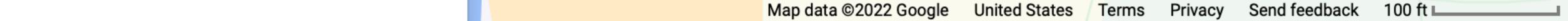
Vincent P. Bertoni, AICP, Director of City Planning

Council District 11 Honorable Mike Bonin, Councilmember Jason Douglas, Senior Planning Deputy

California Coastal Commission John Ainsworth, Executive Director Lisa Haage, Chief of Enforcement Steve Hudson, District Director, South Coast District Andrew Willis, Southern Cal. Enforcement Supervisor Nicholas Tealer, District Enforcement Officer, South Coast District

EXHIBIT A "Venice V Hotel" Google Maps/Nightly Rental Web Page, March 10, 2022





**EXHIBIT B** California Coastal Commission Notice of Violation, Nov. 3, 2017

# CALIFORNIA COASTAL COMMISSION

South Coast Area Office 200 Oceangate, Suite 1000 Long Beach, CA 90802-4302 (562) 590-5071



## NOTICE OF VIOLATION OF THE CALIFORNIA COASTAL ACT CERTIFIED AND REGULAR MAIL

November 3, 2017

Venice Suites LLC c/o Carl Lambert 2 Breeze Ave #101 Venice, CA 90291

Violation File Number:

V-5-17-0128

Property Location:

1217 Ocean Front Walk, Los Angeles County APN 4226-005-004

Unpermitted Development<sup>1</sup>:

Unpermitted change in use from apartment to hotel

Dear Mr. Lambert:

As you know, the California Coastal Act<sup>2</sup> was enacted by the State Legislature in 1976 to provide long-term protection of California's 1,100-mile coastline through implementation of a comprehensive planning and regulatory program designed to manage conservation and development of coastal resources. The California Coastal Commission ("Commission") is the state agency created by, and charged with administering, the Coastal Act. In making its permit and land use planning decisions, the Commission carries out Coastal Act policies, which, amongst other goals, seek to protect and restore sensitive habitats; protect natural landforms; protect scenic landscapes and views of the sea; protect against loss of life and property from coastal hazards; and provide maximum public access to the sea.

Our staff has confirmed that unpermitted development activities have occurred on your property including, but not necessarily limited to, the unpermitted change in use from a 36-unit apartment building to hotel within the community commercial zone of Venice and within 500 feet of a

 <sup>&</sup>lt;sup>1</sup> Please note that the description herein of the violation at issue is not necessarily a complete list of all development on the subject property that is in violation of the Coastal Act and/or that may be of concern to the Commission. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development.
<sup>2</sup> The Coastal Act is codified in sections 30000 to 30900 of the California Public Resources Code. All further section references are to that code, and thus, to the Coastal Act, unless otherwise indicated.

Venice Suites LLC (V-5-17-0128) November 3, 2017 Page 2 of 5

residential zone<sup>3</sup>. As described on your website, the hotel is available for nightly rentals complete with an on-site office and set check in and check out times for guests. This change in use occurred on property owned by you and described as Assessor's Parcel Number (APN) 4226-005-004 ("subject property") and was not authorized by Coastal Exemption ("CEX") Nos. 5-05-108-X, 5-13-050-X, and 5-15-0290-X. The subject property is located within the dual-permit jurisdiction of the City of Los Angeles ("City") Coastal Zone.

#### Unpermitted Development

Commission staff has researched our permit files and found no evidence that coastal development permits have been issued for the development described above. Pursuant to Section 30600(a), any person wishing to perform or undertake development in the Coastal Zone must obtain a coastal development permit ("CDP") in addition to any other permit required by law. Any development activity conducted in the Coastal Zone, unless otherwise exempt, which is not the case here, without a valid coastal development permit constitutes a violation of the Coastal Act.

"Development" is defined, in relevant part, by Coastal Act Section 30106 as:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvest of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations....(emphasis added)

The above described activity involves the change in use from apartment to hotel. Thus, the above described activity constitutes development under the Coastal Act that requires a coastal development permit. You have previously sought authorization for after-the-fact approval of change in use from apartment to hotel on another property, and, thus, you are aware of the CDP requirements for such development.

#### Background

In 2013, CEX No. 5-13-050-X was issued to you to exempt repairs on brick work on the front façade at the subject property and upgrade an existing restroom to ADA standards that you described in the exemption request as an "existing five-story <u>apartment building</u>."[underlining added for emphasis] In the project description, the CEX explicitly states that "The proposed

<sup>&</sup>lt;sup>3</sup> A conditional use permit from the City of Los Angeles is required to allow a transient occupancy residential structure within 500 feet of a residential zone. (Section 12.13.A1.5 of LAMC) Commission staff has received no record of such a permit

Venice Suites LLC (V-5-17-0128) November 3, 2017 Page 3 of 5

development is judged to be repair or maintenance activity not resulting in an addition to or enlargement or expansion of the object of such activities ..." and, thus, did not authorize a change in use from apartment to hotel, nor was such a change applied for. In 2015 a CEX No. 5-15-0290-X was issued to you for, among other things that you describe in your application, "partial demolition of interior wall (10'-4" x 9'-3"), removal of interior staircase, remodel of bathroom with ADA accessible features, and construction of new 34" high counter area and overhead (rolling) door within new wall opening". Thus, no change in use from apartment to hotel was applied for or authorized by these exemptions issued to you by the Commission. Furthermore, both CEX's state:

Please be advised that only the project described above is exempt from the permit requirements of the Coastal Act. Any change in the project may cause it to lose its exempt status. This certification is based on information provided by the recipient of this letter. If, at a later date, this information is found to be incorrect or incomplete, this letter will become invalid, and any development occurring at that time must cease until a Coastal Development Permit is obtained.

The information that you submitted at the time of the applications did not identify the building at issue as a hotel, despite the fact that by 2013, the date of the first CEX, you were operating the building as a hotel, and Commission staff was not made aware of the change in use from apartment to hotel on the subject property that had occurred without the required coastal development permit. In no way did the CEXs described above authorize the change of use form apartment from hotel. Additionally, in 2015 you applied for CEX No. 5-15-0295-X, which was rejected by Commission staff due to concerns over the use of the building, as described here:

The proposed project is a change of use from general retail space to a commercial kitchen within an existing retail store. An associated business/establishment has not been identified in relation to the proposed commercial kitchen. A kitchen is not a normal accessory to retail use. The proposed change in use will eliminate retail use and constitutes a change in intensity of use. Therefore, the proposed project does not qualify for an exemption. Please apply to the City of a Coastal Development Permit (CDP), and then apply to the Coastal Commission for a dual CDP (if the City grants the local CDP).

Although this work was not authorized via CEX No. 5-15-0295, you applied to LADBS and had the work authorized via Building Permit No. 16016-10000-21138 to convert a portion of second floor to kitchen area to serve for <u>"hotel guests only"</u>, in what appears to be an avoidance of the coastal development permit process. Ultimately, the building permit was never issued and did not receive Coastal Zone clearance from LADBS, meaning the project did not obtain the required authorization from both the City and the Commission. The example provided above is characteristic of what appears to be your attempts to piece meal the change in use through the building permit process, instead of obtaining required coastal development permits. Additionally, in 2016 you applied for CEX No. 5-16-0406, but it was rejected by Commission due to concerns regarding the threshold of development allowed for exemptions, as described here:

The plans submitted with the proposed project show an extensive remodel and possible combining of designated uses and spaces. The proposed project is similar to an exemption request (5-15-0295-X) that was denied on September 30, 2015. The proposed

project exceeds the threshold that is typical of exempt projects and deserved a thorough review. Please apply to the City of a Coastal Development Permit (CDP), and then apply to the Coastal Commission for a dual CDP (if the City grants the local CDP).

As stated above, any change in use to the subject property requires a coastal development permit. In this location a CDP from both the City of Los Angeles and the Commission is required since the property is located in the dual-permit jurisdiction.

## Resolution

In many cases, violations involving unpermitted development may be resolved administratively by removal of the unpermitted development and restoration of any damaged resources. As the development you have undertaken is unpermitted and in violation of the Coastal Act, you must apply to the Commission to seek after-the-fact approval of the change in use on the subject property immediately upon obtaining a CDP from the City of Los Angeles, if a CDP is approved, and the Commission will review the application for consistency with Coastal Act and any applicable local land use policies. In order to resolve this case, please apply to the City of Los Angeles for a CDP by December 3, 2017 and provide Commission staff with written confirmation of your filed application with the City.

Please contact me by no later than **November 20, 2017** regarding how you intend to resolve this violation.

## Enforcement Remedies

While we are hopeful that we can resolve this matter informally, please be advised that, in addition to the administrative penalty authority described above, the Coastal Act has a number of additional potential remedies to address violations of the Coastal Act, including the following:

Coastal Act Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that requires a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist. A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act.

Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who "knowingly and intentionally" performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which the violation persists.

Thank you for your attention to this matter. We look forward to working with you to resolve this matter. If you have any questions regarding this letter or the pending enforcement case, please

Venice Suites LLC (V-5-17-0128) November 3, 2017 Page 5 of 5

feel free to contact me at 562-590-5071 or in my absence please contact Andrew Willis at this same number.

Sincerely,

Jordan Sanchez

Enforcement Officer

cc:

Lisa Haage, Chief of Enforcement, CCC Andrew Willis, Enforcement Supervisor, CCC Steve Hudson, Deputy Director, CCC Teresa Henry, District Manager, CCC Chuck Posner, Planning Supervisor, CCC Susan McCabe



John P Given, letter to Vince Bertoni, AICP, LA Director of City Planning

#### LAW OFFICE OF JOHN P. GIVEN 2461 Santa Monica Blvd., #438 Santa Monica, CA 90404 john@johngivenlaw.com (310) 471-8485

March 20, 2020

# VIA US MAIL & EMAIL to vince.bertoni@lacity.org

Vince Bertoni Director of Planning Los Angeles Department of City Planning Los Angeles City Hall 200 N. Spring Street, Suite 525 Los Angeles, CA 90012

> RE: ZA-2020-1541-CUB-CU Property address: 1217 Ocean Front Walk, Venice, CA 90291

Dear Director Bertoni:

The above-captioned application, filed on March 5, 2020, requests a CUB for a purported 36room hotel to provide for a full line of alcoholic beverages for on-site consumption including in 36 in-room minibars, a 645 square foot bar, and a 1,276 square foot restaurant. The Department of City Planning should be aware that the project description wrongfully assumes the prior approval by the City of Los Angeles and California Coastal Commission of a hotel and other changes of use that have never been issued.

The Coastal Commission issued a notice of violation of the California Coastal Act November 3, 2017 complaining of an unpermitted change of use from 36-unit apartment building to hotel.<sup>1</sup> The most recent publicly available certificate of occupancy for the site is not for a "hotel," but rather for an "apartment hotel."<sup>2</sup> The two designations sound similar but are not interchangeable. Based upon review of the publicly available information for the project address at the City's zimas.lacity.org website, there is no evidence to support that a change of use has been permitted by the City, that the requisite coastal development permit has been issued, or that the 2017 Coastal Commission violation has been resolved. It is also unclear when, if ever, the City approved a bar or restaurant at the site. Moreover, the site and units are subject to the City's Rent Stabilization Ordinance. Dwelling units are therefore not available for short-term rental, whether as never-approved hotel rooms or via short term rental (see LAMC 12.22.A(32)).

The proposed environmental review for the project—categorical exemption ENV-2020-1542-CE—is necessarily insufficient due to significant environmental impacts in the form of land use and planning conflicts that are not (and cannot be) mitigated. As the Coastal Commission notice of violation correctly explains, a conditional use permit from the City of Los Angeles is required

<sup>&</sup>lt;sup>1</sup> See attached Exhibit A.

<sup>&</sup>lt;sup>2</sup> See attached Exhibit B.

Vince Bertoni Director, Dept. of City Planning March 20, 2020 Page 2

to allow a hotel use within 500' of a residential zone. There is no evidence to suggest a CUP for the claimed ongoing hotel use has ever been approved.

The Department of City Planning should never have accepted the CUB application as complete. In addition to violating the Rent Stabilization Ordinance, the proposed project violates the City's multiple approvals ordinance (LA Municipal Code section 12.36), which states applicants "shall file applications at the same time for all approvals reasonably related and necessary to complete the project." (LAMC § 12.36(B).) For the CUB to be approved, the project would minimally require a conditional use permit to allow the change of use to hotel, a coastal development permit, among other entitlements, as well as proper environmental review through a mitigated negative declaration or environmental impact report that thoroughly analyzes the abundant land use and planning conflicts, and any other potentially significant environmental impacts.

I urge your office to either reject the filing entirely or to use its authority under Los Angeles municipal code section 12.36(B) to require the applicant to amend the application "to ensure that all relevant approvals are reviewed concurrently."

Sincerely,

John Given

Encls.

cc (by email only): Department of City Planning Kevin Keller, AICP, Executive Officer Arthi Varma, Deputy Director, Citywide Policy Planning Matthew Glesne, Citywide Policy Planning, Head of Housing Unit Phillip Bazan, Management Analyst, Expedited Processing Council District 11 Honorable Mike Bonin, Councilmember Chad Molnar, Chief of Staff Jason Douglas, Senior Planning Deputy California Coastal Commission John Ainsworth, Executive Director Steve Hudson, District Director, South Coast District Jordan Sanchez, Enforcement Analyst, South Coast District Ira Koslow, President, Venice Neighborhood Council