

LATHAM & WATKINS LLP

February 19, 2013

Councilmember Dennis Zine
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

PLUM Chair Ed Reyes
Vice Chair Jose Huizar
Councilmember Mitch Englander
PLUM Committee
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Re: Warner Center 2035 Plan and Westfield Shopping Centers; PLUM
Agenda 2/19/13 Item 4 (CF 13-0197)

Honorable Councilmembers:

Westfield has worked closely with the City for many years, and is proud of the employment, sales taxes and public benefits it delivers to Los Angeles every day from its three large properties in Warner Center: Topanga Shopping Center, Promenade and the recently approved Village at Topanga (see attached Exhibit showing these properties which comprise a large portion of the Warner Center area). As a member of community committees concerning the Warner Center 2035 Plan (the "Plan"), and as an active participant in the City's hearings on the Plan over the past several years, Westfield appreciates the opportunities provided to comment on the Plan. Given the complexity of this document, however, and its potential impact on our operations, we have continued to work with Planning and Councilman Zine's office on some important suggestions which have not yet been addressed, reflecting the unique circumstances of Westfield's three contiguous ownerships.

Westfield has worked successfully with the City for over 15 years under the existing Plan, and appreciates staff's recommendation of technical changes so the new Plan will not create overly burdensome procedures and delays which would deter improvements to our facilities. Shopping centers need to change constantly to meet the needs of consumers. The modifications we seek are meant to encourage renovations and upgrades to Westfield's existing development in Warner Center and streamline opportunities for new investment, while still

355 South Grand Avenue
Los Angeles, California 90071-1560
Tel: +1.213.485.1234 Fax: +1.213.891.8763
www.lw.com

FIRM / AFFILIATE OFFICES

Abu Dhabi	Moscow
Barcelona	Munich
Beijing	New Jersey
Boston	New York
Brussels	Orange County
Chicago	Paris
Doha	Riyadh
Dubai	Rome
Frankfurt	San Diego
Hamburg	San Francisco
Hong Kong	Shanghai
Houston	Silicon Valley
London	Singapore
Los Angeles	Tokyo
Madrid	Washington, D.C.
Milan	

LATHAM & WATKINS LLP

satisfying the goals of the new Plan. As the Plan nears its final form, we also want to ensure that Westfield's continuous efforts to improve the shopping experience for our patrons are not inadvertently blocked by provisions of the Plan intended to apply to redevelopment of undeveloped property.

We appreciate very much the technical changes being recommended today by Planning. We ask that the PLUM committee direct staff to include these in the Plan as the final preparation is made for adoption by the City Council. As to the first group of changes, related to administrative clearances and design guidelines as applied to existing projects, we believe Planning concurs with the intent: to ensure that continued reinvestment in existing projects is encouraged by the Plan. To support Planning's further efforts on the technical changes, we have attached hereto a detailed chart with proposed language for their consideration to implement those changes. On five remaining points not included in Planning's recommendation, we ask the Committee to direct staff to make additional changes so Westfield can continue to attract the best retailers, restaurants and other businesses to Warner Center. As you know, in this location we are competing with nearby cities which offer streamlined processing in comparison to the larger, more complex processes of Los Angeles. While detailed language is included in the attached chart, the points are as follows:

1. Eliminate value limitation for remodeling projects. To avoid discouraging reinvestment, do not limit remodeling exemptions to investments that are less than 50% of the replacement cost. This could deter attracting valuable new retail and restaurant establishments to Warner Center.

2. Revise hours for publicly accessible plazas to hours when the business is open and security is provided, rather than 6 am to 10 pm daily.

3. Allow for director signoff, in the Uptown and Downtown districts, for signs over 75 feet rather than requiring a Project Permit for such signage, to encourage attracting tenants without unnecessary delays for discretionary approvals.

4. Allow the definition of interior signs to cover courtyards where no vehicles are permitted, as elsewhere in the City, even if open to pedestrians.

5. Allow on-site digital signs on Topanga Canyon Boulevard, which is a Caltrans highway, as long as no light impacts are created for residential property owners and such signs comply with DOT and Caltrans regulations. Topanga Canyon Boulevard is lined with commercial uses on both sides.

These changes will support the stated goal of the Plan to use signage to "[c]ontribute to a lively, colorful 24/7 pedestrian atmosphere in the Uptown and Downtown Districts."

We appreciate your consideration of these issues and look forward to continuing to work with the City and the community on the new Plan as the process moves forward. Please do not

LATHAM & WATKINS^{LLP}

hesitate to contact me if you have questions or need more information, and thank you again for your consideration.

Very truly yours,



Lucinda Starrett DBA
of LATHAM & WATKINS LLP

cc: Doug Mensman
Kevin Keller
Tom Glick
Larry Green, Westfield
Steve Hamilton, Westfield
David Amerikaner

Attachments



Westfield Requested Changes to 2/11/13 CPC Draft WCSP
I. Policy Direction Needed

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>1. <u>Project Exemptions – Section 5.3.1.7</u></p>	<p>“The restoration, repair, or remodeling of an existing building/structure provided that the cost of the modification, in any one 12-month period, does not exceed 50 percent of the replacement value of the building or structure and does not increase the height, floor area, or building footprint of the original building.”</p>	<p>Encourage reinvestment in existing projects by not limiting value of reinvestment</p> <p>Definition of “Extensive Remodel” in Section 4 should be deleted, as this term is not used elsewhere in the Plan.</p>	<p>Suggest deletion of highlighted language in Sec. 5.3.1.7, which now reads “The restoration, repair, or remodeling of an existing building/structure provided that the cost of the modification, in any one 12-month period, does not exceed 50 percent of the replacement value of the building or structure and does not increase the height, floor area, or building footprint of the original building.”</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>2. <u>Hours of Publicly Accessible Open Space</u>, Section 6.2.2.</p>	<p>Section 6.2.2.4. Hours for public accessibility were changed from "daylight hours" to "6 a.m. to 10 p.m. seven days a week." In light of the security concerns posed by allowing public access during early morning and nighttime hours, ask that this provision be changed back to daylight hours.</p>	<p>Hours must recognize practical needs for security when facilities are open to the public.</p>	<p>Revise Section 6.2.2.2.4 to reinsert "daylight hours" and delete "6 a.m. to 10 p.m. seven days a week."</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>3. <u>Project Permit Compliance, Sec. 5.C (Signage)</u></p>	<p>Sec. 5.C of Signage Ordinance requires Director's Project Permit Compliance approval for the following signs in all Districts: Aerial View signs, Digital Displays, Identification Signs larger than 75 square feet or any Identification Sign in Vertical Sign Zone 4, Integral Digital Displays, Large-Scale Architectural Lighting, Off-Site Signs, Pedestrian Signs, Projecting Signs, Scrolling Digital Displays, Wall Signs greater than 75 square feet in area or any Wall Sign located in Vertical Sign Zone 2.</p>	<p>Provide flexibility for tenant signage in active commercial districts.</p>	<p>Propose that the following language be added to Sec. 5.C: "...except that in the Uptown and Downtown Districts, only Director sign off shall be required for the following signs: Identification Signs, Large-Scale Architectural Lighting, Pedestrian Signs, Projecting Signs, Wall Signs."</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>4. <u>Interior Signage</u> Sec. 4 of Sign Ordinance</p>	<p>Currently defined as follows: Interior Sign. Any sign (a) within an interior courtyard, interior concourse or interior plaza of a non-historic building that is not visible in any way from the street, public right-of-way, publicly accessible pathway or publicly accessible plaza adjacent to a public right-of-way, and (b) is not visible from any adjacent lot not under common ownership as the lot with the interior sign.</p>	<p>Allow creativity for interior plazas in signage without discouraging customer access. Ensure that signs in interior courtyards not visible to the street are Interior Signs even if the courtyards are publicly accessible. If publicly accessible, not Interior Signs even though no vehicular traffic.</p>	<p>Revise provision as follows: Interior Sign. Any sign (a) within an interior courtyard, interior concourse or interior plaza of a non-historic building that is not visible from the street or an exterior public right of way” Delete: publicly accessible plaza or pathway</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>5. <u>Digital Displays oriented toward Topanga Canyon Boulevard, Sec. 7.D.2 Signage Ordinance</u></p>	<p>Sec. 7.D.2 reads in part: "No Digital Display signs shall be oriented towards Topanga Canyon Boulevard."</p>	<p>Encourage creativity and attraction for tenants in retail facilities</p> <p>Allow digital displays where no residential impacts</p> <p>Encourage tenants and good design with pedestrian visibility.</p>	<p>We ask that this prohibition be <u>deleted</u>, given that Topanga Canyon Boulevard is a major transit corridor lined with commercial uses in the Uptown and Downtown Districts..</p>

II. Planning's Technical Correction: Suggested Language

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>A. Administrative Clearances. Change of Use - Section 5.3.2</p>	<p>It appears that a change of use project within an existing building or structure may need to comply with new street requirements. Sec. 5.3.2.1 reads, in part, "Additionally, a change of use will not be required to comply with the Urban Design Guidelines, the Activity Node and Active Frontage Street requirements and will not require additional street dedication or improvements."</p> <p>We ask that this language be made consistent with Section 5.3.2.6, "Building Additions within the Building Envelope," which provides that such improvements "will not be required to comply with the Urban Design Guidelines, the Activity Node and Activity Frontage Street requirements and will not require additional street dedication or improvements."</p>	<p>A project involving a change of use alone should not be required to comply with the Urban Design Guidelines, given that such a project would not be implementing the type of redevelopment that would make compliance with the street standards, dedications, and other urban design requirements feasible. Such a burdensome requirement would stop owners from replacing outdated uses on their property with new uses consistent with the Specific Plan's provisions, and could lead to vacancies to avoid spending the millions of dollars required to redevelop property in compliance with the Urban Design Guidelines.</p>	<p>Suggest additional modification consistent with this intent as follows: "Additionally, a change of use will not be required to comply with the Urban Design Guidelines or Standards, the Activity Node and Activity Frontage Street requirements, or the New Streets and PAP requirements, and will not require additional street dedication or improvements."</p> <p>Delete newly added provision that "Section 7 requirements of this Plan shall apply to these projects including payment of a Mobility Fee, if necessary".</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>B. <u>Administrative Clearances, Exterior Remodeling - Section 5.3.2.4</u></p>	<p>Not clear whether Exterior Remodeling is Exempt or whether it requires Administrative Clearance. Sec 5.3.2.4 currently reads: "Exterior remodeling of any approved project pursuant to Sections 5.3.2 and 5.3.3 of this Plan."</p>	<p>Encourage reinvestments in property including exterior remodeling.</p>	<p>Request deletion of the following language which was added to Administrative Clearances: "Exterior remodeling of any approved pursuant to Sections 5.3.2 and 5.3.3 of this Plan." Exterior remodeling is already included as an Exempt Project under Section 5.3.1; unclear as to the intent of the language added above, and which exterior remodels would require an Administrative Clearance as opposed to being Exempt.</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>C. <u>Administrative Clearances, Building Additions Not to Exceed 50,000 Square Feet Within the Building Envelope of Existing Buildings – Section 5.3.2.6</u></p>	<p>Not clear what requirements apply to additions under 50,000 square feet.</p>	<p>Encourage reinvestment in existing properties.</p>	<p>Request similar revisions to 5.3.2.6 as those suggested above.</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>D. <u>Administrative Clearances, Vertical and Horizontal Additions - Section 5.3.2.7</u></p>	<p>Not clear what requirements apply to vertical and horizontal additions. Sections provide: "however, the Project should demonstrate compliance with other Plan provisions to the extent feasible," and that "Section 7 requirements of this Plan shall apply to these Projects including payment of a Mobility Fee, if necessary."</p>	<p>Encourage reinvestment in existing buildings</p> <p>Provide clear rules and avoid terms like "to the extent feasible"</p>	<p>Section 5.3.2.7.1, Vertical Addition, has been revised. However, additional modification is requested to be clear that the requirements of the Activity Node, Activity Frontage Street, New Streets and Pedestrian Adapted Pathways (PAPs) are likewise not required for such Vertical Additions.</p> <p>Revise Sec. 5.3.2.7.2 as follows: "5.3.2.7.2 Horizontal Addition. An existing building shall be permitted a horizontal addition, not to exceed 25% cumulatively of the existing floor area without being required to provide additional street dedications and improvements or, however, these additions shall be required to comply with all of the Urban Design Guidelines or Standards. Horizontal additions shall be limited to a maximum of 50,000 square feet of floor area. All other provisions of the WC2035 Plan shall apply."</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>E. <u>Project Permit for Master Planned Projects</u> <u>— Sec. 5.3.3.3</u></p>	<p>Clarifications needed to address inconsistent provisions</p>	<p>Ensure clarity</p>	<p>Section 5.3.3.3.2 requires all Master Planned Projects to “comply with all requirements established in Section 6.2” of the Specific Plan. This language should be revised to exclude the requirements of Section 6.2.1, “Bonuses and Incentives,” since this Section only applies to Projects which voluntarily commit to achieving certain higher standards..</p> <p>In addition, Sec. 5.3.3.3.2 added the following: “For Master-Planned Projects with significant pre-existing building retention, the Project shall demonstrate compliance with Plan regulations to the extent feasible.” This language should be deleted.</p>

Issue	Current status	Goal	Requested change to 2/11/13 Plan
<p>F. <u>Building Heights, Sections 6.1.2.3.5 and 6.1.2.8.4. (Downtown and Uptown Districts)</u></p>	<p>Language changed from CPC version "shall consult" to mandatory "should follow", though CPC did not give direction for such a change</p>	<p>Make clear that Urban Design guidelines and standards are advisory and not mandatory</p>	<p>Correct language to read "The street wall's design <i>should consult</i> the guidelines established in the Urban Design Guidelines." Language corrections needed in Sec. 6.1.2.3.5 and 6.1.2.8.4.</p>