



MICHAEL N. FEUER
City Attorney

REPORT NO. R17-0164
MAY 16 2017

REPORT RE:

**DRAFT ORDINANCE AUTHORIZING THE ADOPTION OF A
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF LOS ANGELES
AND DOUGLAS EMMETT MANAGEMENT, LLC**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 16-1458
CPC-2016-3257-DA
Council District 11

Honorable Members:

On February 15, 2017, the City Council took an action requesting that this Office prepare and present a draft ordinance authorizing the execution of a development agreement between the City and Douglas Emmett Management, LLC (the Development Agreement). This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, and the Development Agreement, in a form we can also approve.

Background

The Development Agreement is proposed in conjunction with the demolition of a 42,900 square-foot, single-story supermarket building; the maintenance of a 364,791 square-foot, 17-story office building; and the new construction of a mixed-use project consisting of a 34-story residential building with a total of 376 multi-family residential dwelling units, 16 of which are being set aside for Very Low Income households. The project also includes the provision of a 40,544 square-foot publically accessible open space at the intersection of Wilshire Boulevard and Stoner Avenue.

The Development Agreement for this project is generally consistent with the City's prior development agreements and has a term of four years. Under the Development Agreement, the Developer has agreed to provide a \$625,000 deposit into the City's Affordable Housing Trust Fund.

The Development Agreement has been modified from the draft approved by the City Planning Commission to clarify the benefit language and to make other technical corrections.

City Planning Commission Action

Pursuant to Charter Section 559, the Planning Director, on behalf of the Planning Commission, approved the Development Agreement and recommended that it be adopted by the City Council.

The Commission adopted the required Charter and Government Code findings that are contained in the Planning Department's staff report to the City Planning Commission. The Planning Department subsequently revised their findings on January 26, 2017. Should the City Council adopt this ordinance, it may comply with the provisions of Charter Section 558 and the Government Code either by adopting the January 26, 2017, findings or by making its own findings.

California Environmental Quality Act

If the City Council wishes to adopt the ordinance authorizing execution of the Development Agreement, it must first comply with CEQA. Council may comply with CEQA in connection with the Development Agreement by making the CEQA finding set forth below under Recommended Actions.

Government Code Requirements for Notice and Hearing

Before action may be taken on either the draft ordinance or the Development Agreement, the City must comply with the provisions of Government Code Sections 65867, 65090 and 65091. Those sections require, among other things, notice and a

public hearing. In addition, the City's development agreement procedures state that the City Council shall not take any action on any development agreement prior to the expiration of a 24-day notice.

Recommended Actions

If the City Council wishes to approve the proposed Development Agreement, it should:

- (1) Previously have approved all the related entitlements;
- (2) Find based on the independent judgment of the City Council, after consideration of the whole of the administrative record, the project was assessed in the Environmental Impact Report (ENV-2013-3747-EIR) certified on February 14, 2017; and pursuant to CEQA guidelines, Sections 15162 and 15164, and no subsequent environmental clearance is required for approval of the project;
- (3) Adopt the January 26, 2017, findings of the Planning Commission, including the Development Agreement findings, or adopt Council's own findings; and
- (4) Adopt the enclosed draft ordinance authorizing the execution of the Development Agreement.

Council Rule 38 Referral

Pursuant to Council Rule 38, copies of the draft ordinance and the Development Agreement were sent to the Department of Building and Safety and the Planning Department with a request that all comments, if any, be presented directly to the City Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Laura Cadogan Hurd at (213) 978-8177. She or another member of this Office will be present when you consider this matter to answer questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By


DAVID MICHAELSON
Chief Assistant City Attorney

DM/LCH:mgm
Transmittal

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