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November 3, 2014

Los Angeles City Council  
c/o: Los Angeles Development Service Center  
201 N. Figueroa Street, 4th Floor  
Los Angeles, CA 90012

Re: Reasons for Appeal, and Request for Appeal Hearing Concurrent with  
TFAR Hearing (CPC-2013-4134-TDR-MCUP-ZV-SPR)

Dear City Council Members:

The **Coalition for Responsible Equitable Economic Development ("CREED LA")** appeals the City Planning Commission's October 9, 2014 approval of variances and other concessions for a 50-story high-rise development between South Olive and South Hill Streets, and West 8th and West 9th Streets, in downtown Los Angeles ("Project"), proposed by Onni Real Estate. CREED LA also contends that the Planning Commission acted based on inaccurate and misleading information regarding the scope of the City's discretion under the Transfer of Floor Area Rights ("TFAR") Ordinance. Because there is significant overlap between the issues raised in this appeal and in the Planning Commission's recommendation to adopt the requested Transfer of Floor Area Rights for the Project, CREED LA requests that the City Council hear both items together at the same hearing.

As explained more fully below, the Planning Commission abused its discretion in granting variances for the Project and allowing other deviations from the City Code and the Downtown Design Guide. As stated in the Municipal Code, a variance is a "special privilege."<sup>1</sup> The Applicant has chosen to design a high-rise Project that will utilize a large proportion of the City's Convention Center floor area rights. An Applicant's project design decisions are not alone an adequate reason to grant special privileges regarding compliance with the City's development

<sup>1</sup> Los Angeles Municipal Code ("LAMC") § 12.27.D.

standards. In fact, the TFAR Ordinance expressly states that projects utilizing the City's TFAR option must comply with all such standards. The Applicant here will not suffer unnecessary hardships if the requested variances are denied. There are no special circumstances on the Project site that warrant the variances, and the variances are not required for the preservation and enjoyment of a substantial property right.

CREED LA also opposes the Transfer Plan that the Planning Commission recommended for City Council approval under the TFAR Ordinance. CREED LA urges the City Council to reject the Applicant's request to purchase the City's limited TFAR rights for a project that will deviate from City development standards, given the Applicant's failure to consider providing direct public benefits by committing to local hire and prevailing wages, as encouraged by the Planning Commission and authorized by the TFAR Ordinance. It is within the City Council's discretion to authorize these direct benefits, in lieu of a portion of the Applicant's proffered "public benefits" payment. CREED LA urges City staff and leaders to consult in earnest with the Applicant regarding these issues, in the hopes of expeditiously resolving this appeal.

## **I. INTEREST OF APPELLANT**

CREED LA is an unincorporated association of individuals and labor organizations that may be adversely affected by the City's determinations regarding the Project, and the City's decision to sell valuable floor area rights to the Applicant. CREED LA's mission is to ensure that proposed development projects in the City of Los Angeles foster sustainable communities by minimizing environmental impacts and ensuring community benefits, including the advancement of a safe and skilled construction workforce through job training and career path construction industry jobs that maintain area wage standards and working conditions.

CREED LA's members include the Sheet Metal Workers Local 105, International Brotherhood of Electrical Workers Local 11, Southern California Pipe Trades District Council 16, and their members and their families who live and work in the City of Los Angeles. Individual members of CREED LA and its member organizations include Thomas Brown, Shomari Davis, Luther Medina, and John Ferruccio, who live, work, recreate and raise their families in Los Angeles. Accordingly, they would be directly affected by the Project's failure to meet the

development standards established by the City, and by the City's unwillingness to consult with the Applicant regarding the provision of public benefits for workers. CREED LA has an interest in enforcing City planning standards that encourage sustainable development and a high quality of life for City residents. CREED LA also has an interest in opposing the sale of the City's limited floor area rights to developers who fail to provide public benefits consistent with the TFAR Ordinance by committing to local hire and the payment of prevailing wages.

## II. REASONS FOR APPEAL

### A. Failure to Include All Planning Commission Conditions of Approval

The City Planning Commission specifically approved a parking variance from the Project *on the condition that* the Applicant run conduit to 20% of the parking spaces for future electric vehicle charging stations, and the Applicant readily agreed to this at the Planning Commission hearing.<sup>2</sup> The Planning Commission's decision letter, however, does not include the charging station conduit condition. Accordingly, the decision letter is incomplete and fails to include all approval conditions imposed by the Planning Commission.

### B. Failure to Require All Parking Spaces in Accordance with City Standards

The Los Angeles Municipal Code mandates that all parking spaces required by City parking standards "shall be provided" by a project.<sup>3</sup> In this case, however, the Planning Commission's Condition of Approval number 10 states that the Project shall provide a *maximum* of 533 parking spaces.<sup>4</sup> This condition is inconsistent with City standards and should be revised so that no less than 533 parking spaces must be provided by the Project.

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<sup>2</sup> An audio recording of the Planning Commission hearing is available at: <http://cityplanning.lacity.org/>, by selecting "Meetings and Hearings" then "City Planning Commission" from the left-hand menu, then selecting the "Audios" icon for the October 9th meeting, and selecting the highlighted title links under Meeting Item No. 6. The Planning Commission's motion to require conduit for electric vehicle charging stations is at "Part 2" of the audio tape, at 23:25.

<sup>3</sup> LAMC § 12.21.A(4)(p).

<sup>4</sup> Planning Commission Determination Letter dated October 17, 2014, p. C-3.

C. Improper Variance Allowing 40% Compact Vehicle Parking

The Project will remove 142 existing affordable public parking spaces in downtown Los Angeles, and will provide the bare minimum number of parking spaces, using all available reductions under the City Code. Because the Project is in the Central City Area, it qualifies for an overall reduction in the required number of off-street parking spaces. The Project is required to provide only 1.25 spaces for units with more than 3 rooms, and 1 parking space for units with less than 3 rooms.<sup>5</sup> The Applicant has opted to further reduce this amount by 9.2%, by providing increased bicycle parking.<sup>6</sup> The Project will provide no guest parking, and no parking for the retail space located on the ground level.<sup>7</sup> In total, the 50-story high-rise tower will provide 533 parking spaces, only 391 more than currently exist.<sup>8</sup>

Despite the fact that the Project's location allows the Applicant to provide this bare minimum number of parking spaces, the City Planning Commission approved a variance from Municipal Code section 12.21.A5(c). That section disallows the use of compact parking spaces for residential units, unless a standard space is provided for each unit. Compact parking spaces are 1 foot narrower in width and 3 feet shorter in length than standard spaces.<sup>9</sup> In connection with the variance, the Planning Commission adopted a Condition of Approval allowing approximately 40% of the spaces (209 spaces) to be compact in size.

In order to approve the variance and related condition of approval, the Planning Commission needed to find that there would be "practical difficulties or unnecessary hardships" unless the variance was approved.<sup>10</sup> The only argument

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<sup>5</sup> Los Angeles Municipal Code ("LAMC") §§ 12.21.A(4)(a), (p).

<sup>6</sup> *Id.* § 12.21.A(4).

<sup>7</sup> Not requiring any parking for the retail space is an odd interpretation of the parking standards for commercial buildings in the Downtown Business District. Under LAMC § 12.21.A(4)(i), commercial buildings with a gross floor area of 7,500 square feet or larger must provide 1 parking space for every 1,000 square feet of usable space. City Planning staff apparently interpreted the word "building" to mean only the retail space on the first floor of the building, which is less than 7,500 square feet. This is an incorrect interpretation of the parking standards, not only because the "building" is much larger than the retail space, but also because the "gross" floor area of the first floor of the building alone is much greater than 7,500 square feet.

<sup>8</sup> Planning Commission Determination Letter dated October 17, 2014, p. F-9.

<sup>9</sup> LAMC § 12.21 A.5(a).

<sup>10</sup> *Id.* § 12.27 D.1.

put forward for why this factor was met is that the Applicant designed its 50-story tower so that it does not have enough space to provide adequate parking, and the Project is located near public transit.<sup>11</sup> These are not practical difficulties or unnecessary hardships that qualify for a variance.

The Municipal Code looks unfavorably on granting a variance “if the conditions creating the need for the variance were self-imposed.”<sup>12</sup> Designing a high-rise without adequate space for parking is a difficulty that is solely of the Applicant’s own making. It appears that the Applicant is perfectly capable of redesigning the Project to meet City standards. For example, the Project application materials and Mitigated Negative Declaration for the Project both indicated that the Project would include 589 residential units, whereas the Project that the Planning Commission approved only included 522 units.

The Project’s location near transit is also not enough to justify a variance. The Applicant has already received almost a 50% reduction in the number of required residential parking spaces, another 9.2% reduction by providing bicycle spaces, *and* an exemption from providing retail parking spaces, solely due to the Project’s location.<sup>13</sup> The first factor for granting a variance is not met.

The Planning Commission was also required to find “special circumstances” on the Project site, such as lot size, topography, location, or surroundings, which are not present on other sites. There is no substantial evidence that the Project site has any such special circumstances. The only plausible argument for special circumstances is that the Project site is “relatively small and narrow.”<sup>14</sup> Other nearby projects have constructed higher parking ratios, however, on smaller lots

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<sup>11</sup> Planning Commission Determination Letter dated October 17, 2014, p. F-28.

<sup>12</sup> LAMC § 12.27 D.

<sup>13</sup> LAMC §§ 12.21 A.4 (buildings near transit may reduce parking spaces by providing bicycle parking); 12.21 A.4(i) (exception for commercial parking in Downtown Business District); 12.21 A.4(p) (residential parking reduction in Central City Area).

<sup>14</sup> Planning Commission Determination Letter dated October 17, 2014, pp. F-29 to F-30. The other stated reasons include that the Project will provide 533 parking spaces, that the Project is in a transit-oriented location and thus already qualifies for reduced parking requirements, and that the Project includes a “replacement of existing office parking” [it does not], none of which is a special circumstance related to the size, topography, location or surroundings of the Project site.

than the Project site, with fewer compact spaces.<sup>15</sup> The Applicant has chosen to construct a very tall 50-story tower with inadequate space to meet the City's parking requirements, which is a self-imposed condition.

Finally, the Planning Commission was required to make a finding that a variance is needed for the "preservation and enjoyment of a substantial property right" possessed by other similar sites. This has not been shown. The Planning Commission's written determination notes that three other nearby projects have been granted variances allowing a certain percentage of residential units to have compact parking spaces instead of standard sized spaces. The City approved variances allowing 8% of the residential units to have compact parking in the Evo project, 56% of units to have compact parking in the Fashion Institute of Design (FIDM) student housing project, and 26% of units to have compact parking in the Glass Tower project.<sup>16</sup>

None of these prior variances show that others have been granted the same kind of special treatment requested by the Applicant. The Evo project was allowed only 8% compact spaces, which is significantly less than the 40% percent approved for this Project. Furthermore, the Evo project provided 1.37 parking spaces per unit, plus guest parking spaces, which is a significantly higher parking ratio than this Project will provide (1 space per unit plus no guest or retail parking).<sup>17</sup>

The Glass Tower project was allowed 26% compact spaces, which is also much less than the 40% approved for this Project. The Glass Tower project provided seven levels of parking (the same as this Project) for a much smaller tower (22 stories), and provided 1.57 parking spaces per unit, plus parking spaces for guests, which is much more parking than will be provided by this Project.<sup>18</sup>

The FIDM project provided a ratio of 1.5 parking spaces per unit, which is a 50% higher ratio than this Project will provide, plus parking for residential guests, and a significant amount of parking for non-residential use.<sup>19</sup> The City authorized

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<sup>15</sup> See e.g. <http://pdis.lacity.org/pdf/viewPDF.aspx?Query=Type=PDIS;Doc=1CF16>, p. 6 (1.57 spaces per unit provided for a 22-story tower on a 23,600 square foot lot, plus guest parking, with 26% compact spaces. The Project site is 39,000 square feet.)

<sup>16</sup> *Ibid.* p. F-31.

<sup>17</sup> <http://pdis.lacity.org/pdf/viewPDF.aspx?Query=Type=PDIS;Doc=9EF3>, pp. 10, 12.

<sup>18</sup> <http://pdis.lacity.org/pdf/viewPDF.aspx?Query=Type=PDIS;Doc=1CF16>, p. 6.

<sup>19</sup> <http://pdis.lacity.org/pdf/viewPDF.aspx?Query=Type=PDIS;Doc=16F12>, p. 6.

56% of the residential units to use compact spaces, but this was because the site was irregularly shaped and was already proposing to provide 4.5 levels of subterranean parking.<sup>20</sup> The City found that requiring a full fifth level of subterranean parking would not have been economically feasible.<sup>21</sup> The City later noted that the students living on the Project site would be located close to the FIDM campus, and explained that “there are special circumstances applicable to the subject property such as location and surroundings relative to the FIDM campus and its related uses that do not apply generally to other property in the same zone and vicinity.”<sup>22</sup>

The Project Applicant would not be deprived of a substantial property right that is possessed by other similar sites if it were required to provide standard sized spaces as required by the Municipal Code. The Project proposes two levels of subterranean parking, which is much less than other similar projects, and it will provide a much lower parking ratio than any of the other projects that received a variance for compact spaces. The City should not approve such a high percentage of compact spaces for this Project, which would effectively grant a windfall to a developer that is already receiving significant benefits through the purchase of the City’s TFAR credits.

#### D. Improper Variance Allowing Dispersed Bicycle Parking

The City should not have granted a variance from the requirement that long-term bicycle parking inside a parking garage “shall be located along the shortest walking distance to the nearest pedestrian entrance of the building” and “shall be located on the level of the parking garage closest to the ground floor.”<sup>23</sup> The variance was requested because the Applicant’s Project design left “little space” for the required bicycle parking.<sup>24</sup>

Instead of meeting the location and access standards of the City Code, which are intended to provide convenient access for bicyclists, the variance would allow bicycle parking spaces to be distributed throughout the seven-level parking garage, and accessible only by elevator.<sup>25</sup> The Planning Commission’s decision letter

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<sup>20</sup> *Ibid.*, p. 13.

<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*, p. 15.

<sup>23</sup> LAMC § 12.21 A.16(e)(2)(iii).

<sup>24</sup> Planning Commission Determination Letter dated October 17, 2014, p. F-29.

<sup>25</sup> *Ibid.* pp. F-29, F-32.

provides examples of other pending and recently approved projects that sought variances to the bicycle parking requirements. The documents referenced in the decision letter are not available on the City's website. In any event, granting bicycle parking variances simply because an Applicant chooses not to provide easy bicycle parking access is contrary to the City's policies encouraging increased bicycle transit. Providing "convenient access from an elevator" for bicycles, as this Project proposes, does not meet the spirit and intent of the Municipal Code.<sup>26</sup>

E. Improper Variance Allowing Reduction in On-Site Trees

The Applicant is required to provide 131 on-site trees, but is choosing to provide only 47 trees, with the rest planted off site.<sup>27</sup> One reason cited for the variance request is that the Project will not provide the required amount of open space, which reduces the available space for on-site trees.<sup>28</sup> The Planning Commission's decision document does not indicate that other high-rise projects have been granted similar special treatment. The Applicant has chosen to design its Project such that the required amount of open space, and accordingly the required number of on-site trees, are not met. This is a self-imposed condition. Ironically, the Planning Commission concluded that it would grant the parking variance discussed above, due to the relatively "small" size of the Project site, and would grant the tree variance due to the relatively "large" size of the Project site.<sup>29</sup> These conclusions are contradictory, and the findings to support this variance are unsupported.

F. Improper Determination Allowing Reduction in Open Space

The Director is allowed to grant a reduction in total usable open space of up to 10%, without a variance, "provided that any reduction is to the common open space portion only."<sup>30</sup> Generally, only 50 square feet of private open space per unit may be counted toward the total open space requirement, and the rest must be common open space.<sup>31</sup>

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<sup>26</sup> *Ibid.* p. F-32.

<sup>27</sup> *Ibid.*, p. F-38.

<sup>28</sup> *Ibid.*

<sup>29</sup> *Ibid.*, p. F-39.

<sup>30</sup> LAMC § 12.21 G.3.

<sup>31</sup> *Id.* § 12.21 G.2.

In this case, the 522-unit proposed Project is required to provide 59,325 square feet of total open space, and the 50-square-foot per unit limitation means that only 44% of this total open space can be private.<sup>32</sup> The Project is therefore required to provide 56% of its total open space requirement as common open space (33,222 square feet). The Planning Commission, however, approved a Director's decision to allow only 28,736 square feet of common open space, which is a 14% reduction.<sup>33</sup> This exceeds the 10% limit for a Director's approval. In an effort to avoid a violation of the City Municipal Code, the City attempts to invoke an exception to the open space rules, a zoning incentive that allows the City to disregard the distinction between the common and private open space provided on a project site.<sup>34</sup>

The City cannot invoke this zoning incentive in order to allow a reduction in common open space by 14%, because this exceeds the express 10% limitation on the Director's authority to reduce common open space without a variance. This is contrary to the intent of the City's open space policies. Variance findings should be required for this proposal.

### III. TFAR RECOMMENDATION

#### A. The TFAR Proposal Gives a Windfall to the Applicant

In addition to the points raised below, CREED LA is currently reviewing other aspects of the City's compliance with the TFAR Ordinance. CREED LA reserves the right to raise additional points prior to the City Council's hearing on the TFAR Transfer Plan for the Project.

There are two aspects of the Planning Commission's approvals that result in unfair windfalls for the Applicant. First, Condition of Approval 8.a allows the Floor Area Ratio (FAR) of the proposed Project to be calculated for a "Transit Area Mixed Use Project," which gives the Applicant an unfair windfall.<sup>35</sup> A Transit Area Mixed Use Project is defined as a mixed-use project in the Central City area that is located

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<sup>32</sup> See Planning Commission Determination Letter dated October 17, 2014, p. F-42.

<sup>33</sup> *Ibid.*

<sup>34</sup> LAMC § 12.22 C.3(d).

<sup>35</sup> Planning Commission Determination Letter dated October 17, 2014, p. C-2.

near a rail transit station and “meets the standards and guidelines in the Downtown Design Guide.”<sup>36</sup> A project that qualifies as a Transit Area Mixed Use Project gains a benefit under the TFAR Ordinance because the Floor Area Ratio is calculated based on the “buildable area” instead of the “lot area.” The buildable area is larger than the lot area because it includes the land from the property line to the center line of surrounding public right of ways. As a result, a project utilizing “buildable area” is allowed to include more square footage.

The Project does not meet the standards in the Downtown Design Guide, and therefore it does not qualify as a Transit Area Mixed Use Project. The Downtown Design Guide requires that 75% of the Project street frontage along Olive and Hill Streets be retail frontage.<sup>37</sup> The Project’s retail frontage along Olive Street is only 56.5%, and along Hill Street is lower. The Planning Commission was concerned about this deviation from the Design Guide standards, and attempted to make a last-minute improvement in the amount of retail frontage, by approving Condition of Approval number 4.c, which requires a 50% decrease in the size of the residential lobby along Hill Street.<sup>38</sup> The Applicant could have chosen to increase the Project’s retail frontage, for instance by moving temporary bicycle parking to the sidewalk, and further decreasing the size of the Project lobby, but it did not.

Moreover, the Project does not meet the standard in the Downtown Design Guide requiring 80 feet between high-rise towers, for privacy, natural light, and air. The Planning Commission accepted the Applicant’s argument that future towers can still be built on nearby parcels, notwithstanding this violation. Not preventing the future construction of towers, however, does nothing to preserve the privacy, light, and air benefits that the tower spacing requirement was designed to address. The Project does not meet the standards in the Downtown Design Guide, and therefore the Project should not be considered a Transit Area Mixed Use Project.

Second, the Planning Commission’s decision to grant numerous variances and other deviations from City standards for this Project, solely because of the extra density allowed under the TFAR, has provided the Applicant with a windfall, which makes the price for the TFAR rights undervalued. The TFAR Ordinance requires that as a condition of approval of a TFAR transfer, a project “must comply with any

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<sup>36</sup> LAMC § 14.5.3.

<sup>37</sup> <http://planning.lacity.org/urbanization/dwntwnndesign/TableC.pdf>, pp. 14, 17.

<sup>38</sup> Planning Commission Determination Letter dated October 17, 2014, p. C-1.

applicable urban design standards and guidelines adopted for the area, including the Downtown Design Guide.”<sup>39</sup> As discussed above, the Project does not comply with numerous applicable City standards, including vehicle parking, bicycle parking, open space, trees, retail frontage, and tower spacing. This allows the Applicant to save money by requesting variances, deviations, and allowances that save money for the Applicant, while benefitting from the extra value brought to the Project site by the TFAR transfer. The City should not approve the sale of its limited TFAR rights for this Project.

B. The City Has Authority to Negotiate the Project’s Public Benefits

In addition to other fees collected by the City, the Applicant will make a \$1.34 million TFAR “transfer payment” to the City, which the City must use to provide public benefits.<sup>40</sup> The Applicant also proposes to make a \$1.2 million “public benefit” payment to the City, for the provision of public benefits. Finally, the Applicant will provide \$1.2 million in public benefit payments to four projects: the Los Angeles Streetcar project, the Broadway Streetscapes project, the Pershing Square Renew project, and the L.A. Neighborhood Initiative “way finding” project.<sup>41</sup> All four of these improvement projects are located near the Project site, and they will therefore benefit not just the public, but also the Applicant.

There are numerous ways in which the City could ensure that the public benefits provided by this Project support the City’s struggling construction workers, and not just the transit systems and streetscapes that surround the Project site. For instance, the City has the authority to allocate *either* the transfer payment or the public benefit payment to the four projects identified by the Applicant, thereby freeing up the remaining amount for the provision of direct public benefits that support the local construction workforce. The City Council may also approve more than a 50% provision of direct public benefits, by authorizing the Applicant of hire locally and pay prevailing wages, instead of making a public benefit payment to the City.<sup>42</sup>

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<sup>39</sup> LAMC § 14.5.6 B.2(b)(2).

<sup>40</sup> LAMC § 14.5.12; Planning Commission Determination Letter dated October 17, 2014, p. F-18.

<sup>41</sup> *Ibid.*

<sup>42</sup> LAMC §§ 14.5.3 (defining “public benefit” using examples, half of which are direct benefits to people, such as local hire and prevailing wages, and the other half infrastructure improvements); 14.5.9 B (City Council can approve more than a 50% provision of direct public benefits, rather than payment).

At the Planning Commission hearing, the Planning Commissioners expressed strong concerns about the Applicant's refusal to provide direct public benefits to the construction workers of Los Angeles. City staff advised the Commissioners, however, that the Planning Commission and even the City Council had very little discretion to address the public benefits proposed by the Applicant. City staff suggested that the City's decision-making powers, even for a project that proposes to use City-owned TFAR credits, are limited only to the findings set forth in the TFAR Ordinance. We do not agree with the staff's limited view of the scope of the City's discretion in this matter.

The City *owns* the TFAR credits that this Applicant needs to build its Project. In May 2014, the City accepted the transfer of the remaining Convention Center floor area rights that were owned by the former Community Redevelopment Agency. The City now owns all of the floor area rights that are subject to transfer from the Convention Center. The City's decision to sell those rights to a particular developer is within the sound and exclusive discretion of the City's decision-makers. According to staff, this is the first high-rise tower development requesting to purchase the City's TFAR credits from the Convention Center. The City should not hesitate to ensure that these limited credits are used for projects that provide sufficient public benefits, and that comply with the City's development standards.

1. *The Planning Commission's Authority*

To approve a TFAR transfer, the Planning Commission must find that the proposed transfer of floor area rights: (1) "is appropriate for the long-term development of the Central City"; (2) is consistent with the purposes and objectives of the City Center Redevelopment Plan; (3) serves the public interest by providing public benefits as required by the TFAR Ordinance; and (4) is in conformance with relevant policy documents adopted by the City.<sup>43</sup> Moreover, the Planning Commission "may require additional conditions" to ensure consistency with the Redevelopment Plan and Community Plan, and to "secure appropriate development in harmony with" the General Plan.<sup>44</sup>

The long-term development of the Central City will depend on a viable construction workforce, and it is appropriate for the City to sell its limited TFAR

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<sup>43</sup> LAMC § 14.5.6 B.4(a) (referencing § 14.5.6 B.2(a).)

<sup>44</sup> LAMC § 14.5.6 B.4(b)(2).

credits for projects that will provide a range of public benefits, including support of the local workforce. The objectives of the City Center Redevelopment Plan include “providing a full range of employment opportunities for persons of all income levels,” “providing the public and social services and facilities necessary to address the needs of the various social, medical and economic problems of Central City residents,” and “establishing an atmosphere of cooperation among residents, workers, developers, businesses, special interest groups, and public agencies.”<sup>45</sup> The Applicant’s refusal to consider the provision of public benefits through the use of local hire and prevailing wages does not meet these objectives, and the Planning Commission was within its discretion to consider these issues, contrary to the advice of staff.

## 2. *The City Council’s Authority*

The City Council must make the same findings as the Planning Commission, and therefore is subject to the same considerations discussed above. Moreover, the TFAR Ordinance requires consultation between the Applicant and the City Council District in which the Project is proposed (District 14, José Huizar), to identify “development issues” associated with the Project, including the public benefits that the Project will provide.<sup>46</sup> The TFAR Ordinance specifically defines “public benefits” to include local hire and the payment of prevailing wages.<sup>47</sup> The TFAR Ordinance therefore contemplates that the City will play a significant role in developing the public benefits to be provided by a project that chooses to utilize the TFAR process. Councilman Huizar should exercise this authority and request further consultation with the Applicant regarding the Project’s provision of direct public benefits.

The City Council ultimately has the “authority,” not the obligation, to approve or disapprove a proposed TFAR Transfer Plan.<sup>48</sup> That approval can be made “with conditions.”<sup>49</sup> The City Council has discretion to approve more than a

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<sup>45</sup> [http://www.crala.org/internet-site/Projects/City\\_Center/upload/citycenter.pdf](http://www.crala.org/internet-site/Projects/City_Center/upload/citycenter.pdf), p. 3. The Community Plan does not directly address prevailing wages because the Redevelopment Agency’s policy was to require prevailing wages on all redevelopment projects. <http://www.crala.org/internet-site/Documents/upload/Prevailing-Wage-Policy.pdf>

<sup>46</sup> LAMC § 14.5.5.

<sup>47</sup> LAMC § 14.5.3.

<sup>48</sup> *Id.* § 14.5.6 B.

<sup>49</sup> *Id.*

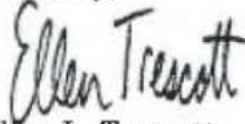
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50% provision of "direct" public benefits by the Applicant, and the City can use either of the two TFAR payments to fund the four streetscape and transit projects supported by the Applicant. The City should negotiate with the Applicant to ensure that this Project provides direct public benefits including local hiring and the payment of prevailing wages.

Thank you for your consideration of the important issues raised in this appeal.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ellen Trescott". The signature is written in a cursive, flowing style.

Ellen L. Trescott

ELT:lj1

cc: Michael LoGrande, Director of City Planning (via e-mail,  
michael.logrande@lacity.org)