

George Abrahams' 4/29/14 Comments To Los Angeles City Council PLUM Committee Regarding Appointment of Raymond Chan As Head of Dept. of Building & Safety:

Chan allowed the fraudulent Langan geotechnical report for the Millennium Project to be approved on January 31, 2013, despite its falsified map in the Millennium DEIR, faulty analysis of the test data which hand-waved away the existence of older alluvium over younger alluvium and radical differences in the water table over short distances and its conclusion that the Hollywood Fault was .4 miles away from the project site.

We have emails from Chan showing that he was directly involved in 2012.

March 15, 2012

Alfred Fraijo: There is a Hollywood Fault trace mapped by the California Geological Survey that prompted the discussion with Mr. Prevost.

Raymond Chan: Hi Alfred, We are working on this and will get back to you tomorrow. Ray

March 16, 2012

Charmie Huynh: I spoke to Dana Prevost regarding the Millennium Project at 1750 N Vine St. He mentioned that he met with the project team to discuss the Hollywood Fault line that could potentially be crossing the property.

Raymond Chan: Thank you, Charmie!!!

In a September 19, 2013 interview he said that he wasn't involved in the approval of the discredited report until July 2012 and then changed his story to July of 2013. In a September 24, 2013 email he said "First, I was not involved or engaged in any meetings, discussion, or review of the report related to its approval." That's three different stories.

Despite the agreement by the State Geologist, the Top USGS seismologist and now LA City earthquake czar appointed by Mayor Garcetti and two independent licensed geologists that have examined the test data that the Hollywood Fault is

on the Millennium Project site Raymond Chan still refuses to rescind the approval letter.

We challenged the contributions which Jeremy Chan made to the campaign of Mayor Garcetti.

In a letter to Kelli Bernard in Mayor Garcetti's office Chan wrote "My son made these campaign contributions on his own volition and I financially supported him on his contributions along with ALL his other expenses."

City ethics rules prohibit General Managers from contributing to political campaigns. But Raymond Chan set his son up as a straw donor. A straw donor is a person who illegally uses another person's money to make a political contribution in their own name.

Federal rules state "Examples of contributions in the name of another include ... [g]iving money ... all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money[.]" 11 C.F.R. § 110.4(b)(2)(i).

The true source of the money was never revealed.

Public records Act documents which we obtained showed an improper relationship between Sheppard Mullin executives and the LADBS General Manager. There were many emails between them where Sheppard Mullin had even the smallest and most routine concerns, from street banners to parking covenants, addressed directly by Chan while Chan was feted with meetings at posh downtown eateries (Villains) and personal events for Sheppard Mullin executives (Jerry Neuman's birthday party) which both Chan and his son attended.

Then there is the alarming appearance of a quid pro quo between Sheppard Mullin and Raymond Chan. According to his own chronology in his letter to Kelli Bernard, Jeremy Chan served as a law clerk intern at Sheppard Mullin from January 28 to May 1, 2013. That is 3 days before the LADBS issued the approval letter. The implication is clear – appoint my son to your lobbying firm and I will give you an approval letter.

I asked Dana Prevost if the City would grant a Certificate of Occupancy to the Blvd6200 project even though the State Geologist has mapped the Hollywood Fault directly under that property. He said that the LADBS would do so because it was grandfathered in. But there is no exception to the Alquist-Priolo Act such as the case law Avco rule for variances and entitlements. Raymond Chan appears not to be prepared to use his power to deny it and he is endangering the lives of all those who would die in the structure when the next magnitude 7 earthquake occurs.

Raymond Chan is a liar, a money launderer, an influence peddler, an incompetent and a derelict which historically makes him a perfect fit for a high position in LA City government. However, Angelinos deserve better.

From: Raymond Chan <raymond.chan@lacity.org>
Sent: Thursday, March 15, 2012 12:50 PM ←
To: Alfred Fraijo Jr.
Cc: Charmie Huyhn
Subject: Re: 1750 North Vine Street
Attachments: Outlook.jpg

Hi Alfred,

We are working on this and will get back to you tomorrow.

Ray

On Thu, Mar 15, 2012 at 11:04 AM, Alfred Fraijo Jr. <afraijo@sheppardmullin.com> wrote:
Hi Ray,

Thank you for taking our call yesterday. The property address is 1750 North Vine Street.

We are looking for information on the building code regulations that apply to development within a fault zone or prohibitions on development related to fault areas. We were informed by Mr. Dana Prevost that a limited fault investigation would be required in the portion of the subject site. There is a Hollywood Fault trace mapped by the California Geological Survey that prompted the discussion with Mr. Prevost.

The property extends on two adjacent sites along Vine Street and is generally bounded by Yucca Street, Argyle Avenue and Ivar. Below is a general map of the site.

Thank you in advance for your assistance.

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EXHIBIT 2

From: Raymond Chan <raymond.chan@lacity.org>
Sent: Friday, March 16, 2012 2:14 PM ←
To: Charmie Huynh; jneuman@sheppardmullin.com; afraijo@sheppardmullin.com
Subject: Re: 1750 North Vine Street
Attachments: Outlook.jpg

Thank you Charmie!!!

On Fri, Mar 16, 2012 at 8:19 AM, Charmie Huynh <charmie.huynh@lacity.org> wrote:
Hi Ray,

I spoke to Dana Prevost regarding the Millenium project at 1750 N Vine St. He mentioned that he met with the project team to discuss the Hollywood Fault line that could potentially be crossing the property. Here are some bullet points on what we discussed:

- Currently, the Hollywood Fault line is not mapped and may be addressed by the State Geologist in the next 4-5 years minimum.
- Per code section 1803.5.11, a geotechnical report shall be conducted for the site to address (among other things) surface displacement due to faulting or lateral spreading. Dana advised the project team that they need to do their own investigation to locate the fault per this code section
- Per the Alquist Priolo Earthquake Fault Zoning Act, no structure for human occupancy shall be permitted to be placed on or across an active fault trace. I've attached a copy of our info bulletin and highlighted this condition (#2). It also describes a min 50' no build zone. However, Dana discussed with the project team that he has granted one modification in the past on another project that allowed them to build right adjacent to the fault line.

Please let me know if you have any questions.

Thanks,

Charmie Huynh, P.E.
Structural Engineering Associate / Case Manager
Development Services Case Management
City of Los Angeles - Department of Building and Safety
201 N Figueroa St, Suite 1030
Los Angeles, CA 90012
T: (213) 482-6875
F: (213) 482-6874
E: Charmie.Huynh@lacity.org

On Thu, Mar 15, 2012 at 12:50 PM, Raymond Chan <raymond.chan@lacity.org> wrote:
Hi Alfred,

We are working on this and will get back to you tomorrow.

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Exhibit 1

From: Raymond Chan <raymond.chan@lacity.org>
Sent: Tuesday, September 24, 2013 11:28 AM
To: hjubany@nacarchitecture.com; Van Ambatielos; Brannon, Felicia; Sepand Samzadeh (Valley Recycling); Victor Cuevas
Subject: False Allegation Against Me

Dear Commissioners,

A citizens group actively advocating against the Millennium Hollywood Development Project has made negative allegations that I may have conducted an act of conflict of interest.

The allegation claims that my son, a law student, worked for Sheppard Mullin (a law firm that represents the Millennium project) as a part-time, intern law clerk for 3 months (end of January to end of April 2013) may affect our department's decision in approving the soils & fault investigation report for the project and may compromise safety.

I would like to assure you that this allegation is completely false for two reasons.

First, I was not involved or engaged in any meetings, discussion, or review of the report related to its approval.

Second, LADBS Grading Division had decided to approve the report before my son was hired to work for the firm as a part-time intern law clerk.

I have communicated the above in details with the Mayor's Office. With their advice, the following statement has been prepared for the future media inquiry:

"This allegation is baseless and false. Safety is the Department's primary mission. We ensure every project is rigorously scrutinized for compliance with all rules and code regulations."

Thank you for your understanding and feel free to call me at 213 482 6800 if you have any questions related to this matter.

Warmest Regards,

Ray

Good Morning Kelli,

I was notified of a complaint was filed against me to the Los Angeles City Ethics Commission by Mr. George Abrahams, the Director of the Beachwood Canyon Neighborhood Association.

Mr. Abrahams' allegations are as follow:

- I. There is, at the least, an appearance of a "conflict of interest" between myself and Sheppard Mullin Richter and Hampton LLP ("Sheppard Mullin"), the chief advocating law firm for the Millennium Hollywood Development Project, and
- II. I violated the City's ethics rules by laundering money through my son to make election campaign contributions.

As you may know, Mr. Abrahams, the Beachwood Canyon Neighborhood Association, and StopTheMillenniumHollywood.com are suing the City of Angeles for its handling of the Millennium Hollywood Development Project. I believe that Mr. Abrahams' complaint against me is just part of an elaborate attack designed to derail the Millennium Hollywood Development Project because his allegations are completely false and frivolous.

I. The Conflict of Interest Allegation is False and Frivolous

Mr. Abrahams alleges that there is a "conflict of interest for [me] to oversee and make critical administrative decisions regarding the Millennium Project if [my] son were (*sic*) simultaneously working for Sheppard Mullin, the project's chief advocate at City Hall."

My son, Jeremy, is a third-year, full-time law student at Loyola Law School in Downtown Los Angeles. Like many of his peers, Jeremy started working for various government agencies and law firms as a law clerk at the end of his first year of law school. Below is a chronology of his four (4) law clerk internship:

1. June to November 2012 (6 months) - City Attorney's Office as
2. January 28 to May 1, 2013 (3 months) - Sheppard Mullin
3. July 2013 (less than 1 month) - City Attorney's Office
4. July to August 2013 - Los Angeles World Airport

In January 2013, the Department of Building and Safety's Grading Division approved a soils report for the Millennium Hollywood project. The approval was based on the technical merit presented in multiple reports and meetings in 2012. During that time, I did not attend any of those meetings, did not review any of those reports, and did not discuss with any of my staff about this project. I did not even know that the my grading staff approved the soils report until July 2013, which was 7 months after the report was approved and 2 months after my son left Sheppard Mullin.

I did not make ANY DECISIONS regarding the Millennium Hollywood Development Project before, during or after Jeremy's clerkship with Sheppard Mullin.

II. The Money Laundering for Election Contributions Allegation is False and Frivolous

Mr. Abrahams alleges that I may have violated the City's Ethics Commission because 1) "[my] son may have made substantial financial contributions" and 2) I asked my son to contribute to Mayoral Candidate Eric Garcetti and Council Candidate Cindy Montanez's election campaigns after I became the Interim General Manager of the Department of Building and Safety.

A. My Son Made Political Contributions on His Own Volition

Jeremy graduated with a Bachelor's Degree in Political Science four years ago and is now a law student. When he obtains his license to practice law, he intends to practice in the City and, because of his keen interest in local politics, wishes to be a very active member of our community. As such, Jeremy made the campaign contributions entirely on his own volition.

B. Requesting My Son to Contribute to Election Campaigns

My son is a full-time student and I fully support my son financially, tuitions and all living expenses. As such, when Jeremy wanted to partake and contribute in the recent election cycle, I was extremely enthused in his political activism and interest. However, he lacked the funds to sufficiently accomplish his goals. So, as I always do, I provided him with the financial and economic support for him to meet his ends.

My son made these campaign contributions on his own volition and I financially supported him on his contributions along with ALL his other expenses.

In conclusion, Mr. Abraham's allegations against me are completely baseless, false and frivolous, and are aimed to disrupt the Millennium Hollywood Development Project.

Please call me if you have any further questions regarding this matter.

Thanks!

Ray

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

GEOLOGY AND SOILS REPORT APPROVAL LETTER

January 31, 2013

LOG # 77007-01
SOILS/GEOLOGY FILE - 2

To: Jim Tokunaga, Deputy Advisory Agency
Department of City Planning
200 N. Spring Street, 7th Floor, Room 750

From: Dana Prevost, Engineering Geologist III
Department of Building and Safety

Tentative Tract: 71837
LOT(S): 1-41 Mixed-use Subdivision
LOCATION: 1720-1770 N. Vine Street, 1745-1753 N. Vine Street, 6236-6334 W. Yucca Street,
1733-1741 N. Argyle Avenue, 1746-1764 N. Ivar Street

<u>CURRENT REFERENCE REPORT/LETTER(S)</u>	<u>REPORT No.</u>	<u>DATE(S) OF DOCUMENT</u>	<u>PREPARED BY</u>
Geology/Soils Report	700019502	12/03/2012	Langan
Fault Investigation Report	"	11/30/2012	"
Oversized Docs.	"	"	"

<u>PREVIOUS REFERENCE REPORT/LETTER(S)</u>	<u>REPORT No.</u>	<u>DATE(S) OF DOCUMENT</u>	<u>PREPARED BY</u>
Dept. Correction Letter	77007	05/23/2012	LADBS
Soils Report	700019501	11/22/2011	Langan

The Grading Division of the Department of Building and Safety has reviewed the Vesting Tentative Tract 71837 and the referenced reports dated November 22, 2011, November 30, 2012, and December 3, 2012, concerning the proposed approximately 1,166,970 square feet of residential, commercial, retail, and hotel development.

The site is bisected by Vine Street, which thereby creates two development sub-areas referred to as the West Site and the East Site. The East Site of the proposed development consists of the existing 13-story Capital Records Building with a single level below grade reverb chambers, and the two-story Gogerty office building to the north of the Capital Records Building. The remainder of the East Site is an asphalt paved parking lot. The West Site is presently occupied by on-grade parking lots, with a one-story Enterprise Rent-A-Car building.

The currently proposed development includes up to 220-foot high towers on the northwest corner of the West Site of the development and an up to 585-foot high towers on the east side of the East Site. Up to 4 levels of excavation beneath the West Site and up to 6 levels of excavation below the East Site are currently proposed. It should be noted that a final development plan has not been prepared according to the consultants.

First stage exploratory excavations were a maximum of 101.5 feet below grade. Ground water was encountered at 57 feet below grade. The earth materials at the subsurface exploration locations consist of Holocene and Late Pleistocene Age alluvial deposits of gravel, sand and silt overlying older late to middle Pleistocene age alluvial deposits of silt, sand, and gravel.

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1720-1770 N. Vine Street, 1745-1753 N. Vine Street, 6236-6334 W. Yucca Street,
1733-1741 N. Argyle Avenue, 1746-1764 N. Ivar Street

According to the Fault Activity Map of California, dated 2010, prepared by the California Geological Survey the Hollywood Fault is considered active and appears to exist in the vicinity of the subject site. Therefore, a fault investigation was performed by the consultants and a referenced report dated November 30, 2012, was submitted to the Department. Upon review of the subject report, the findings of the reports are in conformance with Code Section 1803.5.11 of the Los Angeles Building Code. The conclusion was that no active faulting exists on the site south of the Enterprise lot, as depicted on Drawing No. 5 of the report dated November 30, 2012.

To evaluate the potential of fault rupture at the subject site, the consultants excavated 4 inclined slant rig continuous core borings to a maximum depth of 115 feet. Groundwater depth ranged from approximately 43 to 54 ½ feet deep in the borings. The measured depths show a trend of increasing depth to groundwater northward within the site. The consultants also have provided Radiocarbon dating in the referenced November 30, 2012, report. Results of the dating indicate that the base of the Holocene is approximately 46 feet deep, therefore the exploration performed by the consultants was adequate.

According to the Fault Activity Map of California, dated 2010, prepared by the California Geological Survey the Hollywood Fault is considered active and appears to exist in the vicinity of the subject site. Therefore, a fault investigation was performed by the consultants and a referenced report dated November 30, 2012, was submitted to the Department. Upon review of the subject report, the findings of the reports are in conformance with Code Section 1803.5.11 of the Los Angeles Building Code. The conclusion was that no active faulting exists on the site south of the Enterprise lot.

The Tentative Tract 71837 and the referenced reports dated November 30, 2012, are acceptable, provided the following conditions are complied with during site development:

1. The approval of this project at this time is only for the requirements of a fault investigation for a portion of the project at the subject site. No structure(s) are approved at this time.
2. Prior to issuance of any Building or Grading Permits, or the Recordation of the Tract Map, a comprehensive Geotechnical report as discussed in the Department Review Letter dated May 23, 2012, shall be submitted to the Department for review including detailed geotechnical recommendations for the proposed development.
3. Additional fault exploration will be required if in the future it is determined that an structure or a part of it is proposed within the area located north of the "Northern Limit of Fault Investigation" line depicted on Drawing No. 5 of the report dated November 30, 2012 (where the Enterprise Rent-a-Car property is currently located).

JTW/JAA

JTW/JAA:jtw/jaa
Log No. 77007
213-482-0480

cc: Millennium Hollywood, LLC, Owner
Paul Garry/ Psomas, Applicant
Langan Engineering & Environmental Services, Project Consultant
LA District Office