

CITY OF LOS ANGELES

CALIFORNIA

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ANTONIO R. VILLARAIGOSA
MAYOR

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CITY CLERK

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March 10, 2011

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file
No. 08-3458, at its meeting held March 9, 2011.

A handwritten signature in cursive script that reads 'June Lagmay'.

City Clerk
srb

2/25/11

FILE NO. 08-3458
08-3458-S1
08-3458-S2

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**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT** Committee

reports as follows:

ENVIRONMENTAL IMPACT REPORT, STATEMENT OF OVERRIDING CONSIDERATIONS and HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT and RESOLUTION relative to a Disposition and Development Agreement (DDA) for the sale of Community Redevelopment Agency (CRA)-owned property at 1601 North Vine Street (Site) to 1601 North Vine, LLC (Developer) for \$825,000 for the development of a commercial office building (Project), information regarding the Final Environmental Impact Report for the 1601 and 1605 Vine Street Project, and authorization for a budget amendment for the CRA to receive \$250,000 in reimbursement from the Developer pursuant to the Settlement Agreement with Mr. James Yi and Ms. Kwok Yi, doing business as Molly's Hamburgers, upon the occurrence of certain conditions thereby reducing the CRA's contribution to the settlement from \$650,000 to \$400,000.

Recommendations for Council action, as initiated by Motion (Zine for Garcetti – Perry):

1. HOLD a Public Hearing and ADOPT the accompanying Joint RESOLUTION (attached to the CRA report dated April 1, 2010) making findings pursuant to California Health and Safety Code Section 33433 for the sale of the Site to the Developer at the reuse value of \$825,000 and under the terms and conditions in the DDA with the Developer for the development of the Project located in the Hollywood Redevelopment Project Area.
2. AUTHORIZE the Chief Executive Officer, CRA, or designee, to:
 - a. Execute a DDA between the CRA and the Developer for the sale of CRA-owned parcels and the development of the proposed Project, subject to the review of the City Attorney as to form and legality and the Department of Public Works, Bureau of Contract Administration, for compliance with CRA contracting requirements.
 - b. Execute the documents attached to the DDA and take other actions as contemplated by the DDA, subject to the review and approval of the City Attorney as to form and legality.
3. AMEND the CRA Budget and Work Program for the fiscal year in which the proceeds of sale are received to include \$825,000 of the Project Developer's funds as payment for the CRA-owned parcels; and create a new Work Program Objective, Developer Contribution, Account Code to be established.
4. CERTIFY, prior to reaching a decision on a project to develop the site at 1601 and 1605 North Vine Street, Hollywood, CA 90028, with an eight-story office building, including a ground floor divided into lobby and common areas and retail space (Project), that it has reviewed and considered the environmental effects of the Project as shown in the Environmental Impact Report (EIR).

5. CONCUR and ADOPT the findings submitted during the Housing, Community and Economic Development Committee meeting on February 23, 2011. (Attached to Council file Nos. 08-3458, 08-3458-S1, and 08-3458-S2.)
6. DETERMINE, based on the Council's review and consideration of the EIR, and based on the whole of the record before it, including matters added to the record following CRA approval of the Project, and accordance with CEQA Guidelines Section 15162, that no subsequent environmental document is required in that:
 - a. No revisions to the EIR are required due to the involvement of new significant environmental effects or substantial increase in the severity of previously identified significant effects.
 - b. No substantial changes have occurred with respect to the circumstances under which the Project is being undertaken which will require major revisions of the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
 - c. No new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified, shows that:
 - 1) The Project will have one or more significant effects not discussed in the EIR.
 - 2) Significant effects previously examined will be substantially more severe than shown in the EIR.
 - 3) Mitigation measures or alternative previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the project proponents decline to adopt the mitigation measures or alternative.
 - 4) Mitigation measures or alternatives which are considerably different from those analyzed in the EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.
7. MITIGATE or AVOID the environmental effects of those parts of the Project that it is approving by concurring with and hereby adopting the Mitigation Monitoring Program adopted by the CRA/LA in connection with the Project.
8. CONCUR and ADOPT the Statement of Overriding Considerations approved by the CRA/LA in connection with the Project.
9. INSTRUCT staff to prepare and file a Notice of Determination with respect to the Council's findings and approval of the Project.
10. SPECIFY that the record of the proceedings upon which its decision is based is located in the City Clerk's Office, Room 395 City Hall, 200 North Spring Street, Los Angeles, CA 90012, and in the offices of the CRA located at 354 South Spring Street, Suite 800, Los Angeles, CA 90013.

11. AUTHORIZE a budget amendment in order for CRA to receive \$250,000 in reimbursement from the Developer pursuant to the Settlement Agreement, upon occurrence of certain condition, thus reducing CRA's settlement contribution from \$650,000 to \$400,000.

Fiscal Impact Statement: The City Administrative Officer reports that there is no impact on the City General Fund. The CRA is bound only by the City Debt Management Policies; the City Financial Policies are not applicable to the CRA. Approval of the recommendations will allow the CRA to execute a DDA with the Developer for the Project located in the Hollywood Redevelopment Area. The \$825,000 in proceeds from the sale of the Project Site will be returned to the CRA Budget. Additional funds of approximately \$120,000 from the Hollywood Project Area, Commercial and Industrial Projects are required to complete relocation of an existing business on the Project Site.

The CRA reports that the proposed action is consistent with the Fiscal Year (FY) 2011 Budget and Work Program relating to the Hollywood Redevelopment Project Area. Following the approval of this Project, \$17,218,595 of \$19,779,500 will remain for Economic Development Opportunities. Sufficient funds exist to make any legally-required State ERAF payments in FY 2011. There is no impact to the City's General Fund.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on February 23, 2011, the Housing, Community and Economic Development Committee considered a Disposition and Development Agreement for the sale of Community Redevelopment Agency-owned property at 1601 North Vine Street to 1601 North Vine, LLC for \$825,000 for the development of a commercial office building, information regarding the Final Environmental Impact Report for the 1601 and 1605 Vine Street Project, and authorization for a budget amendment for the CRA to receive \$250,000 in reimbursement from the Developer pursuant to the Settlement Agreement with Mr. James Yi and Ms. Kwok Yi, doing business as Molly's Hamburgers, upon the occurrence of certain conditions thereby reducing the CRA's contribution to the settlement from \$650,000 to \$400,000.

Representatives from the CRA gave the Committee background information on the matter. Findings for this project were submitted. After an opportunity for public comment was held, the Committee moved to approve the recommendations of the City Administrative Officer, CRA, and Motion (Zine for Garcetti - Perry) and the findings that were submitted during the HCED Committee meeting. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

MEMBER	VOTE
WESSON:	YES
REYES:	YES
ALARCON:	ABSENT
CARDENAS:	YES
PERRY:	ABSENT

SG
2/23/11
CD 13
#08/08-3458, S1, S2_rpl_hced_2-23-11.doc



Not Official Until Council Acts

ADOPTED
* as amended
MAR 9 2011
see attached motion
LOS ANGELES CITY COUNCIL

FORTHWITH

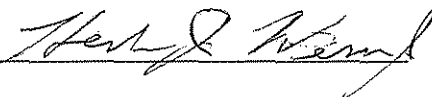
MAR 04 2011 - CONTINUED TO Mar. 9, 2011

MOTION

I MOVE that Item #5 on today's Council Agenda (CF 08-3458 / 08-3458-S1 / 08-3458-S2) regarding continued consideration of environmental impact report, statement of overriding considerations and Housing and Economic Development Committee Report and Resolution relative to a Disposition and Development Agreement (DDA) for the sale of Community Redevelopment Agency (CRA)-owned property at 1601 North Vine Street (Site) to 1601 North Vine, LLC (Developer) for \$825,000 for the development of a commercial office building (Project) BE AMENDED by replacing the text at Action Item Number 8 with the following (new language is underlined):

- 8. CONCUR and ADOPT the CEQA Findings and Statement of Overriding Considerations approved by the CRA/LA in connection with the Project including without limitation CRA/LA's findings pursuant to CEQA Guidelines Sections 15091 and 15093.

PRESENTED BY: 
 ERIC GARCETTI
 Councilman, 13th District

SECONDED BY: 

ORIGINAL

ADOPTED

MAR 9 2011

LOS ANGELES CITY COUNCIL

FORTHWITH

MAR 9 2011

EC