

CONDITION COMPLIANCE
ONE YEAR PLAN REVIEW (PA1)

April 8, 2016

Rouge Gentlemen's Club, Inc.

CASE NO.: ZA 2013-0819(CUB)
14626 Raymer Street
Van Nuys-North Sherman Oaks
Planning Area
Zone : M2-1
D.M. : 189B149
C.D. : 6
CEQA : ENV 2013-820-MND
Legal Description: Lot Nos. 11, 14-18,
Estella Tract

1. *[Condition 1 – Use, height and area regulations]*

Proof: Operator is in compliance with this Condition and will maintain compliance on an ongoing basis. The attached Certificate of Occupancy verifies compliance with this condition. Operator's valid Fire Permit and Health Permit are also enclosed. (See **Exhibit A.**)

2. *[Condition 2 – Use and development of property in conformance with plot plan]*

Proof: Operator is in compliance with this Condition. The plot plan is in accordance with the use and development of the property, except as specifically revised by the approved CUP. The LADBS approved plans are enclosed herewith. (**Exhibit B.**)

3. *[Condition 3 – Authorized use conducted in accordance with the neighborhood character]*

Proof: Operator is in compliance with this Condition. The surrounding district is zoned light industrial. The Operator's considerable regard for the character of the surrounding district includes (i) providing protective considerations via the contracting of security guards as well as (ii) providing aesthetically appealing

improvements to the location, which includes well maintained landscaping, an attractive entrance and signage, all of which are in exceptional condition as compared with the surrounding industrial uses. Further, Operator has sought to improve existing neighborhood character through community cooperative efforts. For example, Operator has spoken with the adjacent scrap yard owner, Jose Zavla, on numerous occasions regarding the trash and the dumped furnishings on and near their property which are offensive and present a hazard (i.e. broken televisions, mattresses, couches). Mr. Zavla has made efforts of cooperation and has at times cleaned up the street and sidewalk areas. He has indicated to Operator that he will continue to be cooperative in making such clean-up efforts. (See area photographs, **Exhibit C.**)

At this time no additional corrective conditions are imposed by the Zoning Administrator for the protection of occupants of adjacent property with respect to this Condition. Nevertheless, Operator has installed state-of-the-art surveillance cameras and high-powered lighting on the exterior of the premises and a chain linked fence encloses the spacious parking lot. The structure is located in the M2-1 Industrial and the surrounding properties are light industrial uses. (See Photographs, **Exhibit D.**)

4. *[Condition 4 – Graffiti removal within 24 hours]*

Proof: Operator is in compliance with this Condition. There is presently no graffiti on the site and the photos produced pursuant to Condition 3 above verify same. Upon any incident of graffiti, it will be removed in compliance with this condition. Security personnel perform visual inspections daily at the commencement and during the course of their shift, **Exhibit E.**)

5. *[Condition 5 – The CUP shall be supplied for purposes of the issuance of a building permit.]*

Proof: Operator has complied with this Condition. The Certificate of Occupancy is attached as **Exhibit F.** This attached COO is the certificate that the City references with respect to the Operator's 2015 CUB issuance and is the currently operable COO.

6. *[Condition 6 – Applicant shall indemnify and hold harmless the City with respect to the CUP.]*

Proof: Operator is in compliance with this Condition. There is no existing litigation with respect to the CUP, however, should litigation arise, Operator will comply with the notice and other requirements as the circumstances dictate.

7. *[Condition 7 – This condition requires recordation of a covenant acknowledging and agreeing to comply with all terms and conditions of the CUP.]*

Proof: Operator is in compliance with this Condition. The Master Covenant and Agreement to the Conditions were recorded March 3, 2014 as Instrument No. 20140214164. See attached Covenant as **Exhibit G**.

8. *[Condition 8 – The CUP is granted for a life of five years.]*

Proof: The CUP was approved January 15, 2014, and expires in 2019. **[Exhibit H.]**

9. *[Condition 9 – Three months prior to the end of the one year of operation, Applicant shall file an Approval of Plans review to provide for reexamination of the matter. The Approval of Plans re-examination shall be accompanied by owner notice labels for notice to adjoining property occupants, including the Council District, Certified Neighborhood Council, and the Vice Unit of the LAPD.]*

Proof: In coordination with the City's instructions, Operator is in compliance with this Condition.

The Operator encloses herewith owner notice labels for abutting neighbors and other relevant parties (e.g. Council District, Neighborhood Council, LAPD). **(Exhibit I)**

The Operator respectfully requests waiver of a public hearing as applicant has complied with the conditions of approval, continued operation of the facility will not adversely impact the surrounding community as the facility has been in operation for years and there have been no known negative incidents since the granting of the liquor license, and consequently, this matter has not and will not evoke public controversy as the neighborhood is used to this use.

10. *[Condition 10 – Authorizations: (a.) applicant is authorized to sell on-site and dispense a full line of alcoholic beverages at the location, (b.) the cabaret shall*

not exceed 160 interior seats, (c.) hours of operation shall not exceed 11:00 a.m. to 4:00 a.m. daily.]

Proof: Operator is in compliance with this Condition. (See Exhibit J).

- (a) The cabaret only sells alcohol on-site for consumption on the premises, and there are no sales for off premises consumption.
- (b) The cabaret satisfies the seating requirements of not exceeding the 160 maximum referenced in this Condition.
- (c) Operator's business hours do not exceed these provisions. Operator's current business hours are as follows:

Sunday - Saturday: 11:00 a.m. – 2:00 a.m.

(See Hours of Operation Photo: (Exhibit K)

11. [Condition 11 -

- (a.) Advisement that the permit is a land use permit not a license for the sale of alcohol.*
- (b.) STARR Training of employees involved in the sale of alcoholic beverages within 90 days from the time we obtain our license.*
- (c.) ABC may further restrict the alcohol service.*
- (d.) No alcohol shall be allowed to be consumed on any adjacent property under the control of the Applicant.*
- (e.) Operator and club personnel shall maintain a policy of not serving obviously intoxicated patrons and undertaking preventative measures which include:*
 - (1) free non-alcoholic beverages offered to designated drivers,*
 - (2) bottled water made available to departing patrons, and*
 - (3) security personnel taking steps to prevent departing guests from driving.*
- (f.) Working electronic age verifications devices shall be provided at each point of sale locations as well as the entrance to ensure valid ID for each patron and staff trained in their usage.]*

Proof:

- (a.) Operator acknowledges that the ABC, not the City governs the issuance of a liquor license. Operator has received a liquor license from the ABC which is current and in good standing. **(Exhibit L.)**

- (b.) ABC Manager licenses and STAR training status of employees involved in the sale of alcoholic beverages is attached as **Exhibit M.** For recent STAR training, Letters of Completion will be sent following receipt¹. The completion of STAR training by personnel further augments the procedures of Operator, for example, please review the attached company policies requiring the employees' acknowledgement:
 - i. Alcohol Awareness – Signs and Symptoms of Intoxication,
 - ii. Responsible Alcoholic Beverage Service and Policy, and
 - iii. Responsible Bottle Service. **(Exhibit N.)**

In addition to the foregoing policies, the Operator's Employee Handbook discusses safety and security, standards of performance and conduct as an employee to report any irregularities to management personnel. The hiring personnel review such requirements in detail with the subject employees and the employee signs further written acknowledgements of such requirements. Further, the hiring personnel fill out a checklist form to indicate such procedures have been appropriately addressed in each instance. Due to the length of these materials and that no request has been made to provide same, such items are not included with this response, however, certainly should the Department of City Planning, Condition Compliance Unit, desire to review the Employee Handbook, Acknowledgement to Employee Handbook, and Checklist documentation, upon notice of such request, the Operator will submit such additional material in a prompt fashion.

- (c.) Operator is in compliance with this Condition but is not aware of any further restrictive conditions issued by the ABC when the liquor license was issued.

- (d.) Operator does not currently own property adjacent to the subject location. Signage is located on the exterior of the club warning that alcohol consumption is not permitted in public. **(Exhibit O.)** Operator employs

¹ Please note that the Operator only just became aware that the LAPD had been incorrectly addressing some of the verification notices to an employee bartender working on site. The whereabouts of those missing notices are unknown, however, we have confirmed training with LAPD that all staff were trained as indicated and LAPD is available to confirm such facts telephonically.

security personnel to patrol the premises on a routine basis. Security are instructed that they must inform any such persons observed that are not in compliance, if any, that outside alcohol consumption is prohibited.

- (e.) Operator maintains a policy of not serving obviously intoxicated persons and undertaking preventative measures. Operator has a policy of responsible alcohol service and an important aspect of that policy is the utilization of bottle locks, which does not allow self-service for bottle service. The waitress must unlock the locking mechanism in order to pour a drink for the patron which allows for monitoring of a patron's alcohol consumption. Please review the attached company policies requiring the employees' acknowledgement:
- i. Alcohol Awareness – Signs and Symptoms of Intoxication,
 - ii. Responsible Alcoholic Beverage Service and Policy, and
 - iii. Responsible Bottle Service (**Exhibit N above**).

In addition to the foregoing policies, the Operator's Employee Handbook discusses safety and security, and standards of performance and conduct as an employee to report any irregularities to management personnel. The hiring personnel/club managers review such requirements in detail with the subject employees and the employee signs further written acknowledgements of such requirements. Further, the hiring personnel fill out a checklist form to indicate such procedures have been appropriately addressed in each instance. Should the Zoning Administrator desire to review the Employee Handbook, Acknowledgement to Employee Handbook, and Checklist documentation, upon notice of such request, Operator will submit such additional material in a prompt fashion.

The completion of STAR training by personnel further augments the foregoing procedures of Operator.

Operator offers free non-alcoholic beverages offered to designated drivers. Bottled water is made available to departing patrons, as well as to guests throughout the hours of operation. Security personnel are trained to offer to call a taxi and provide the names of nearby hotels for overnight stay. (See **Exhibit P** – See Menu excerpt, and content of Nonalcoholic Drink Notice for placard ordered for front entrance counter.)

These requirements are fully acknowledged by the Covenant, **Exhibit G**.

- (f.) Operator utilizes the age verification device known as ID E800 Dual Side Image Capture ID Scanner. Operator maintains two such devices on site. A picture of the currently used age verification device and receipt for purchase of the device is attached as **Exhibit Q**. Staff is trained on the usage of the device. All entrants to the facility are age verified prior to entry.

12. [Condition 12 -

- (a) The property owner/operator shall coordinate with the local division of the Los Angeles Police Department regarding appropriate monitoring of community.*
- (b) A 24-hour "hot line" phone number shall be provided for the receipt of complaints from the community regarding the subject facility and shall be:*
- (1) posted at the entry*
- (2) mailed to abutting property owners and tenants*
- (3) provided to the Office of Zoning Administration, schools, Certified Neighborhood Council, and local neighborhood homeowner/renter associations, if any.*
- (c) The property owner/operator shall keep a log of complaints received, the date and time received and the disposition of the response.*
- (d) Response to complaints shall be within 24 hours.]*

Proof:

(a) Operator is in compliance and will continue to comply with this Condition on an ongoing basis. Operator maintains a relationship and open dialogue with Vice and local community officials regarding compliance with applicable regulations and in an effort to address considerations to the community.

(b) - (d) The hotline number maintained by Operator is: (213) 814-4063. The hotline number is a monitored number. The hotline is posted at the facility's entrance and in the parking areas. A photo of the signage posted at the entry/parking area is attached as Exhibit I. Operator maintains a log, a copy of which is attached as **Exhibit R**. Upon notice of a complaint, Operator will respond in

a timely fashion, whether such complaint is submitted pursuant to the hotline number, in person, or in writing. There are no known complaints at this time. Operator will maintain records for the Condition Compliance Unit or other official to review complaints, if any.

13. [Condition 13 –

- (a) *No video games shall be available on the subject property.***
- (b) *No live entertainment of any time including but not limited to live music, movies, piano bar, or Karaoke nights without proper Police Commissioner Approval.***
- (c) *No dancing or dancing related functions allowed on the premises other than those performed by persons working as “Entertainers.”***
- (d) *Applicant shall maintain a full, accurate, and up to date list of all active “Entertainers,” which shall be kept on the premises and available to LAPD and/or other City agencies upon request.]***

Proof:

Operator is in compliance with this Condition as there are no such devices or facilities for such unapproved forms of entertainment on the premises. Further, Operator maintains records of all active Entertainers and available at the Operator's corporate offices from its dedicated Information Technology Department. The corporate offices are in close vicinity to Los Angeles, as they are located at 1875 Tandem Way, Norco, California 92860. This system of maintaining entertainer profile information and contracts are automated and readily retrievable.

14. [Condition 14 – *Comply with the environmental mitigation measures of Mitigated Negative Declaration No. 2013-820-MND. Pursuant to CA State Public Resources Code Section 21081.6, the City shall monitor or require evidence that any mitigation conditions are implemented and maintained throughout the life of the project and the City may require any necessary fees to cover the cost of such monitoring.]*

Proof:

Operator will continue to comply with this Condition on an ongoing basis. Operator is not advised of any mitigation conditions required at this time.

15. [Condition 15 – Subject property, including any associated parking facilities and abutting streets, sidewalks and alleys, shall be maintained in a neat and attractive condition at all times and shall be kept free of trash and debris on a daily basis.]

Proof: Operator's authorized is conducted in compliance with this Condition. Personnel of Operator perform routine inspections of the property multiple times per day to maintain the premises neat and orderly. (Property Photographs, See Condition 3, **Exhibit C.**) The surrounding district is light industrial. The Operator's considerable regard for the character of the surrounding district includes (i) providing protection (i.e. hiring of security guards) as well as (ii) providing aesthetically appealing improvements to the location, which includes well maintained landscaping, updated exterior paint and parking lot striping, providing an attractive entrance and signage, all of which are in exceptional condition as compared with the surrounding industrial uses---most of which is dilapidated in comparison.

Further, Operator has sought to improve existing neighborhood character through community interaction. For example, Operator has spoken with the adjacent scrap yard owner, Jose Zavla, regarding the trash and the dumped furnishings on and near his adjacent property. Mr. Zavla has thus far been cooperative to remove such debris and stated to Operator that he will continue to be cooperative in maintaining such clean-up efforts upon notice. (See area photographs, Condition 3, **Exhibit C.**)

16. [Condition 16 – Regulating noise shall comply with the City of Los Angeles Noise Ordinance Nos. 144,331 and 161,571, and any subsequent ordinances.]

Proof: To the best of its knowledge, Operator is in compliance with this Condition and takes all reasonable measures to be considerate of the neighboring businesses and neighboring premises occupants. Operator has security personnel on-site at all times during business hours to manage undesired behaviors.

17. [Condition 17 –

- (a) A dedicated external smoking area for the business shall be designated, and shall be monitored by security for noise control.***
- (b) Permittee shall be in compliance with all applicable local, state, and federal laws, including those related to building, zoning, fire, and other public safety regulations.***

- (c) *Permittee acknowledges responsibility for the actions of their agents or employees within the scope of the permittee's business.]*

Proof:

(a) Operator is in compliance with this Condition. A depiction on the plans and also photographs of the smoking area are attached as **Exhibit S**. This smoking area is enclosed with chain link fencing and vinyl slats, and is located outside of the building facing Raymer Street, east of the business entrance. Patrons may access this area by entering through the business entrance and thereafter traversing through the establishment to reach the patio door leading to the smoking area. Employees/security personnel monitor this area continuously and routinely to manage undesired behaviors.

(b) Operator has been issued the current, valid Certificate of Occupancy. (See COO: **Exhibit F** and the discussion under Condition 5 above.) Operator has been issued a current, valid Fire Permit with respect to the premises. (**Exhibit A**)

(c) Operator is aware of the legal doctrine of *respondent superior* and the potential applicability of such doctrine with respect to the operation of the business under certain circumstances. Operator maintains insurance coverage which is available for review should the City desire to review same.

18. [Condition 18 – Parking shall be provided in accordance with the requirements of the Los Angeles Municipal Code and to the satisfaction of the Department of Building and Safety.]

Proof: With respect to the premises, to its knowledge Operator continues to be in compliance with all local rules relating to parking, with reference to such variances specifically granted therein. Reference is made to the plot plan diagram set forth in Condition 2, further described in **Exhibit B**. Operator has 75 parking spots striped with freshly painted striping and new slurry coat, including parking spots 2 for disability parking (See **Exhibit T**).

19. [Condition 19 –

- (a) *During operating hours, applicant shall provide security guard(s) inside the premises on an as needed basis. Security personnel shall be based on patronage but at a minimum shall be maintained at a rate of one security staff person per 50 patrons.*

- (b) Security personnel shall be licensed under applicable State Law and consistent with Los Angeles Police Commission standards.*
- (c) Security personnel shall be on premises at all times during operating hours to at least one-half hour after closing each day.*
- (d) All security personnel shall maintain order therein and prevent any activity that would interfere with the quiet enjoyment of their property by nearby residents and business owners. Security personnel shall, to the reasonable extent possible:*

 - (1) Encourage patrons to exit quietly.*
 - (2) Discourage patrons driving from utilizing public street parking and instead relying the establishment's parking area.*
 - (3) Provide supervised security staff to escort entertainers, especially at closing, from the establishment to their vehicle.*
 - (4) Patrol parking area utilized by patrons.*
- (e) Surrounding area shall be illuminated in order to make easily discernible the appearance and conduct of all persons on or about the property.*
- (f) All lighting shall be shielded and directed onto the site and no floodlighting shall be located so as to shine directly onto any adjacent property. This shall not preclude the installation of low-level security lighting.*
- (g) The property owner shall be responsible for discouraging loitering on and around the subject property.*
- (h) Applicant shall maintain security cameras and shall ensure that footage from such cameras is saved for a period of no less than three weeks (21 days), said footage to be immediately retrieved upon the request of the Department of City Planning and Office of Zoning Administration pursuant to Case No. ZA 2013-0819(CUB) or any other authorized City Department in a form acceptable to said agency. If any audio recording devices are maintained at the*

location, the recordings will be maintained and made available in the same manner. Applicant will ensure there shall be during all operating hours a manager on the premises trained to use the DVR equipment and able to immediately provide said footage upon request.

- (i) Only the front door shall be used for patron access. All other doors shall be equipped on the inside with automatic locking device and shall be kept closed at all times other than to permit temporary access for delivery of supplies and trash removal.*
- (j) Applicant shall maintain a minimum of 1.5 candle foot of lighting throughout the entire premises, except during performances at which times lighting shall be at least 1.0 foot candles.*

Proof:

(a) - (d) Operator is in compliance with this Condition. Security personnel are on premises prior to, during, and after business hours. Business hours are currently 11:00 a.m. until 2:00a.m., every day. (See signage photo, **Exhibit K**.) Patrons are encouraged to exit quietly. Patrons are discouraged from parking in areas other than in the parking areas provided by Operator. Security patrols the parking areas utilized by patrons. Patrons are provided security staff-assisted escorts. Security staff are easily identifiable by their "Security" badge on the front or right side of their shirt uniform.

The security personnel are state licensed or pending receiving certification from the State following recent hire. **Exhibit U**. Please note that all are unarmed security personnel. There is no third party security provider. They are employees. Proof of certification has been taking approximate 3-4 months and we will follow-up if further certification records are requested.

(e) - (f) Pictures showing the appropriate illumination of the exterior lighting are enclosed as **Exhibit D**.

(g) The enclosed sign, **Exhibit V**, discourages the public from loitering. Further, Operator has installed video surveillance to further deter such activity.

(h) Video surveillance footage remains available in excess of the requirements of this Condition, and remains available for a period of approximately thirty (30) days.

Trained personnel remain available to provide law enforcement with footage requested. Enclosed is a photo of the monitor of the multiple areas under video surveillance and a plan describing the camera locations (**Exhibit W**).

(i) Operator is in compliance with this Condition. Photos of all entry/exit doors other than the entry door which are equipped with an automatic locking device to keep the door shut are enclosed as **Exhibit X**.

(j) Operator is in compliance with this Condition and maintains specialized lighting equipment on site for such compliance. See attached meter reading of lighting analysis which reading shows greater illumination than required by this Condition (1.6 candles). **Exhibit Y**.

20. [Condition 20 –

(a) *“No loitering” and “No Public Drinking of Alcoholic Beverages” signs shall be posted at the front, side and rear of the site. Signs shall be in English and Spanish.*

(b) *Signs shall be posted in Spanish and English that CA State Law prohibits the sale of alcoholic beverages to persons who are under 21 years of age.*

Proof: Operator is in compliance with these Conditions. All requisite signage is posted as indicated, photos of such postings enclosed as **Exhibit V**, along with a description of their content.

21. [Condition 21 – *A copy of these conditions shall be maintained on the premises at all times; managers shall be made aware of the conditions and shall inform employees of same. That the establishment ensure that all employees, including managers, bartenders, wait staff, and security guards, are fully aware of and understand the CUP.*

Proof: Operator is in compliance with this condition. The approved conditions are retained on the premises at all times and will be produced by the on-site manager immediately upon request of the Police Department and City administration officials.

Additionally, although not specifically required by the CUB, the Condition Compliant Unit has requested a letter from the Operator containing a specified statement which confirms that the employees have read and understood the conditions of approval for the sale of alcohol in conjunction with the adult cabaret. The attached confirmation letter signed by employees confirms such acknowledgement of the terms of the CUB as described above **Exhibit Z**.

22. [Condition 22 – Any further expansion of the herein authorized conditional use exception involving the subject restaurant or the creation of a new establishment within the grantee's ownership used in connection with the selling or serving of alcoholic beverages shall only be permitted after the filing of approval of the proper application for this purpose.]

Proof: Operator will comply with this Condition in the event any further expansion to the authorized conditional use is sought.