

## FINDINGS

1. Pursuant to State Government Code Section 65868, a development agreement be entered into by mutual consent of the parties. An application for a Development Agreement was filed on August September 23, 2016, establishing the applicant's consent to enter into a Development Agreement.
2. The City of Los Angeles ("City") has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3). In addition, on November 19, 1992, the City Planning Commission adopted new guidelines for the processing of development agreement applications (CPC No. 86-404 MSC).
3. In accordance with Section 12.32 of the LAMC and California Government Code Section 65867, notification within a 500-foot radius of the project site was mailed out on November 22, 2016 to all occupants and property owners, neighborhood council and others as identified in the mailing affidavit located in the administrative record. Further, notice of the public hearing was also published in the Daily Journal on November 28, 2016; verification of which is provided in the administrative record. In accordance with Section 12.32-C,4(c), posting for the site was completed on January 13, 2017.
4. Pursuant to Section 65867.5 of the Government Code, the Development Agreement is consistent with the objectives, policies, and programs specified in the City of Los Angeles General Plan, including the South Los Angeles Community Plan adopted by City Council on March 22, 2000 (CF 98-1192). Orderly development of the project site is further governed by Department of City Planning Case No. CPC-2016-4382-SP, wherein the project is seeking a Specific Plan Amendment of the Coliseum District Specific Plan. The Amendment will be considered for adoption by resolution by the City Council.
5. This Development Agreement is administrative and technical in nature and will have no impact on the project under the EIR prepared for the project, Los Angeles Memorial Coliseum Renovation Project EIR, First Addendum, Second Addendum and Third Addendum (SCH No. 1990011065), to be considered by the City Council upon their consideration of the Specific Plan Amendment. Moreover, the provisions of the Development Agreement do not grant the project or the project applicant any exceptions, variances, or otherwise allows the applicant to deviate from the required development regulations of the Code. The intent of the Development Agreement is to recognize the life of the entitlements to a specified term in exchange for the provision of public benefits. The proposed Development Agreement will not be detrimental to the public health, safety and general welfare. Approval of the Development Agreement will promote the expeditious delivery of public benefit monies directly from the Applicant to the identified parties for the provision of job training for local residents and the creation and/or acquisition of recreation and parks within the council district boundaries.
6. The Development Agreement provides extraordinary public benefits in the form of \$1,000,000 to support job training for local residents within a five-mile radius of the project site.
7. The Development Agreement provides extraordinary public benefits in the form of \$1,500,000 for recreation and parks capital improvements, green space programming, and/or the acquisition of land within the Council District 9 boundaries.

8. The Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements.
9. Based upon the above Findings, the proposed Development Agreement is deemed consistent with public necessity, convenience, general welfare and good zoning practice.
10. **FINDINGS OF FACT (CEQA)**

- I. ENVIRONMENTAL DOCUMENTATION BACKGROUND

In December 2003, the Los Angeles Memorial Coliseum Commission (Coliseum Commission), as lead agency, certified Environmental Impact Report SCH # 1990011065 (Certified EIR) for the Los Angeles Memorial Coliseum Renovation Project (Original Renovation Project). The Certified EIR analyzed the renovation of the Los Angeles Memorial Coliseum (Coliseum), which included primarily reducing the maximum seating capacity from 92,500 seats to 78,000 seats, the addition of 200 luxury suites, and the construction of two approximate 20,000 square-foot ancillary structures for retail or office use, a 19,000 square-foot press box, and approximately 35,000 square feet of new concession-related facilities.

Following certification of the Certified EIR, several modifications to the Original Renovation Project were proposed. These modifications, which were never implemented and are no longer proposed, were addressed in an addendum to the Certified EIR dated May 1, 2006 ("First Addendum"), which the Coliseum Commission approved on May 2, 2006.

A Second Addendum to the Certified EIR dated April 2016 (Second Addendum) was prepared to analyze the modifications to the Approved Project (Modified Renovation Project) proposed by the University of Southern California (USC). These modifications primarily include reducing the number of luxury suites from 200 suites to 44 suites, reducing the size of the press box from approximately 25,000 square feet to 17,400 square feet, reducing concession-related facilities from approximately 35,000 square feet to 24,500 square feet, and reducing ancillary structures from 44,000 square feet (two 20,000-square-foot structures and 4,000 square feet of ancillary structure) to 18,000 square feet. The Modified Renovation Project also proposed the addition of 24 outdoor loge boxes and 1,065 outdoor club seats and a reduction in the maximum seating capacity from 92,500 seats to 78,000 seats, as previously contemplated in the Certified EIR. Moreover, the Modified Renovation Project would preserve much more of the historic fabric of the Coliseum than the Original Renovation Project. The Modified Renovation Project would implement all of the mitigation measures set forth in the Certified EIR; however, the Second Addendum modified or added certain measures to reflect best current practices. The Second Addendum demonstrates that the Modified Renovation Project would not result in any new or substantially increased significant environmental impacts as compared to the Original Renovation Project. In addition, the Second Addendum demonstrates that there is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Certified EIR was certified, that would require preparation of a Subsequent or Supplemental EIR pursuant to Section 15162 and 15163 of the CEQA Guidelines. The Coliseum Commission, as lead agency, approved the Second Addendum on July 28, 2016.

A Third Addendum to the Certified EIR dated November 2016 (Third Addendum) was prepared to address subsequent minor modifications to the Modified Renovation Project. As with the Modified Renovation Project, the video boards that are currently located on top

of the Peristyle would be removed and replaced with new video boards. As currently proposed, (a) the location of the two new video boards would be moved a relatively small distance higher up the bowl, outward from the field and nearer the rim wall, in order to meet the minimum acceptable lines of site from general seating, (b) the game clock would be replaced with a smaller modern integrated game clock, and (c) all other project features would be the same as under the Modified Renovation Project (collectively, the "Current Renovation Project"). The Third Addendum demonstrates that the Current Project would not result in any new or substantially increased significant environmental impacts as compared to the Original Renovation Project. In addition, the Third Addendum demonstrates that there is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Certified EIR was certified, that would require preparation a Subsequent or Supplemental EIR pursuant to Section 15162 and 15163 of the CEQA Guidelines. The Commission, as lead agency, approved the Third Addendum on December 8, 2016.

The Department is seeking approval of an amendment to the Coliseum District Specific Plan, under direction of the City Council, and USC is seeking approval a Development Agreement from the City of Los Angeles (City) to implement the Current Renovation Project. The City is acting as a responsible agency under CEQA.

## II. CEQA AUTHORITY FOR AN ADDENDUM

The Second and Third Addenda address the proposed changes to the Original Renovation Project set forth in the Certified EIR. The Certified EIR included all statutory sections required by CEQA, comments received on the Draft EIR, responses to comments on the Draft EIR, and supporting technical appendices. CEQA establishes the type of environmental documentation required when changes to a project occur after an EIR is certified. Specifically, Section 15164(a) of the CEQA Guidelines states that:

*"The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred."*

Sections 15162 and 15163 of the CEQA Guidelines respectively require preparation of a Subsequent or Supplemental EIR when an EIR has been certified and one or more of the following circumstances exist:

1. Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken, which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:

- a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
- b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Likewise, California Public Resources Code (PRC) Section 21166 states that unless one or more of the following events occur, no Subsequent or Supplemental EIR shall be required by the lead agency or by any responsible agency:

- Substantial changes are proposed in the project which will require major revisions of the environmental impact report;
- Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report; or
- New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.

As demonstrated in the Second and Third Addenda, the Current Renovation Project would reduce the Original Renovation Project's significant and unavoidable impacts with respect to Construction Air Quality (CO and PM<sub>10</sub>), and Cultural Resources (Historic). All of the Current Renovation Project's environmental impacts would be similar to or less than those of the Original Renovation Project. Therefore, the Current Renovation Project would not result in any new significant impacts, nor would it substantially increase the severity of any previously anticipated significant impacts set forth in the Certified EIR. Based on this determination, the changes proposed under the Current Renovation Project do not meet the requirements for preparation of a Subsequent or Supplemental EIR pursuant to Section 15162 and 15163 of the CEQA Guidelines.

### III. CEQA FINDINGS

Pursuant to CEQA, the City Council serves as a "responsible agency" with respect to the Current Renovation Project in connection with the subject City actions. Accordingly, the City Council (a) has considered the Certified EIR, First Addendum, Second Addendum, and Third Addendum, and other pertinent evidence in the record, including studies, reports and other information from qualified experts (collectively the "Environmental Documents") pursuant to CEQA Guidelines Section 15096, (b) has considered the environmental effects of the Project as set forth in the Environmental Documents, pursuant to CEQA Guidelines Sections 15050(b) and 15091, and (c) makes the following findings:

- A) Based on substantial evidence in the Environmental Documents and elsewhere in the record, including but not limited to oral and written testimony provided at the public hearings on the matter, (a) no Subsequent or Supplemental EIR is required pursuant to CEQA Guidelines Sections 15162 or 15163 for the Current Renovation Project, and (b) the Second and Third Addenda are the proper environmental review for the Current Renovation Project. The Second and Third Addenda were prepared under the authority of CEQA Guidelines Section 15164(a), which requires a lead agency to prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in CEQA Guidelines Section 15162 and 15163 calling for preparation of a Subsequent or Supplemental EIR have occurred;
- B) Changes and alterations have been required and incorporated into the Current Renovation Project that avoid or substantially lessen the significant environmental effects as identified in the Environmental Documents, pursuant to CEQA Guidelines Section 15091(a)(1);
- C) As more fully set forth below, certain economic, legal, social, technological or other benefits of the Current Renovation Project outweigh the unavoidable adverse environmental effects, all of which are identified in the Environmental Documents, pursuant to CEQA Guidelines Section 15093;
- D) There are no feasible alternatives or feasible mitigation measures (other than those measures already imposed on the Current Renovation Project and identified in the Environmental Documents) that would substantially lessen or avoid any significant environmental effect of the Current Renovation Project as indicated by the Environmental Documents, pursuant to CEQA Guidelines Section 15091; and
- E) The Second and Third Addenda are adequate under CEQA for approval of the subject approvals for the Current Renovation Project.

#### IV. STATEMENT OF OVERRIDING CONSIDERATIONS

As described in the Certified EIR and Second and Third Addenda, development of the Current Renovation Project would have significant adverse impacts on the environment that cannot be reduced to less than significant levels through implementation of feasible mitigation measures. Section 15093(b) of the State CEQA Guidelines provides that when a project is approved which will result in the occurrence of significant effects that cannot be avoided or substantially lessened, the lead or decision-making agency shall state in writing the reasons to support its action based on the Final EIR and/or other information in the record.

The following impacts are not mitigated to a less than significant level for the Current Renovation: Construction Air Quality (NO<sub>x</sub>); Operational Air Quality (ROG, NO<sub>x</sub>, CO, and PM<sub>10</sub>); and Traffic and Circulation. Accordingly, the City Council adopts the following Statement of Overriding Considerations:

The City Council recognizes that significant and unavoidable impacts will result from the implementation phase of the Current Renovation Project. Having: (i) adopted all feasible mitigation measures, (ii) rejected alternatives to the proposed project, (iii) recognized all significant unavoidable impacts, and (iv) balanced the benefits of the project against the Current Renovation Project's significant and unavoidable impacts, the City Council hereby

finds that the benefits of the Current Renovation Project outweigh and override the significant unavoidable impacts for the reasons stated below.

The following stated reasons summarize the benefits, goals and objectives of the Current Renovation and provide the rationale for the benefits of the Current Renovation Project. These overriding considerations of economic, social, aesthetic, and environmental benefits of the Current Renovation Project justify approval of the Current Renovation Project. Each of these overriding considerations individually would outweigh the adverse environmental impacts of the Current Renovation Project.

- (a) The Current Renovation Project will ensure the long-term viability of the Coliseum, enhance the fan experience at all Coliseum events, and allow the Coliseum to continue to serve as a versatile facility for cultural and sporting events.
- (b) The Current Renovation Project will further historic preservation by modernizing the Coliseum while retaining its National Historic Landmark Status.
- (c) The Current Renovation Project will improve fan comfort and safety and provide better access for spectators with disabilities.
- (d) The Current Renovation Project will result in the private funding of necessary improvements to the Coliseum without any expenditure of money from the City of Los Angeles or State of California General Funds.
- (e) The Current Renovation Project will create a substantial number of good-paying union construction jobs pursuant to a Project Labor Agreement that will benefit the surrounding community through a 30% local hiring goal.
- (f) As set forth in the Economic and Fiscal Impact Analysis by dated April 15, 2016 by CSL International (Fiscal Analysis), the one-time net new economic impacts estimated to be associated with the Current Renovation Project include approximately \$108.0 million in direct spending, \$182.6 million in total output, 457 full and part-time jobs, and \$68.0 million in personal earnings.
- (g) As also set forth in the Fiscal Analysis, net new impacts from annual operations of the Current Renovation Project are estimated to generate \$100.0 million in net new direct spending, \$177 million in total output, 2,197 full and part-time jobs, and \$99.1 million in earnings.

#### V. CUSTODIAN OF RECORDS

Consistent with Public Resources Code Section 21081.6(a)(2), the documents that constitute the record of proceedings for approving the Current Renovation Project are located in the Office of the County Counsel, County of Los Angeles, 500 West Temple Street, Sixth Floor; Los Angeles, CA 90012.