

Benjamin M. Reznik
Direct: (310) 201-3572
Fax: (310) 712-8572
bmr@jmbm.com

1900 Avenue of the Stars, 7th Floor
Los Angeles, California 90067-4308
(310) 203-8080 (310) 203-0567 Fax
www.jmbm.com

Ref: 70795-0001

February 25, 2011

VIA E-MAIL AND U.S. MAIL

Honorable Ed P. Reyes, Chair
Honorable José Huizar, Vice Chair
Honorable Paul Krekorian, Member
Planning and Land Use Management Committee
City of Los Angeles
Attention: Michael Espinosa, Legislative Assistant
200 N. Spring Street
City Hall, Room 395
Los Angeles, CA 90012

Re: TFAR Application and Process
Wilshire Grand Redevelopment
ENV-2009-1577-EIR-GB
CPC 2009-3416-TDR-CUB-CU-CUW-ZV-SW-DA-ZAD-SPR-GB
Council File No. 11-0106

Dear Chairman Reyes and Honorable Members of the Planning and Land Use Management Committee ("PLUM"):

As you are aware, this office represents Wilshire Boulevard Property LLC, the owner ("Owner") of the highrise office building located at 1000 Wilshire Boulevard, immediately west of the above-referenced proposed redevelopment project (the "Project"). It has come to our attention that there exist potential procedural and substantive defects in the transfer of floor area rights ("TFAR") request for the Project.

Among other procedural and substantive defects detailed below, the City accepted a TFAR application that included an appraisal of an area that is not the Project site, but rather is the subsurface area of Francisco Street proposed to be vacated. The net result is that the City, per the Project's Development Agreement ("DA"), will receive a substantially lower public benefit fee than that paid by every other TFAR applicant in the last twenty years.

I. THE PROJECT APPRAISAL IS FOR THE SUBSURFACE VACATION OF FRANCISCO STREET, NOT THE PROJECT/RECEIVER SITE AS REQUIRED BY CODE.

The Project appraisal prepared pursuant to the requirements of LAMC section 14.5.10 C does not appraise the "Receiver Site", as required by code. LAMC section 14.5.3 defines a Receiver Site as "a site within the [now expired] Central Business District...Project Area[], which receives Floor Area Rights[.]" Rather than appraising the Receiver Site, the appraisal prepared in December 2009 by Hammad & Associates, under the direction of the City's General Services Administration's Asset Management Division, merely appraises an 18,578 square foot portion of Francisco Street. Relevant portions of the City's appraisal are attached as Exhibit "A".

Obviously, the Receiver Site is not the subsurface portion of Francisco Street that will be vacated, but rather is the full approximately 118,000 square foot site where the Project will actually be constructed. It is unclear why the City chose to appraise a portion of Francisco Street rather than the actual Project site. Regardless, the appraisal clearly does not align with Code requirements.

II. THE CITY CURRENTLY LACKS THE AUTHORITY TO APPROVE A TFAR AT THE PROJECT SITE.

Los Angeles Municipal Code ("LAMC") Section 14.5.6 A specifies that a TFAR application must be made to the "Agency," defined by Section 14.5.3 as the Community Redevelopment Agency ("CRA"). Here, the Central Business District Redevelopment Plan, in which the Receiver Site is located, expired on July 18, 2010. As such, the CRA no longer maintains jurisdiction over the Project site.

The City's TFAR ordinance, codified in section 14.5.1 B of the LAMC, specifies that it:

"provides the exclusive procedure to Transfer Floor Area Rights for all Projects involving any single Transfer of Floor Area Rights in excess of 50,000 square feet within the [Central Business District and City Center] Redevelopment Project Areas."

Thus TFAR can only occur under the auspices of the CRA to a Receiver Site located within the boundaries of a CRA plan. Given that, as of July 18, 2010, the Project is no longer in a CRA plan area, the City's TFAR ordinance is inapplicable to the Project. Because the ordinance provides the exclusive means by which a TFAR can occur, it appears that there currently is no legal mechanism that provides the City authority to transfer floor area rights to the Project site.

The City realized that the expiration of the Central Business District Redevelopment Plan presented these difficulties, so it drafted and just passed a revised TFAR

ordinance (Ordinance No. 181574). The Office of the City Attorney, in its report accompanying Ordinance 181574, explicitly states that the expiration of this redevelopment plan leaves the CRA with no authority regarding TFAR requests. Report Re: Draft Ordinance, p. 2. That report further states the new ordinance is necessary to grant the City authority to consider TFAR requests. Id.

Although the City Council approved Ordinance 181574 on January 28, 2011, it does not become effective until 30 days after approval by the Mayor and subsequent publication. The new TFAR ordinance therefore will not become operative until March 27, 2011. Should Council approve the Project's TFAR before March 27, 2011, it will have acted without legal authority.

Furthermore, the City Planning Commission ("CPC") considered and approved the TFAR on December 16, 2010, before adoption of Ordinance 181574. Consequently, the CPC cannot have relied upon Ordinance 181574 and must have relied instead upon whatever authority it holds under LAMC section 14.5.1 *et. seq.* However, for the same reasons City Council cannot approved the TFAR request, CPC had no jurisdiction to consider it either.

III. THE TFAR APPLICATION WAS AND REMAINS INCOMPLETE.

Even if the CPC had the authority to consider the TFAR request, the application for that request must be complete before any consideration can occur. As described below, the TFAR application currently on file for the Project was and remains incomplete in several critical respects.

A. The TFAR Application on File is an Unsigned Working Draft.

This office obtained from the Department of City Planning the file copy of the application submitted by the Applicant (attached as Exhibit "B"). As shown, that application is clearly marked "Working Draft" at the top of each and every page. Additionally, it identifies no signatory party and bears no signature whatsoever. Any valid, complete application must be in final form and signed.

B. The TFAR Application Does Not Include a Valid Appraisal.

Section 14.5.3 of the LAMC defines "Appraisal" as:

[a]n economic valuation of the Receiver Site submitted by the Applicant, which . . . (b) sets forth the fair market value of the Receiver Site (i) as of the date the application was submitted and (ii) as if the Receiver Site were vacant and used for its highest and best use . . . "

1. The Appraisal Does Not Reflect a Value as of the Date of the Application

The Appraisal provided by TPG is dated December 11, 2009, a year before the November 22, 2010 application date.

2. The Appraisal Evaluates an Area About One Tenth the Area of the Receiver Site.

As discussed above, and as shown in the appraisal in the City's file for the project, attached as Exhibit "A", the purported fair market value of the receiver site is derived from the value of the proposed vacation of 18,000 square feet underneath Francisco Street. As stated in the EIR and in the Los Angeles County Assessor's parcel database, the actual site of the proposed Project (the receiver site, as defined in the LAMC) actually includes 117,926 Square Feet. Thus, not only does the appraisal underestimate the floor area by a factor of ten, it also fails to address any portion of the Receiver Site.

C. The Incorrect Appraisal Results in an Artificially Low TFAR Payment

The Working Draft of the TFAR application lists the value of the Project site as \$21,233,160. However, according to references in the Working Draft of the TFAR application, this land value was computed by multiplying the lot area square footage of 117,926 by \$180. As explained above, the \$180 per square foot amount is derived from the City's appraisal of the proposed subsurface street vacation under Francisco Street. Therefore, the Working Draft's land valuation of \$21,233,160 is likely not accurate.

Absent a valid appraisal of the actual Project site or recent sales data, information regarding the land value of the Project site can be found at the Office of the County Assessor (the "Assessor"). The Assessor's 2010 roll rates show the land value of the Project site to be \$34,950,000.¹ See Exhibit "C." The table on the following page compares the Project's TFAR public benefit payment calculations using the Working Draft's \$21,233,160 land valuation with the TFAR public benefit payment calculation based on the Assessor's \$34,950,000 land valuation.

¹ It is important to note that \$34,950,000 represents the value of land only. The Assessor lists the value of improvements on the Project site separately. Moreover, it is our understanding that the Assessor has updated the values of commercial properties such as the Project site to reflect current market conditions.

TFAR Calculation Based on
 Street Vacation Appraisal

TFAR Calculation Based on
 Assessor's Land Value

Land Value	\$21,233,160	\$34,950,000
Lot Area	117,926	117,926
Land Value/sf	\$180/sf	\$296/sf
Public Benefit Payment	\$17,825,493	\$29,349,907

As demonstrated above, the City may not be able to rely on the land valuation provided in the Project applicant's Working Draft TFAR application. Using the land value provided by the Assessor results in the Project applicant paying approximately \$12 million more to the City in public benefit payments alone.²

IV. THE PROJECT'S IN-KIND PUBLIC BENEFIT CONTRIBUTION COVERS ITEMS COMMONLY PROVIDED BY LARGE DEVELOPMENTS.

The Project's Development Agreement states that in lieu of paying the City the full Public Benefit TFAR payment, the Project will provide 50 percent of the payment through the construction of certain public improvements. However, these improvements, which include various (as yet undefined) streetscape improvements and the construction of a publicly-accessible (but still privately-owned) plaza, are exactly the types of improvements routinely required by City Planning for large development projects that do not receive a TFAR benefit. Therefore, it appears that the City is giving credit for millions of dollars in items that the City's basic planning, streetscape and urban design standards would have mandated anyway. As such, the City is in essence giving away over \$8.9 million of TFAR payments.

V. CONCLUSION

As this office has noted for months, the Owner is not opposed to a substantial redevelopment of the Wilshire Grand site in general, or the Project specifically, provided that the Project implements several circulation and access modifications, as detailed in previous correspondence. To that end, the Owner continues to work collaboratively with Thomas Properties Group ("TPG") to reach mutually satisfactory solutions to these access and circulation issues. TPG and the Owner plan to meet with the City's Department of Transportation on Monday, February 28, 2011 to continue to work on these issues.

² This office's review of projects that received TFAR in recent years indicates that the standard TFAR payment totaled approximately \$20.00/square foot, whereas the Project's TFAR payment is substantially less.

That said, given the TFAR issues outlined above, it seems prudent for all concerned that the PLUM Committee continue this item until the City Attorney can clarify these legal and procedural issues.

Sincerely,



BENJAMIN M. REZNIK of
Jeffer Mangels Butler & Mitchell LLP

BMR:neb

cc: Council President Pro Tempore Jan Perry
Greg Fischer, Planning & Transportation Deputy, Office of President Pro Tempore Jan Perry
Rebecca Valdez, Chief Planning Deputy, Office of Council Member Reyes
Tara Devine, Director, Planning and Economic Development, Office of Council Member Huizar
Daniel Brumer, Director of Planning and Land Use, Council Member Krekorian
Kevin Keller, Department of City Planning
Jay Kim, DOT
Tomas Carranza, DOT
Kenneth T. Fong, Esq. Deputy City Attorney
Michael Bostrom, Esq., Deputy City Attorney
Laura Cadogan, Esq., Deputy City Attorney
Mitchell Menzer, Esq. Attorney for Applicant

EXHIBIT "A"

**APPRAISAL REPORT
OF THE FEE SIMPLE ESTATE
IN 18,578 SF OF LAND**

**OWNED BY:
CITY OF LOS ANGELES**

**LOCATED AT:
FRANCISCO STREET
BETWEEN WILSHIRE BOULEVARD
AND 7TH STREET
LOS ANGELES, CA 90017**

**AS OF:
DECEMBER 11, 2009**

**PREPARED FOR:
CITY OF LOS ANGELES
111 E. FIRST STREET, ROOM 201
LOS ANGELES, CALIFORNIA 90012**

**PREPARED BY:
HAMMAD & ASSOCIATES, INC.
11670 LAURELWOOD DRIVE
STUDIO CITY, CALIFORNIA 91604**

HAMMAD & ASSOCIATES. INC.
11670 LAURELWOOD DRIVE
STUDIO CITY, CALIFORNIA 91604

TELEPHONE: (818) 762-5529
FAX: (818) 762-8615
Hammad@aol.com

November 30, 2010

Mr. Dave Roberts
Asset Management Division
City of Los Angeles
111 E. First Street, Room 201
Los Angeles, California 90012

Re: **Appraisal Report**
18,578 SF, 0.43 acres of Land
Along Francisco Street
Between Wilshire Boulevard
And 7th Street
Los Angeles, CA 90017

Dear Mr. Roberts:

In conjunction with the above captioned appraisal report, we have conducted the required investigation, gathered the necessary data, and made certain analyses that were used in forming an opinion of the market value of the above referenced property.

The function of this appraisal is for the exclusive use of the City of Los Angeles for possible street vacation and sale. This appraisal is intended to comply with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The analysis and conclusion are subject to this report's Contingencies and Limiting Conditions.

The purpose of this appraisal is to express our opinion of the market value of the property, subject to the definitions of value, the assumptions and limiting conditions and the certification contained in the attached report.

The subject property is the underlying land parcel that is located along Francisco Street between Wilshire Boulevard and 7th Street in downtown Los Angeles. The street is 60 feet wide and is proposed for vacation but only the westernmost 50 feet of the street are owned by the City of Los Angeles. The 10 foot portion of Francisco Street reverts back to the adjacent owner Hanjin/KAL and is not included in this appraisal. The underlying zoning is C2-4D and C4-4D, commercial.

Mr. Dave Roberts
November 30, 2010
Page -2-

The subject property and the comparables were last inspected on December 11, 2009. Based on the investigation and analysis outlined in the report and subject to the assumptions and limiting conditions as set forth within the context of this report, the estimated market value of the subject property, as of December 11, 2009, was:

THREE MILLION THREE HUNDRED FORTY FIVE THOUSAND DOLLARS
\$3,345,000

The report that follows sets forth the identification of the property, the assumptions and limiting conditions, pertinent facts regarding the area and the subject property, comparable data and the reasoning leading to the conclusions set forth.

Sincerely,

M Hammad, MAI
CA Certified General Appraiser
No. AG002849
Expires 2/1/2011

EXHIBIT "B"

Working Draft

TRANSFER OF FLOOR AREA RIGHTS ("TFAR") APPLICATION
AND TRANSFER PLAN

LOS ANGELES COMMUNITY REDEVELOPMENT AGENCY (THE "AGENCY")

APPLICANT NAME: Hanjin International Corporation c/o Thomas Properties Group, Inc.

APPLICANT MAILING ADDRESS: 515 South Flower Street, Sixth Floor Los Angeles, CA 90071

PROJECT ADDRESS: 930 Wilshire Boulevard, Los Angeles, CA 90071

DATE SUBMITTED: November 22, 2010

1. PROJECT LOCATION, SIZE AND ZONING

1.1 Legal Description of Proposed Receiver Site¹

Please attach separate pages if necessary.

Lot(s), Block(s), Tract(s): Please see Exhibit A attached hereto for legal description.

Assessor's Parcel Number(s): 5144-008-020 and 5144-008-021

1.2 Proposed Receiver Site and Project² Size

Lot Area (sq. ft.):³ 117,962

Buildable Area (sq. ft.):⁴ 184,408

Total Floor Area of Proposed Improvements (sq. ft.):⁵ 2,397,304

Estimated Floor Area Ratio (upon completion):⁶ 13.00:1

1.3 Proposed Receiver Site Zoning and Planning Information

Radius Map: To be delivered

Zoning: C2-4D (and C4-4D in the east half of Francisco Street proposed for subsurface vacation)

Additional Zoning Information: "D" Limitation denotes a development limitation, which, subject to certain exceptions, limits the Floor Area to six times the Buildable Area of the Site. The Project is subject to such exception and the Floor Area can be increased to 13 times the Buildable Area of the site.

General Plan Land Use: Regional Center Commercial

Community Plan Area: Central City Community Plan

Agency Project Area: Central Business District Redevelopment Project Area

Specific Plan Area: None

Working Draft

Height District: 4D

By-Right-Floor Area Ratio:⁷ 7.73:1

2. PROJECT DESCRIPTION

Check all that apply: Residential Only Mixed Use⁸ Apartment Hotel⁹

Briefly describe the nature of the Project (*Applicant may attach additional sheets if necessary to complete the written description of the Project and such exhibits as it deems appropriate (e.g., plot plan, site plan, elevation sketches, landscaping plans, site survey, site photographs)*)

The Project would include the demolition of all existing structures, including existing subterranean parking, and redevelopment of the Project Site with a maximum of 560 hotel rooms and/or condo-hotel units, 100 residential units, 1,500,000 square feet of office uses, and 275,000 square feet of amenity areas including, but not limited to, project-serving retail and restaurant uses, conference and meeting rooms, ballrooms, spa, fitness center, and other ancillary hotel, residential, and office areas. The Project Site would be developed with an approximately 65-story structure, no more than 1,250 feet in height ("Building A"), an approximately 45-story structure, no more than 750 feet in height ("Building B"), and an approximately six-story podium structure, no more than 168 feet in height ("Podium"). The Project would be constructed over eight levels of subterranean parking containing approximately 1,900 parking spaces. The Project would also include a pedestrian plaza at the corner of 7th Street and Figueroa Street. Lobbies, elevators, and amenities for the residential units may be shared or may be provided separate from the hotel amenities. The rooftop of Building A would also provide a helistop, described below, which will provide facilities for helicopter service for the Project.

2.1 Residential Component Details (estimates)

Approximate Number of Residential Units: 100

Mix of Unit Type (% sale / % rental): 100% sale

Mix of Unit Size (# of bedrooms): The units will average 2 bedrooms. A unit mix has yet to be determined.

Amenities (if any): Residential amenities will include such outdoor recreational features as swimming pool and spa facility. Indoor residential amenities will include a health club and related amenities. Total open space proposed is approximately 20,782 square feet, exceeding the required open space of 17,500 square feet. Some units may have exterior balconies.

Working Draft

2.2 Commercial Component Details (estimates)

Approximate Commercial Component Area (sq. ft): 1,570,000 plus 150,000 sq. ft of ancillary Hotel areas.

Anticipated Tenant Usage: Class-A office users, amenity retail and restaurants including uncovered outdoor dining spaces on a pedestrian plaza.

Approximate Restaurant Component Area (sq. ft): Included above.

Anticipated Tenant Usage: Included above.

Approximate Number of Hotel Guest Rooms: 560

Approximate Meeting and Function Room Hotel Component Area (sq. ft.): 55,000

3. RECEIVER SITE VALUATION

Check valuation method: Sales Price¹⁰ Appraisal¹¹

3.1 Sales Price

If a Sales Price valuation method was used, please complete this Section 3.1

Sales Price: _____ Date of Sale: _____

Name of Buyer: _____

Name of Seller: _____

By signing below Applicant hereby certifies that the above-described sales transaction was between unrelated parties at arms-length and that no other consideration (monetary or non-monetary) other than that set forth in this Section 3.1 was paid or provided to Seller as an inducement to enter into the sale of the Receiver Site.

Applicant

3.2 Appraisal

If an Appraisal valuation method was used, please complete this Section 3.2 and attach a copy of the Appraisal to this Application.

Appraised Value: \$180.00 per Lot Area (sq. ft.)

Date of Appraisal: December 11, 2009

Name of Appraiser: M Hammad, MAI Company: Hammad & Associates, Inc

Address of Appraiser: 11670 Laurelwood Drive, Studio City, CA 91604

Telephone Number of Appraiser: (818) 762-5529

Working Draft

4. PROPOSED TRANSFER

4.1 Donor Site¹²

Please check the appropriate box:

The Donor Site density is owned by the City of Los Angeles (the "City") or the Agency. *If checked, complete Section 4.2.*

The Donor Site density is not owned by the City or the Agency. *If checked, complete Section 4.3.*

4.2 City or Agency Owned Donor Site

If the Donor Site density is owned by the City or the Agency, please also complete Section 9 to calculate the TFAR Transfer Payment.

(A) Name of Donor Site: Los Angeles Convention Center Owner of Donor Site: CRA/LA owns air rights.

Address of Donor Site: 1201 South Figueroa Street, Los Angeles, California 90015

4.3 Other Donor Sites

If the Donor Site is not owned by the City or the Agency, the owner of the Donor Site must provide the following information and sign below:

Name of Donor Site: _____ Owner of Donor Site: _____

Address of Donor Site: _____

Legal Description of Donor Site *(please attach on separate sheet if known)*

Assessor's Parcel Number(s) of Donor Site: _____

Current FAR of Improvements located on Donor Site: _____

Maximum By-Right FAR of Donor Site: _____

Please attach a Radius Map for the Donor Site.

The undersigned hereby certifies that (a) the undersigned is the record owner in fee simple of the real property described above as the Donor Site, (b) if the Transfer of TFAR contemplated by this Application receives final approval, the undersigned will consent to the recording of a restrictive covenant that will run with the Donor Site that will reduce the maximum-allowable FAR of the Donor Site by the amount of TFAR transferred to the Receiver Site.

Owner of Donor Site
Name: _____
Title: _____

[Signature, if required, must be notarized]

Working Draft

4.4 Estimated Size of TFAR Transfer

- (a) State the estimated size of the requested Transfer (in square feet of Floor Area Rights):
1,485,458

5. CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") COMPLIANCE

5.1 Notice of Determination

Has a Notice of Determination under CEQA been issued for the Project including the maximum amount of any TFAR Transfer? No

If YES, please attach the Notice of Determination to this Application, together with any Negative Declaration, Mitigated Negative Declaration, Initial Study, or Environmental Impact Report for the Project.

If NO, please complete Section 5.2.

5.2 Lead Agency

Applicant hereby requests that the Agency / the City serve as the Lead Agency for purposes of CEQA review. (A Final EIR has been provided to the City)

6. EARLY CONSULTATION SESSION COMPLIANCE

Applicant confirms that it is required to comply with the Early Consultation Session provision of Los Angeles Municipal Code §14.5.5.

7. SATISFACTION OF TRANSFER STANDARDS

Briefly describe how the proposed TFAR Transfer will comply with each of the following standards:¹³

- 7.1 **The increase in density generated by the proposed Transfer is appropriate with respect to location and access to the circulation system, compatible with other existing and proposed developments and the City's supporting infrastructure, or otherwise determined to be appropriate for the long-term development of the Central City:** See Findings
- 7.2 **The Project is consistent with the purposes and objectives of the applicable Redevelopment Plan:¹⁴** See Findings
- 7.3 **The Transfer does not result in a Project which causes the aggregate development of the Subarea in which the Project is located to exceed its limit as set forth in the applicable height district, as provided in the Community Plan and appropriate sections of the Los Angeles Municipal Code:** See Findings
- 7.4 **The Transfer serves the public interest by providing a Public Benefit Payment and, if applicable, a TFAR Transfer Payment (describe Public Benefit Payment plan briefly below):** See Findings
- 7.5 **The Transfer is in conformance with the Central City Community Plan and relevant policy documents adopted by the Commission and/or City Council:** See Findings

Working Draft

8. ESTIMATED PUBLIC BENEFIT PAYMENT

8.1 Payment Calculation Values

Please list the following values to calculate the estimated Public Benefit Payments in Section 8.2:

(a) Value [from Section 3.1 or 3.2]: \$21,233,160

(b) Lot Area (sq. ft.) [from Section 1.2]: 117,926

(c) High Density Floor Area Ratio Factor:¹⁵ 6.0

(d) Estimated Floor Area Transfer (sq. ft.) [from Section 4.4(a)]: 1,485,458

8.2 Calculation of Public Benefit Payment¹⁶

Please calculate the "Public Benefit Payment" according to the following formula:

(21,233,160 [8.1(a)] / 117,926 [8.1(b)] / 6) x .40 x 1,485,458 [8.1(d)] = \$17,825,493

9. ESTIMATED TRANSFER PAYMENT

If the owner of the Donor Site density is the City or the Agency, please calculate the Estimated Transfer Payment according to the following formula:

9.1 Calculation of Transfer Payment

The Transfer Payment will be the greater of:

(a) 10% of Public Benefit Payment: 17,825,493 x .1 = \$1,782,549

OR

(b) Transfer Sq. Ft. 1,485,458 x \$5.00 = \$7,427,289

10. PROPOSED PUBLIC BENEFITS

10.1 Public Benefit Payment Only

Applicant does not elect to directly provide any Public Benefits. If checked, please skip to Section 11.

10.2 Direct Provision of Public Benefits

Applicant elects to directly provide Public Benefits. If checked, please complete the balance of this Section 10.2.

10.2.1 Maximum Allowable Value of Directly Provided Public Benefits [8.2]: \$8,912,746

10.2.2 Percentage Value of Directly Provided Benefits

The Maximum Allowable Value of Directly Provided Public Benefits specified in 10.2.1 above reflects 50% of the total Public Benefit Payment amount.

Working Draft

10.2.3 Category of Proposed Public Benefits

Applicant proposes to directly provide Public Benefits in the following categories (*please check all that apply*):

- affordable housing (*in the discretion of the Agency and the City*)
- public open space (in addition to entitlement requirements)
- historic preservation
- recreational, cultural, community and public facilities
- job training / outreach programs
- affordable child care
- streetscape improvements
- public art programs
- homeless services programs
- public transportation improvements
- other (describe briefly below):

Applicant will directly provide, operate and maintain an approximately one-quarter acre outdoor plaza generally located at the corner of Figueroa Boulevard and 7th Street at the ground-level of the Receiver Site. The plaza may include landscaping, lighting, public art, a water feature and outdoor retail and dining areas. The outdoor plaza would provide a public outdoor gathering space for special events and would enhance the Project by providing outdoor areas for employees, guests, residents, and visitors. It would also include streetscape improvements include sidewalk widening, landscape improvements and additional street lighting to create a more pedestrian-friendly street. Provision of the outdoor plaza would satisfy, in full, the Maximum Allowable Value of Directly Provided Public Benefits.

10.2.4 Proposed Recipients and Usage of Directly Provided Public Benefits

Please provide the following information about proposed recipients of directly provided Public Benefits (please use additional pages if necessary):

Not applicable

10.3 Additional Public Benefits

Please list any additional Public Benefits to be provided by the Applicant with respect to the proposed project:

Refer to the "Table of Public Benefits Package" for the complete summary of Public Benefits being provided by the Applicant with respect to the proposed Project.

10.4 TFAR Transfer Payment

The Applicant requests that the TFAR Transfer Payment of \$7,427,289 be allocated by the Public Benefit Trust Fund Committee.

11. APPLICANT'S SIGNATURE

Under penalty of perjury the undersigned Applicant affirms that the foregoing information is true and correct to the best of his/her knowledge.

[]
[]

Working Draft

By: []
[]
[] [] []

By: _____
Name: _____
Title: _____

Working Draft

EXHIBIT A

Legal Description

Parcels A and B of Parcel Map L.A. No. 5728, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 204, Pages 14 and 15 of Parcel Maps, in the Office of the County Recorder of said County, and Francisco Street, Bounded on the north by the southerly line of Wilshire Boulevard and bounded on the south by the northerly line of 7th Street, as shown on said Parcel Map.

Working Draft

ENDNOTES

¹ "Receiver Site" means a site within the Central Business District or City Center Redevelopment Project Areas, which receives Floor Area Rights pursuant to L.A. Muni. Code Chapter 1, Article 4.5. See L.A. MUNI CODE §14.5.3.

² "Project" means a building or structure or structural alteration or enlargement of an existing structure on a Receiver Site within the Central Business District or City Center Redevelopment Areas. See L.A. MUNI CODE §14.5.3.

³ "Lot Area" means the total horizontal areas within the lot lines of the lot or lots on which the Project is located (prior to any dedication). See L.A. MUNI CODE §14.5.3. (For purposes of the Project, the Lot Area also includes the full width of Francisco Street proposed to be vacated.)

⁴ "Buildable Area" means, for purposes of calculating the permissible Floor Area for the Project, the Lot Area plus the horizontal area of any private street or private driveway abutting the lot and the horizontal area to the centerline of the adjoining public streets and alleys.

⁵ "Floor Area" means the area in square feet confined within the exterior walls of a building, but not including the area of the following: exterior walls, stairways, shafts, rooms housing building-operating equipment or machinery, parking areas with associated driveways and ramps, space for the landing and storage of helicopters, and basement storage areas. See L.A. MUNI CODE §14.5.3.

⁶ "Floor Area Ratio" means the Floor Area of a building divided by the Lot Area of the lot (prior to any dedications) on which it is located. See L.A. MUNI CODE §14.5.3.

⁷ "By-Right Floor Area Ratio" means the maximum Floor Area Ratio of a building on the Receiver site that is permitted prior to any Transfer of Floor Area Rights. (The existing Floor Area of the site shall be credited when calculating the requested Transfer.)

⁸ To qualify for a Residential Application, residential use must comprise at least 50% of the Project's Floor Area.

⁹ "Apartment Hotel" means a residential building designed or used for both two or more dwelling units and six or more guest rooms or suites of rooms. See L.A. MUNI CODE §12.03.

¹⁰ Sales price means the price for which the lot on which the Project is located was actually purchased through an unrelated third-party transaction within 18 months of the date of the filing of this Application. See L.A. MUNI CODE §14.5.10.C.

¹¹ "Appraisal" means an economic valuation of the lot on which the Project is located, which (a) has been prepared by an MAI appraiser with at least five years experience in appraising property in the City of Los Angeles and (b) sets forth the fair market value of the lot on which the Project is located (i) as of the date this application is filed and (ii) as if the lot on which the Project is located were vacant and used for its highest and best use under all then current zoning and planning restrictions and Community Redevelopment Agency policies affecting such lot. See L.A. MUNI CODE §14.5.3.

¹² "Donor Site" means a site within the Central Business District or the City Center Redevelopment Project Areas from which Floor Area Rights are transferred pursuant to L.A. Muni. Code, Chapter 1, Article 4.5. See L.A. MUNI CODE §14.5.3.

¹³ See L.A. MUNI CODE §14.5.7.B.2 (a) – (e).

¹⁴ Depending on the location of the Receiver Site, "Redevelopment Plan" means either the Central Business

Working Draft

District Redevelopment Project adopted by Ordinance No. 147,480 on July 18, 1975, or as subsequently amended or the City Center Redevelopment Project adopted by Ordinance No. 174,593 on May 15, 2002, or as subsequently amended. See L.A. MUNI CODE §14.5.3.

¹⁵ “High-Density Floor Area Ratio Factor” means a denominator of six and is used in calculating the amount of any TFAR Transfer Payment. See L.A. MUNI CODE §14.5.3.

¹⁶ *Example:* If Receiver Site with a Lot Area of 100,000 square feet (before any dedications) has a value of \$40,000,000, the Public Benefit Payment under a Transfer Plan transferring 100,000 square feet of Floor Area Rights would equal: (a) \$40,000,000 (the Value); (b) divided by 100,000 (the Lot Area of the Receiver Site); (c) divided by 6 (the High-Density Floor Area Ratio Factor); (d) multiplied by 40%; and (e) multiplied by 100,000 (the number of square feet of Floor Area Rights to be Transferred) = \$2,666,666.67 (or \$26.67 for each square foot of transferred Floor Area Rights). See L.A. MUNI CODE §14.5.10.C.

EXHIBIT "C"

Records for this property are kept at the Headquarters Office
 (How frequently is the information updated on this site?)

SCAM ALERT: NO FEE NECESSARY FOR VALUE REDUCTION

Property Information

Assessor's ID No.	5144-008-020
Site Address	No Address Available
Property Type	Commercial / Industrial
Region / Cluster	28 / 28708
Tax Rate Area (TRA)	00211

[Click Here to View Assessor's Map](#)

[Click Here to View Index Map](#)

Recent Sale Information

Latest Sale Date
 Indicated Sale Price

[Search for Recent Sales](#)

2010 Roll Values

Recording Date	11/02/1989
Land	\$6,350,000
Improvements	\$23,150,000
Personal Property	\$0
Fixtures	\$0
Homeowners' Exemption	\$0
Real Estate Exemption	\$0
Personal Property Exemption	\$0
Fixture Exemption	\$0

[Click Here for 2010 Annual Taxes](#)

(I have a question regarding my property tax payment)

[Estimate Supplemental Taxes](#)

Property Boundary Description

P M 204-14-15 LOT A

Building Description(s)

Improvement 1

Square Footage	168,282
Year Built / Effective Year Built	1952 / 1953
Bedrooms / Bathrooms	0 / 0
Units	0

[Click Here for Another Search](#)

Records for this property are kept at the Headquarters Office
 (How frequently is the information updated on this site?)

SCAM ALERT: NO FEE NECESSARY FOR VALUE REDUCTION

Property Information

Assessor's ID No.	5144-008-021
Site Address	No Address Available
Property Type	Commercial / Industrial
Region / Cluster	28 / 28708
Tax Rate Area (TRA)	00211

[Click Here to View Assessor's Map](#)

[Click Here to View Index Map](#)

Recent Sale Information

Latest Sale Date
 Indicated Sale Price

[Search for Recent Sales](#)

2010 Roll Values

Recording Date	11/02/1989
Land	\$28,600,000
Improvements	\$16,200,000
Personal Property	\$2,522,013
Fixtures	\$5,052,673
Homeowners' Exemption	\$0
Real Estate Exemption	\$0
Personal Property Exemption	\$0
Fixture Exemption	\$0

[Click Here for 2010 Annual Taxes](#)

[\(I have a question regarding my property tax payment\)](#)

[Estimate Supplemental Taxes](#)

Property Boundary Description

P M 204-14-15 LOT B

Building Description(s)

Improvement 1

Square Footage	647,845
Year Built / Effective Year Built	1952 / 1953
Bedrooms / Bathrooms	0 / 0
Units	901

[Click Here for Another Search](#)