

333 S LaCienega Blvd

#16-1368

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Los Angeles Times

latimes.com

Los Angeles Times December 28, 2016:



PROJECT PROPOSED, DONATIONS FLOW

Developer has given six-figure contributions to L.A. politicians' initiatives as 20-story tower is considered

BY DAVID ZAHNMEYER

Real estate developer Rick Caruso has been a reliable benefactor of Los Angeles City Hall, giving donations big and small to the city's politicians and their pet causes. Caruso, known for the Olympic Village and other shopping developments, has donated to all but one of the city's 17 elected officials. His charitable foundation provided \$125,000 to a nonprofit set up by Mayor Eric Garcetti. And his companies recently gave \$200,000 to the campaign for Measure M, the sales tax hike Garcetti championed in last month's election.



Developer Rick Caruso has donated to all but one of the city's 17 elected officials. His company recently gave \$200,000 to the Measure M campaign.

Caruso, on a site where new buildings are currently limited to a height of 45 feet. Opponents of the project view Caruso's donations with alarm, saying the steady stream of contributions has undermined their confidence in the city's planning process.

"I'm sorry, but that's a lot of money," said Keith Nakano, a foe of the project who lives roughly five blocks from the site. "That's clearly something that the community cannot complete against."

Caruso's residential tower is one of several real estate projects some approved, others under review, to be reviewed at City Hall on a six-figure contribution from developers or others who have close ties to them.

The Times reported in October that campaign contributions with direct and indirect ties to real estate developer Samuel Leung provided more than \$600,000 to L.A. politicians in his 355-unit apartment project was being re-

[See Caruso, A7]

Japan, U.S. join hands at Pearl Harbor

Obama and Prime Minister Abe stress a shared worldview that is in stark contrast to Donald Trump's

BY CHRISTI PARSONS

PEARL HARBOR — President Obama and Japanese Prime Minister Shinzo Abe scattered petals together on the water Tuesday in a symbolic act aimed at laying to rest the enemy from the Japanese attack 75 years ago that drew the U.S. into World War II.

In a moment consumed with history, both leaders were fixed on the future. They expressed concern that the lessons of the war be forgotten amid a shifting world order and the anti-internationalist, protectionist politics around the globe.

Even when hatred burns hottest, even when the tug of tribalism is at its most primal, we must resist the urge to turn inward, Obama said. "We must resist the urge to demonize those who are different."

The ceremony was conceived as an affirmation of close U.S. relations with Japan, once a bitter wartime enemy, and Obama and Abe underscored the importance of building bonds between nations and the risks of slipping into isolationism.

Their remarks also appeared to be warnings for Trump, whose divisive campaign took aim at long-standing alliances and sparked fears with harsh rhetoric about immigrants and minorities.

"Ours is an alliance of hope that will lead us to the better future," Abe said, speaking in World War II veterans' attire.

"Caruso... has donated to all but one of the city's 17 elected officials. His charitable foundation provided \$125,000 to a nonprofit set up by Mayor Eric Garcetti. And his companies recently gave \$200,000 to a campaign for Measure M...

Add in money from his employees and his family members, and Caruso—Affiliated donors have provided more than \$476,000 to the city's elected officials and their initiatives over the past five years..."

"Six-figure Donations from real estate interests, while perfectly legal, erode public confidence in city planning decisions..."

Caruso: "The way I get the community to support the project", he said "is to give them what they want". This was in reference to a \$500,000 contribution to the Westbury Terrace Condominiums Homeowner's Assn. 1/18/17

Kerry triumphed on Iran and Paris

Submitted in PLUM Committee

Council File No: 16-1368 # 16-1368-52

Item No. 7 AND 8

The current system for obtaining those zone changes is a "pay to play" scheme of campaign contributions and donations to elected official's pet funds.

Beverly Wilshire Homes Association calls upon the Los Angeles City Council's Planning and Land Use Management Committee to reject the proposed 20 story project.

Beverly Wilshire Homes Association urges the city to consider Alternative 1-Medical Usage in the current existing building, developed as the Cedars Sinai Cancer Center.

Communication
from Appellant



BEVERLY WILSHIRE HOMES ASSOCIATION

STATEMENT ON 333 S. LA CIENEGA

FOR IMMEDIATE RELEASE:

December 29, 2016

Press Contact:

Diana Plotkin, President, Beverly Wilshire Homes Association
323.652.6254 email: plotkindi@aol.com

Los Angeles, CA - *Diana Plotkin issued the following statement on the proposed project at 333 South La Cienega:*

Caruso Affiliated is seeking to get discretionary entitlements to build a 240 ft. high rise on a commercial parcel currently zoned for 45 feet maximum. Achieving that windfall requires the City Council to change the underlying zoning - commonly known as "spot-zoning".

The current system for obtaining those zone changes is a "pay to play" scheme of campaign contributions and donations to elected official's pet funds.

On January 18, 2017, the PLUM committee (Planning and Land Use Management Committee) of the City Council will be hearing this projects six discretionary entitlement requests. The Beverly Wilshire Homes Association, which represents the residents of the area, is opposed to the current project for the following reasons:

It violates existing height limits - This project, if approved, would set a precedent that could open the door for other developers to request the same entitlements. In contrast, the proposed high-rise apartment tower is already allowed "by right" along Wilshire Boulevard, a half-mile to the south.

Traffic is currently at a standstill along La Cienega, Third and San Vicente. The proposed project will make conditions worse, leading to cut through traffic in our neighborhoods. Emergency vehicles could be delayed from reaching their destinations, such as the adjacent Cedars-Sinai Hospital, within the desired timeframe.

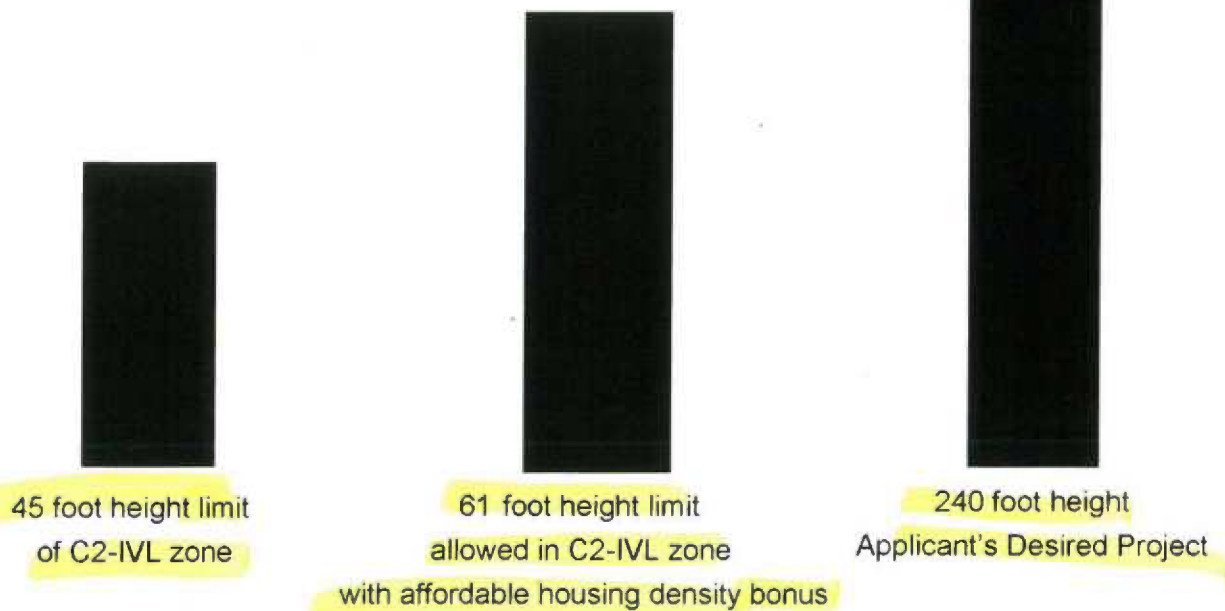
This project's promised community benefits offered pale in comparison to what Caruso Affiliated will gain financially once this project approved.

This "pay to play" system is business as usual in Los Angeles. Beverly Wilshire's aim is to reduce these impacts on the surrounding residential neighborhood and maintain the quality of life of the people who live here.

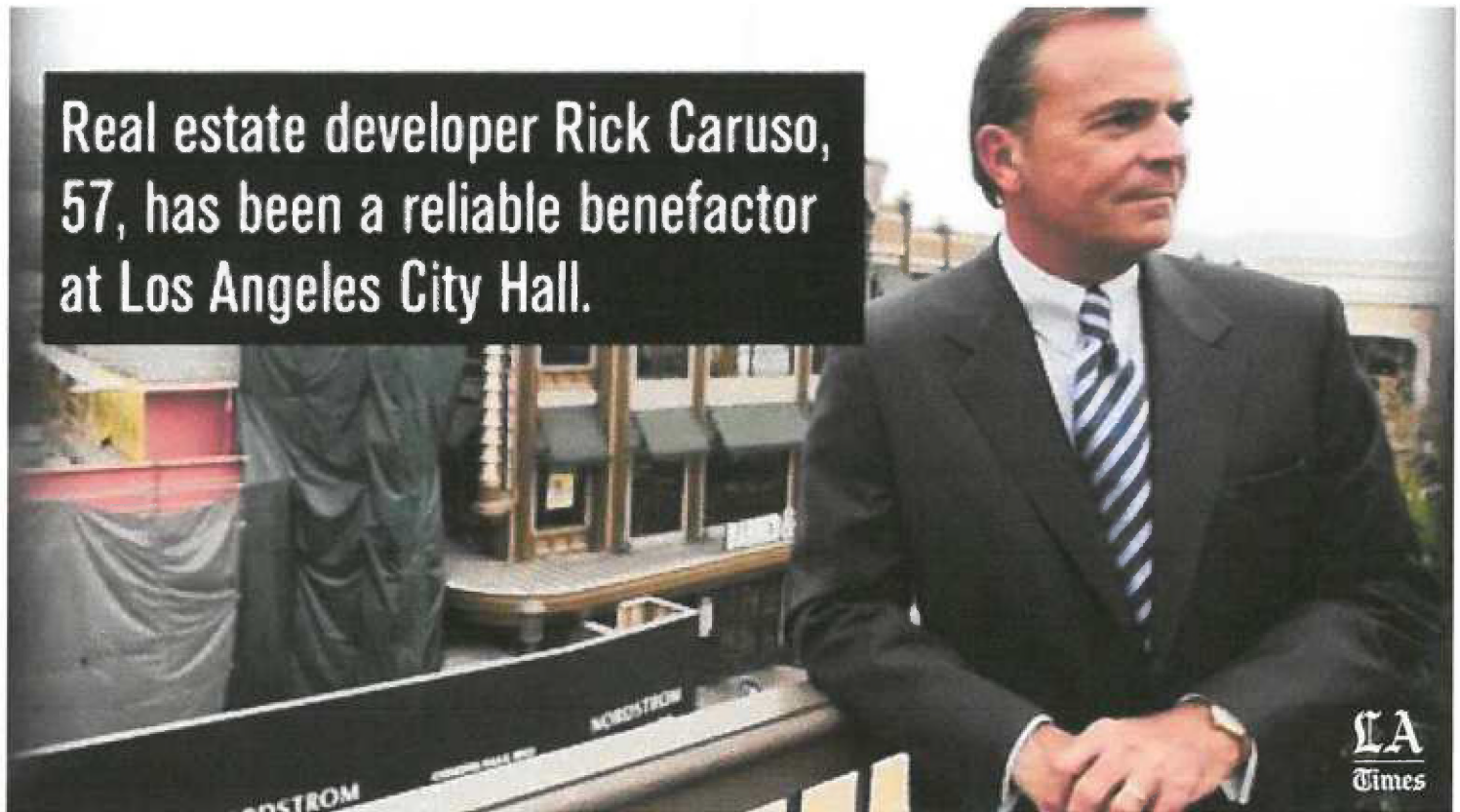
There has been a huge community outcry over the scale of the project, but Councilmember Paul Koretz is currently supporting the 240 foot high rise project. Beverly Wilshire Homes remains committed to seeing a more neighborhood friendly project.

Height Comparison Chart Beverly Wilshire Homes Association

SCALE 10 feet



Political donations flow as Rick Caruso seeks approval for a 20-story tower near the Beverly Center



Real estate developer Rick Caruso, 57, has been a reliable benefactor at Los Angeles City Hall.

Caruso graduated from USC and Pepperdine School of Law, and started his career as a real estate lawyer.

By **David Zahniser**

DECEMBER 28, 2016, 3:00 AM

Real estate developer Rick Caruso has been a reliable benefactor at Los Angeles City Hall, giving donations big and small to the city's politicians and their pet causes.

Caruso, known for the Grove and other shopping destinations, has donated to all but one of the city's 17 elected officials. His charitable foundation provided \$125,000 to a nonprofit set up by Mayor Eric Garcetti. And his companies recently gave \$200,000 to the campaign for Measure M, the sales tax hike Garcetti championed in last month's election.

ADVERTISING

Add in money from his employees and his family members, and Caruso-affiliated donors have provided more than \$476,000 to the city's elected officials and their initiatives over the past five years, according to contribution reports.

Now, Caruso wants Garcetti and the council to approve a 20-story residential tower on La Cienega Boulevard, on a site where new buildings are currently limited to a height of 45 feet. Opponents of the project view Caruso's donations with alarm, saying the steady stream of contributions has undermined their confidence in the city's planning process.

"I'm sorry, but that's a lot of money," said Keith Nakata, a foe of the project who lives roughly five blocks from the site. "That is obviously something that the community cannot compete against."

Caruso's residential tower is one of several real estate projects — some already approved, others still under consideration — to be reviewed at City Hall as six-figure contributions arrive from developers or donors with close ties to them.

The Times reported in October that campaign contributors with direct and indirect ties to real estate developer Samuel Leung provided more than \$600,000 to L.A.-area politicians as his 352-unit apartment project was being reviewed. Garcetti and the council approved Leung's Sea Breeze project, located north of the Port of Los Angeles, in 2015.

In the San Fernando Valley, shopping mall company Westfield Corp. unveiled plans in October for Westfield Promenade, a \$1.5-billion project featuring two hotels and 1,432 new homes. Westfield

affiliates have contributed \$950,000 to two Garcetti initiatives — Measure M and the effort to bring the 2024 Olympics to Los Angeles — over the past 14 months, contribution records show.

Westfield representatives said they view the Olympics and the city's transportation investments as initiatives that will spur significant economic growth.

In Century City, entertainment giant 20th Century Fox Film is pursuing a 1.1-million-square-foot expansion of its studio facilities. Fox's parent company has given \$1 million to the Mayor's Fund for Los Angeles, a nonprofit set up by Garcetti in 2014 to advance his initiatives. A related company, Fox Entertainment Group, gave the Measure M campaign \$250,000 in September.

A Fox representative declined to comment on the donations.

Six-figure donations from real estate interests, while perfectly legal, erode public confidence in city planning decisions, said Michael Manville, an assistant professor of urban planning at UCLA. They are also the natural byproduct of a process where developers routinely request — and receive — changes to city planning and zoning rules for their projects, he said.

"If you have a system that relies so heavily on [those changes] to get things built, then you are going to get lots of campaign contributions," Manville said. "Because you're shifting a lot of power away from the Planning Department and toward the elected officials."

Garcetti, who supports Caruso's project, said in an interview that development decisions at City Hall are "absolutely separate" from the contributions that are made to his campaigns and policy initiatives.

"Projects should be assessed on their merits and nothing else," he said.

Caruso said in an interview that his political contributions are part of a much broader approach to charitable giving, with donations going to churches, nonprofit groups, educational institutions and other causes. Some of the most recent donations, he said, were designed to help city leaders who are working to address homelessness and build a new transit network.

"We love Los Angeles, as corny as it may sound, and making Los Angeles a more livable city," he said.

Caruso also defended the city's planning process, calling it "very open and democratic," and dismissed the notion that donations influence policy makers. "I've never believed for one minute that any contribution I've given has changed the opinion of any elected official," he said.

Garcetti's appointees on the City Planning Commission unanimously endorsed Caruso's La Cienega project last month, agreeing to provide a zone change, a height district change and an amendment to the general plan — the document that governs citywide real estate development — for

his project.

Although two commissioners voiced concerns about the building's height, the majority said the city needs to embrace projects of that scale.

"The city is transforming," said commissioner Caroline Choe.

The La Cienega project is expected to come up for a City Council vote in January. The council approved a separate Caruso project, a new retail village in Pacific Palisades, last summer.

The La Cienega residential tower has divided residents in Beverly Grove, a community bordered by West Hollywood on the north, Wilshire Boulevard on the south, Fairfax Avenue on the east and Beverly Hills on the west. Foes of the project view Caruso as one of many well-connected developers who ask city leaders to rewrite local planning laws for a single project.

If approved without changes, the La Cienega project will stand roughly twice as tall as the Beverly Center, an eight-story shopping mall right next door. And it will be roughly eight times higher than the one- and two-story buildings that run along the east side of La Cienega.

"He could build a building like this in Century City, where it's intended to be, or on parts of Wilshire Boulevard, like 'Condo Canyon' near UCLA," said Dick Platkin, a board member with the Beverly Wilshire Homes Assn., a group fighting the project. "But this part of L.A. is not intended to have it."

Backers of the project point out that the area already has a handful of tall buildings, including the Cedars-Sinai Advanced Health Sciences Pavilion, which is about 185 feet tall. Caruso's project is expected to reach 240 feet.

"We felt this is a unique location where density makes sense," said Scott Epstein, chairman of the Mid City West Community Council, the neighborhood council for the area, which endorsed the project. "In the middle of a housing crisis, if you're going to put housing somewhere, this is a good place to put it."

Epstein said Caruso responded to the needs of the community by offering a grocery store, much-needed housing and new outdoor spaces, including a 6,910-square-foot plaza with a fountain. And he praised the developer for ensuring that 14 of the building's 145 apartments will be rented at below-market rates.

Those concessions, he said, show what can be accomplished when residents and developers "collaborate for mutual benefit," he said.

Still, what some view as hard-fought concessions, others criticize as unsavory dealings.

Last summer, the La Cienega project was sharply criticized by residents of Westbury Terrace, a condominium building across the street from the Caruso site. Dozens of the building's condo owners turned in a petition to their neighborhood council, saying Caruso's project would obstruct their views and generate unwanted noise and traffic.

Weeks later, many of those same petition signers switched sides, becoming ardent supporters of Caruso's project. The condominium board's president soon disclosed that Caruso had agreed to make extensive repairs on the 11-story building, upgrading the entrances and replacing the windows with multipaned glass.

In correspondence with the neighborhood council, Westbury Terrace Homeowners Assn. President Philippe Cohanin said Caruso's contribution would help the building's occupants cope with increased noise and dust while Caruso's project was being built.

Cohanin, when approached by The Times, would not discuss the arrangement. But a Caruso spokeswoman confirmed the developer agreed to spend \$500,000 on repairs to the building.

Foes of the project have called that a payoff. Caruso said he had an obligation to address the Westbury's concerns about noise and other construction issues.

Caruso said he has worked to meet the neighborhood's needs in other ways, offering to pay for street improvements and even redesigning the project.

"The way I get the community to support the project," he said, "is to give them what they want."

Last month, many Westbury condominium owners testified in favor of Caruso's project at a planning commission hearing. Others who spoke at that meeting also had financial dealings with Caruso.

The Los Angeles Area Chamber of Commerce sent a representative to the hearing to speak on behalf of Caruso's project. The group's political action committee received \$50,000 from the developer in 2014, according to campaign donation records.

Also speaking in favor of Caruso's project was planning aide Shawn Bayliss, who read a support letter from his boss, Councilman Paul Koretz. Caruso donated \$5,200 to two campaign committees that supported Bayliss' unsuccessful bid for state Senate in June.

Caruso's lawyer on the La Cienega project also gave Bayliss \$1,000. And that lawyer's colleagues — all registered as lobbyists at City Hall — provided another \$4,000, state campaign records show.

Koretz, who represents Beverly Grove, said he — not Bayliss — made the decisions on the Caruso project. And he commended Caruso for working to secure the support of both Westbury Terrace and the

neighborhood council.

“That’s exactly what I asked the developer to do: Go work with the neighbors and make this work for everybody,” said Koretz, who has received \$2,200 in donations from Caruso since 2011.

Koretz’s arguments have not reassured Peter David Harris, a Beverly Grove resident who lives about five blocks from the Caruso site. Harris fears that if Caruso succeeds, other property owners on La Cienega and San Vicente boulevards will propose luxury high-rises — the kind that cast shadows on nearby single-family homes.

“It becomes a domino effect,” he said.

An environmental review of Caruso’s project concluded that the 20-story building would not cast a “significant” amount of shadow on nearby residential properties. Under the city’s guidelines, shadow from a tall building is deemed significant if it covers certain areas for more than three or four consecutive hours, depending on the time of year.

Even if there had been a significant amount of shadow, it could not be used as the basis for a state environmental challenge — thanks to a law signed by Gov. Jerry Brown three years ago.

Senate Bill 743 established that shadow, glare and other aesthetic concerns would no longer be considered significant impacts under the state environmental review process for residential projects that sit within a half mile of a major transit stop — one where buses or trains arrive at least every 15 minutes during rush hour.

Brown signed the bill in September 2013. Two months later, Caruso contributed \$54,400 to the governor’s reelection bid.

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Tracking developers’ donations

Individuals and companies with real estate projects that need approval from Los Angeles’ elected officials have made six-figure contributions to those officials’ campaigns and political causes in recent years.

333 S. La Cienega/Rick Caruso

Project: A 20-story apartment building with market, restaurant and 145 homes

Location: Beverly Grove

Contributions: \$476,350

- \$200,000 to the campaign for Measure M, the transportation sales tax measure
- \$125,000 to the Mayor's Fund for Los Angeles *
- \$100,000 to Los Angeles Forward, a campaign committee set up by Councilman Mike Bonin to support ballot measures
- \$51,350 to city candidates and officeholders over five years

Source of donations: Caruso, his wife, his companies, his charitable foundation and his employees

Westfield Promenade

Project: 1,432 homes, two hotels, shops, restaurants and a 15,000-seat sports/entertainment center

Location: Warner Center

Contributions: \$950,000

- \$250,000 to the campaign for Measure M
- \$700,000 to the LA 2024 Olympic committee *

Source of donations: Westfield affiliates

20th Century Fox Film

Project: The Fox Studios Master Plan, a 1.1-million-square-foot expansion of studio facilities

Location: Century City

Contributions: \$1,250,000

- \$500,000 to the Mayor's Fund for Los Angeles *
- \$500,000 to the Mayor's Fund for Los Angeles *
- \$250,000 to the campaign for Measure M

Source of donations: 21st Century Fox, the film studio's parent company; Fox Entertainment Group

** Contribution made at Mayor Eric Garcetti's request*

Source: Los Angeles City Ethics Commission, Los Angeles Department of City Planning, Los Angeles County Registrar-Recorder/County Clerk

LOS ANGELES



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You could save \$761* when you combine auto and home insurance.

*Average annual per household savings based on a 2015 national survey of new policyholders who reported savings by switching to State Farm.

BEVERLY GROVE LOS ANGELES APARTMENTS

The Latest Look For the 19-Story Luxury Apartment Tower Set to Rise By the Beverly Center

BY JEFF WATTENHOFER | OCT 14, 2015, 3:37PM PDT

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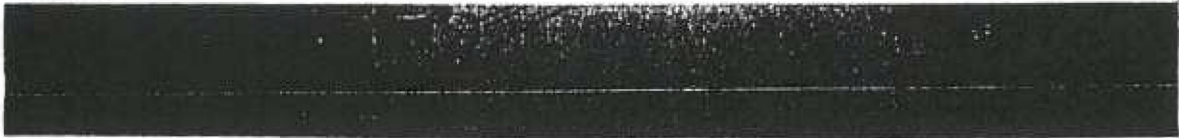


Image via CP O'Halloran Associates

Grove and Americana developer Rick Caruso has projects going as far as Carlsbad and Montecito, but he's still busy tending to his growing empire in Beverly Grove in the middle of Los Angeles. Urbanize LA has got some new renderings of Caruso's upcoming luxury apartment building at 333 S. La Cienega, right by the Beverly Center, which is scheduled to start construction in 2017. Take a good look at the outside, because it's the closest most people will ever get to seeing the inside of this luxury property.

The 333 La Cienega tower is considered a sister property to the already completed and very expensive 8500 Burton Way luxury apartments just down the street. Over there, standard apartments start at \$4,000 a month, and the monthly rate for the penthouse is a whopping \$40,000. Expect much the same for the 154 residential units at the new 19-story La Cienega tower.

Residents of the tower will be getting, among other things, a sky deck, spa, and the waviest balconies in town. Normal people won't be totally out of luck though. Those who can't afford the Caruso living experience can take advantage of the planned public space on the corner of La Cienega and Burton Way. There will be a fountain available for coin toss wishes of a better life, or you can maybe head into the tower's 26,000-square-foot grocery store and watch the concierges do the shopping for tower residents.

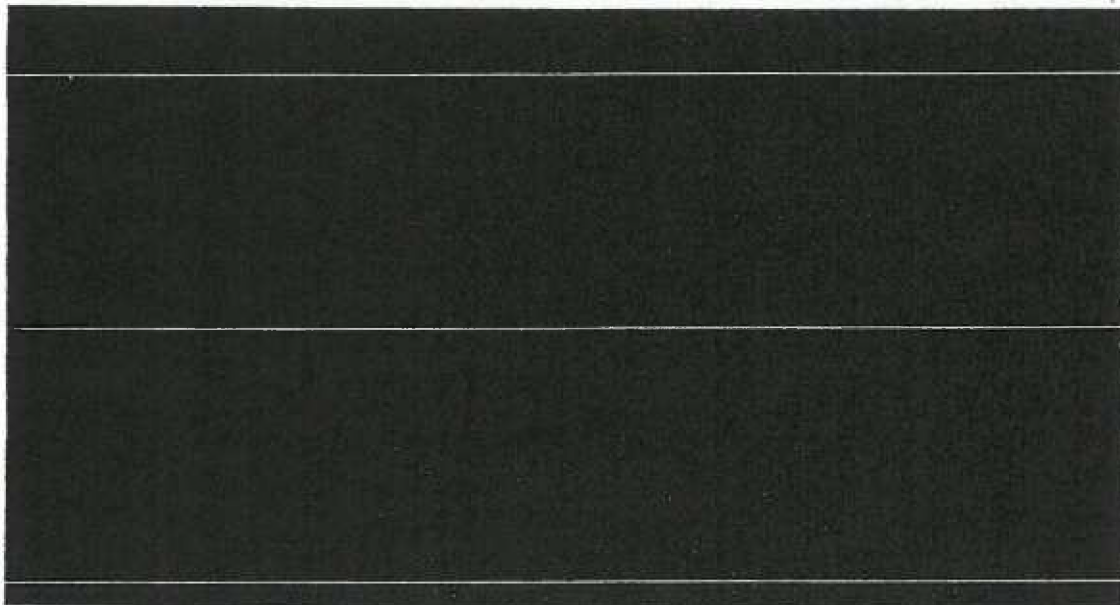
While some balk at the insane prices, there is still a demand for the extreme luxuries of Caruso branded living, apparently. Caruso bragged to Bisnow



TWEET

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"unparalleled amenities"—8500 Burton Way and the La Cienega tower will both operate like five-star hotels, with a concierge service available for all your grocery shopping, dog walking, or money counting needs.



Koretz pulls his support for Caruso's proposed 20-story tower, calling it 'too tall'



Members of the Beverly Wilshire Homes Assn. and City Council candidate Jesse Max Creed held a news conference Thursday to air complaints about a 20-story apartment tower proposed by Los Angeles developer Rick Caruso. (Christina House / For The Times)

By **David Zahniser**

DECEMBER 29, 2016, 7:05 PM

Los Angeles City Councilman [Paul Koretz](#), under fire from an opponent in the March election, said Thursday that he has pulled his support for a controversial 20-story residential tower proposed near the Beverly Center.

Koretz, standing on La Cienega Boulevard near the project site, said he now thinks the planned apartment building is “too tall” — and wants real estate developer [Rick Caruso](#) to enter into additional talks with a homeowners group.

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"I'm calling on Mr. Caruso to continue meeting with neighborhood representatives and to shrink the project until it is appropriate for the area," said Koretz, who represents neighborhoods from the Westside north to Encino.

The announcement came a day after The Times reported that Caruso, his family members, his companies, his charity and his employees provided more than \$476,000 over the past five years to L.A. city politicians and their pet causes.

Koretz's hastily called news conference took place five hours after his opponent, attorney Jesse Max Creed, held his own media event on La Cienega to speak against the project — and the array of contributions made by Caruso to L.A. politicians and their causes.

At that event, Creed said approval of the project would amount to a "handout" to a billionaire, since the city currently allows buildings no taller than 45 feet on the site. Creed called on Koretz and Koretz's planning aide, who ran unsuccessfully for state office earlier this year, to give back contributions they have received from Caruso in recent years.

Hours later, after learning of Koretz's change in position, Creed called the councilman's move "the height of political opportunism." Koretz, he said, was "happy enough" to support the project after receiving \$2,200 in donations from Caruso over five years.

"He's only flip-flopping now because members of the community are holding him accountable for his actions," Creed said in a statement.

Caruso had no comment on Koretz's announcement. Koretz said he had not yet spoken with the developer about his decision.

Koretz said he changed his mind after a Dec. 15 meeting with the representatives of the Beverly Wilshire Homes Assn., which submitted a petition with more than 1,000 signatures opposing Caruso's project. Koretz said he was also influenced by a meeting with neighborhood leaders from his district.

Asked why he waited to reveal his newfound position until Thursday, the same day as a news conference by his opponent, Koretz said: "To be honest, we wanted to wait until the holidays were over."

Koretz said Caruso had given him "very modest" contributions — \$700 to his 2013 election campaign and \$1,500 to his office holder accounts. "If there were an easy way, and I saw a need to, I'd be happy to give back \$2,000," he said.

Koretz is running in the March 7 election for a third term. He had voiced support for Caruso's project in recent weeks, while also asking for the developer to seek common ground with the project's remaining opponents.

At one point, Koretz had commended Caruso for making the project somewhat taller and thinner, saying that move had preserved the views of some neighbors.

The City Council is scheduled to vote on the La Cienega project next month.

Opponents say the proposal is the latest example of city officials working to change the planning rules for a well-connected developer. They warn that Caruso's 145-unit apartment building would set a precedent, prompting other nearby property owners to propose luxury apartments much taller than the rules allow.

Backers of the project, including local neighborhood council leaders, say Caruso's project would bring much-needed amenities, including a 6,910-square-foot plaza with a fountain and 14 apartments rented at below market rates.

Caruso, in an interview last week, said he worked extensively to meet the neighborhood's needs, redesigning the project and offering additional concessions. He also said he had never seen a decision at City Hall that was "influenced by somebody who gave money."

"Usually, in my opinion, it's just the opposite," he said.

Caruso's foundation has given \$125,000 to a nonprofit group created by Mayor Eric Garcetti, whose appointees on the Planning Commission endorsed the La Cienega project last month.

An additional \$200,000 went to support Measure M, the transit tax hike championed by the mayor. And

\$100,000 went from Caruso to a campaign committee set up by Councilman Mike Bonin to support Measure M and a second measure designed to pay for homeless housing.

Bonin, also running for re-election, issued a statement earlier this week saying he was pleased to have secured Caruso's financial support for the two tax measures.

"Rick is a constituent, a friend, and a problem solver, and Mike is grateful that he and Rick see eye to eye on solutions to our biggest problems," Chad Molnar, Bonin's chief of staff, said in an email.

Caruso hosted fundraisers for Bonin's council campaigns in 2013 and 2015.

Mark Ryavec, a consultant who is running against Bonin, said the councilman should not have accepted the \$100,000 donation from Caruso in September. Three months earlier, the council voted in favor of a Caruso retail project in Pacific Palisades, which is part of Bonin's district.

That type of big-money fundraising "destroys the public's faith that decisions are being made objectively and based upon the law," Ryavec said.

Ryavec said his campaign will not accept donations from real estate developers.

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Twitter: @DavidZahniser

ALSO

Relatives of girl killed in hit-and-run say she had run away but always called home

Two injured when helicopter crashes on Mt. Baldy

LAX had a nightmarish holiday season of delays and gridlock. It's likely a preview of the airport's growing pains

UPDATES:

7:05 p.m.: This article was updated with Koretz's announcement that he no longer supports the project, calling it "too tall."

This article was originally published at 3:55 p.m.



Dear Neighbor,

As you may know, developer Rick Caruso has proposed building a 20-story, 240-foot high residential tower near the Beverly Center.

Throughout the process, I have been steadfast in calling on Mr. Caruso to meet with local residents and neighborhood organizations in order to reach a compromise on the size and scope of this development.

The project contains some good provisions, including a publicly accessible open plaza and more than a dozen units of affordable housing. The Westbury Terrace Condominium Association, The Burton Way Homeowners Association, and the Mid-City West Community Council have all worked with Mr. Caruso, had their concerns addressed, and now support the project. However, while some of the objections have been addressed, residents in the Beverly Wilshire Homes Association have not been satisfied with the progress of their negotiations with the developer.

My job as Councilmember is to promote an open and inclusive planning process, and my goal is to make this project work for every neighborhood affected.

Thus, I have announced that I am opposing the proposed project at 333 S. La Cienega Blvd.

My strongest concern is the height of the building. At 20 stories, it is just too tall for the site and the surrounding neighborhood.

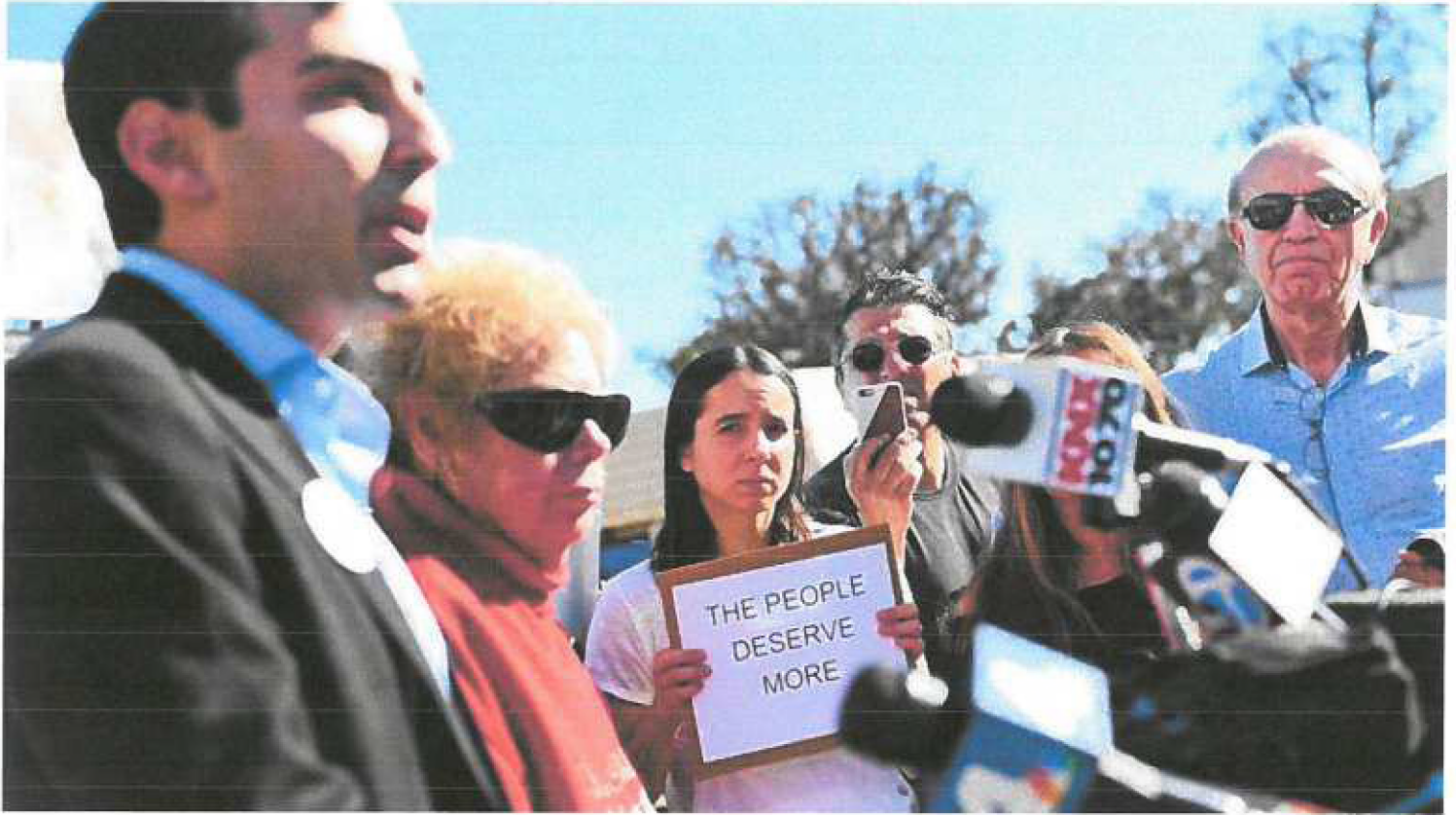
I am calling on Mr. Caruso to continue meeting with representatives of the Beverly Wilshire Homes Association to work out a scaled down compromise that would be more appropriate for the neighborhood.

I will keep you informed of the ongoing status of negotiations.

Yours truly,

Paul Koretz
Los Angeles City Council, District 5

Editorial When political contributions erode trust in L.A.'s land-use system



A group of local residents hold a press conference to protest and express community opposition to a Rick Caruso project at the intersection of San Vicente and La Cienega Boulevards on Dec. 29. (Los Angeles Times)

By **The Times Editorial Board**

JANUARY 6, 2017, 5:00 AM

Real estate developers seeking exceptions from city land-use laws to build multimillion-dollar projects have poured money into campaign accounts and other funds controlled by Los Angeles Mayor [Eric Garcetti](#) and [City Council](#) members.

How much money? Mall developer [Rick Caruso](#), along with his family, employees and his charitable foundation, has given nearly half a million dollars to city elected officials and their pet projects in the last five years, according to a [Times analysis](#). Some \$125,000 of the total was solicited by Garcetti for his nonprofit organization, the Mayor's Fund for Los Angeles, that he created to fund his civic initiatives. Why has Caruso given so much money to politicians? He says it's part of his company's regular philanthropic mission. But it's also true that he needs the approval of the City Council and the mayor for his proposal to build a 20-story residential tower on a site in Beverly Grove currently limited

to a height of 45 feet.

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And we don't mean to be singling out Caruso. The entertainment company 20th Century Fox, for instance, gave \$1 million to Garcetti's nonprofit while one of its subsidiaries is seeking land-use changes for a 1.1-million-square-foot expansion of its studios in Century City. And the shopping mall company Westfield Corp., which needs dispensation from the city to build two hotels and 1,432 homes in Woodland Hills, gave nearly \$1 million to campaigns supporting the Measure M transportation sales tax hike and the city's bid to host the 2024 Olympics — two efforts spearheaded by Garcetti.

“

Why don't [Mayor Garcetti and the City Council] offer their own moratorium — on taking money from developers with projects pending before the city?

And then there was the troubling case of developer Samuel Leung, whose friends, relatives and associates donated more than \$600,000 to Los Angeles elected officials' election campaigns and office accounts while he successfully persuaded city leaders to rewrite zoning rules so that his \$72-million apartment complex could be built in the Harbor Gateway neighborhood. Some of those donations may have been made without the knowledge of the supposed donor or with the promise that the donor would be reimbursed (which would be illegal).

Garcetti and other city officials, as well as most developers, routinely insist that such political contributions have absolutely no effect on City Hall land-use decisions. No, no, no, the officials insist, we make our decisions entirely on the merits. But even if you believe that they somehow manage to ignore the contributions when they make their decisions, the mere exchange of money between people seeking city favors and the people granting those favors fuels widespread community distrust — distrust that has now allowed the so-called Neighborhood Integrity Initiative to get on the March ballot as Measure S. That slow-growth measure would impose a two-year moratorium on development projects that require exceptions from the law while the city rewrites its local community land-use plans. Unfortunately, it would also slow housing construction during a housing shortage.

Garcetti and the City Council have offered some reform proposals, but if they are serious about rebuilding public trust in the development system, they're going to have to go further. Here's a suggestion they won't like, but which would be entirely appropriate under the circumstances: Why don't they offer their own moratorium — on taking money from developers with projects pending before the city?

It's pretty widely believed that developers write checks to local officials because they think the contributions will get them the land-use exemptions they want and greatly increase the value of their projects, often at the expense of neighboring residents and property owners. For decades, mayors and City Councils have allowed this soft corruption to continue by refusing to fix the city's broken planning system. That puts a cloud of suspicion over all development in L.A. — even when projects are ultimately good for the city by creating housing and jobs and investment.

Garcetti and the City Council have increased the Planning Department's budget so it can finally update the city's General Plan — its master plan that sets out a vision for the city's development — and rewrite the city's 35 community plans that set specific rules for what can be built in neighborhoods. But that effort will take a decade (possibly seven years if the city boosts the budget even more.)

However, if Garcetti and the City Council agreed to a temporary moratorium on accepting developer contributions, they could send an immediate message to skeptical Angelenos that this time they are serious and committed to changing the pay-to-play culture that has allowed every land-use rule to be negotiable. Consider it an experiment. Take the money and the suspicion out the decision making process, and perhaps — just perhaps — there can be a rational conversation about how Los Angeles should grow.

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Column When it comes to political donations in L.A., what's legal can be worse than what's not



The Los Angeles City Hall on September 11, 2015. (Al Seib / Los Angeles Times)



By **Steve Lopez**

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It looked good. It sounded good.

The Los Angeles City Council, in the wake of recent Times exposes by David Zahniser and Emily Alpert Reyes on City Hall's legendary pay-to-play culture, took what seemed to be a positive step Tuesday to limit the influence of campaign donations from developers.

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But don't send cards of congratulations or break out the party hats just yet.

Just as no amount of Raid can kill all the cockroaches, in politics, money gets where it wants to go. Slam a door, and it finds two windows.

So sure, let's [ban donations to City Council members and the mayor from developers](#) who have projects up for review by the city.

But I'm going to hazard a guess that such a ban wouldn't be terribly effective, and I'm not even sure it'll happen.

First, would the system be any cleaner if a developer could still make a donation several months before or after a project is in play? And as City Council members David Ryu, [Joe Buscaino](#), [Paul Krekorian](#), [Paul Koretz](#) and [Mike Bonin](#) noted in [their motion for the drafting of a new law](#) by the city Ethics Commission, part of the challenge will be to define "developers and their principals."

Would a developer's spouse be banned from writing a check to a councilman or mayor, or a candidate? Would the developer's employees, corporate partners, affiliated LLCs, lawyers, architects, consultants, neighbors, cousins, friends and golf partners also be banned, and if not, can anything really be accomplished?

If a recent ruling by the state Fair Political Practices Commission is any indication, it's not so easy to stop the flow of money. Pismo Beach City Councilman Erik Howell — also a member of the California Coastal Commission — received a \$1,000 donation in 2015 for his Pismo reelection bid. It came from the business and domestic partner of a powerful consultant with dozens of clients whose projects need approval from the Coastal Commission.

Shortly after receiving the donation, Howell had dinner with the consultant and voted in favor of a project she represented. The deal, as I noted recently, stank worse than a bucket of dead clams.

But the FPPC ruled that the donor did not herself represent the client whose project was in play, and there was no evidence her \$1,000 was reimbursed by her company.

Case closed.

Now back to Los Angeles.

There are good and bad developers, and good and bad developments, here in a city where public officials have failed to come up with coherent planning guidelines, inviting chaos and influence-peddling. There are also good and bad development foes, some of whom write checks to politicians, as do members of building trades unions.

Would a [donation ban on developers](#), and no one else, be fair or effective in a city where it's legal for lobbyists to host fundraisers for elected officials and then do business before them?

Regardless of the answers to all those questions, there's a bigger reason the impact of this proposal would be practically nil.

First of all, an individual developer can only write a \$700 check to a candidate. But there are other ways to apply the grease, with no limits on donation amounts and arguably less transparency.

You can make a lasting impression on an elected official by writing a fat check to his or her pet project, or to a ballot initiative he or she supports, or to independent expenditure committees that support or attack candidates and causes.

The U.S. Supreme Court has opened the mother's milk spigot wide, creating a national cesspool. When it comes to money and influence in politics, there's no need to break the law. The biggest threat to good government is what's perfectly legal.

As Zahniser reported late last month, developer [Rick Caruso's](#) charitable foundation has provided \$125,000 to a nonprofit fund set up by L.A. Mayor [Eric Garcetti](#). And Caruso's companies gave \$200,000 to Measure M, the transportation sales tax supported by Garcetti.

And by the way, Caruso wants Garcetti and City Council members — many of whom he's donated to — to greenlight a 20-story building on a Beverly Grove site where the current height limit is 45 feet.

More from our man Dave Z.:

Westfield, the mall people, want to build a \$1.5-billion project in the San Fernando Valley, and they gave \$950,000 to two Garcetti initiatives. Twentieth Century Fox Film wants to add 1.1 million square feet to its Century City facilities, and Fox's related companies have plowed \$1.25 million into the Mayor's Fund for Los Angeles and the transportation initiative Garcetti supported.

In L.A., a ban on \$700 donations by developers would be about as effective as a Band-Aid on organ cancer.

So are we utterly helpless, with no better way to fumigate City Hall?

Yes and no.

At the very least, says Jessica Levinson, Loyola Law School professor and president of the L.A. City Ethics Commission, we can shine a much brighter light on who's writing checks to whom.

"It would be useful to know if a City Council person gets 50% of his or her donations from dentists, or from real estate developers ... something that allows people to infer something about the politician," Levinson said.

But that information isn't readily available.

"You look at the city's Ethics website and it's unbelievably outdated," said City Controller Ron Galperin. "It was state of the art for 1984."

What we need, he said, is "radical transparency."

"There are some amazing tools out there that will help you connect the dots and know who's giving, what their associates are doing, what projects they have," said Galperin.

Taxpayers should be able to go to the city Ethics Commission website and get that information easily, he said, and "there's no good reason it shouldn't be available in a day or two" instead of the months it now takes.

"And then elected officials can decide if they want the cloud of a certain contribution to be over them, and developers, knowing everything's going to be out there for everyone to see ... can [decide] whether they really want to make that contribution."

In the last line of their motion for a ban on developer donations Tuesday, council members did ask for the Ethics Commission to improve transparency and report on the cost of "an accessible and easy-to-navigate website."

“If I could get some budget money to work on this with Ethics, I would love to do so,” said Galperin, adding that it wouldn’t cost a fortune for a serious upgrade.

I’ve got an idea.

Developers and other high rollers have donated millions to the Mayor’s Fund for Los Angeles, which is always looking for a good cause.

Could there be a better one than cleaning up City Hall?

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