

MASTER APPEAL FORM

City of Los Angeles – Department of City Planning

APPEAL TO THE: City Council (PLANNING AND LAND USE MANAGEMENT COMMITTEE)
(DIRECTOR, AREA PLANNING COMMISSION, CITY PLANNING COMMISSION, CITY COUNCIL)

REGARDING CASE #: CPC-2009-542-GPA-ZC-HD-ZV-ZAA-SPR

PROJECT ADDRESS: 1311 W. Sepulveda (Lot 2 & 3 of Tract No. 65665)

FINAL DATE TO APPEAL: May 7, 2014

- TYPE OF APPEAL:**
- 1. Appeal by Applicant
 - 2. Appeal by a person, other than the applicant, claiming to be aggrieved
 - 3. Appeal by applicant or aggrieved person from a determination made by the Department of Building and Safety

APPELLANT INFORMATION – Please print clearly

Name: Nancy Bush, A&M Properties, Inc.

- Are you filing for yourself or on behalf of another party, organization or company?
 Self Other: Seabreeze Homes LP & 223rd Normandie Properties LP
(property owner)

Address: 23545 Crenshaw Blvd., Suite 100
Torrance Zip: 90505

Telephone: (310) 539-5390 E-mail: nancy@seaport-homes.com

- Are you filing to support the original applicant’s position?
 Yes No

REPRESENTATIVE INFORMATION

Name: Darryl L. Fisher, Fisher Associates Inc.

Address: 21520 Yorba Linda Blvd, Suite G-563
Yorba Linda Zip: 92887

Telephone: 714-777-6802 E-mail: darryl@fisherassociatesinc.com

This application is to be used for any appeals authorized by the Los Angeles Municipal Code for discretionary actions administered by the Department of City Planning.

JUSTIFICATION/REASON FOR APPEALING – Please provide on separate sheet.

Are you appealing the entire decision or parts of it?

Entire

Part

Your justification/reason must state: **See attachment**

- The reasons for the appeal
- How you are aggrieved by the decision
- Specifically the points at issue
- Why you believe the decision-maker erred or abused their discretion

ADDITIONAL INFORMATION/REQUIREMENTS

- Eight (8) copies of the following documents are required (1 original and 7 duplicates):
 - Master Appeal Form
 - Justification/Reason for Appealing document
 - Original Determination Letter
- Original applicants must provide the original receipt required to calculate 85% filing fee.
- Original applicants must pay mailing fees to BTC and submit copy of receipt.
- Applicants filing per 12.26 K "Appeals from Building Department Determinations" are considered original applicants and must provide notice per 12.26 K 7.
- Appeals to the City Council from a determination on a Tentative Tract (TT or VTT) by the City (Area) Planning Commission must be filed within 10 days of the written determination of the Commission.
- A CEQA document can only be appealed if a non-elected decision-making body (i.e. ZA, APC, CPC, etc...) makes a determination for a project that is not further appealable.

"If a nonelected decision-making body of a local lead agency certifies an environmental impact report, approves a negative declaration or mitigated negative declaration, or determines that a project is not subject to this division, that certification, approval, or determination may be appealed to the agency's elected decision-making body, if any."

--CA Public Resources Code § 21151 (c)

I certify that the statements contained in this application are complete and true:

Appellant Signature: _____

Date: _____

4/17/2014

Planning Staff Use Only

Amount <i>21,402.66</i>	Reviewed and Accepted by <i>[Signature]</i>	Date <i>4/17/2014</i>
Receipt No. <i>0101283857</i>	Deemed Complete by _____	Date _____

Determination Authority Notified

Original Receipt and BTC Receipt (if original applicant)

Specifically the points at issue

1. The Industrial Land Use Policy (ILUP)

In December 2007, the Los Angeles Department of City Planning (DCP) and the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) published a report that emphasized the preference of using industrially zoned land for creating jobs. However, Harbor Gateway was not part of the area selected for the study (Figure 1). Moreover, issues discussed in the report are less relevant to Harbor Gateway. The following table compares these major issues of industrial land use in Harbor Gateway vs. those areas covered in the report.

Major Land Use Issues	Harbor Gateway ¹	ILUP ²
Percent of land zoned for industrial use	41%	8%
Housing units built/approved in industrial areas since 2001	None	2,332 units (Downtown only)

With regards to the opportunities for housing development, the ILUP report points out that “The General Plan Framework and the Community Plans, which together make up the Land Use Element of the General Plan, direct housing development to job centers, mixed use districts, and areas with access to transit and neighborhood amenities. Such areas can attract and support the commercial uses, amenities, and services that residents need and desire and that create neighborhoods.” Such statements indicate that in certain situations, the Plan does support the conversion of industrial to residential land uses. Due to a lack of vacant or under-utilized residential land for multi-family housing development, selected areas in Harbor Gateway, such as the Sepulveda commercial corridors, meet this guideline for housing development.

1. Harbor Gateway Community Plan updated October 2001.

2. Los Angeles' Industrial Land: Sustaining a Dynamic City Economy, December 2007.

2. Update to General Plan along Sepulveda Blvd Commercial Corridor

As noted in the Harbor Gateway Community Plan, Sepulveda Boulevard is a main commercial corridor. Had the plan been updated to reflect the actual land use along Sepulveda Boulevard (Figure 2), the industrially zoned land shown in blue, should have been changed to neighborhood commercial, shown in red (Figure 3). The proposed request for amendment of the General Plan would be part of the Sepulveda Blvd commercial corridor.

3. Industrial Land Use in Harbor Gateway

The Harbor Gateway plan area is located in southern Los Angeles, south of 120th Street and north of Sepulveda Boulevard. The Community Plan consists of approximately 3,229 acres¹. The recently completed Harbor Freeway Transit Way along the Harbor Freeway (Interstate 110), as well as the 1,015 car lot at the corner of Vermont Avenue and Artesia Boulevard, have increased mass transit connections to downtown Los Angeles and San Pedro.

The Industrial Land Use Policy (ILUP) report by the Los Angeles Department of City Planning (DCP) and the Community Redevelopment Agency of the City of Los Angeles (CRA/LA)

indicated that just eight percent (8%) of the City of Los Angeles is zoned for industrial use². In contrast, Harbor Gateway designates approximately forty-one percent (41%), or 1,050 acres, of land for industrial use.

Harbor Gateway enjoys excellent access to Interstate Freeways 110, 405, 91 and 105; Los Angeles International Airport (LAX); and San Pedro, the port of Los Angeles. Industrial land located east of the Harbor Freeway and south of the San Diego Freeway has been developed into mid-to high-rise office buildings (Figures 4 and 5).

Recent redevelopment of industrially zoned sites led to the construction of large scale warehouse and distribution facilities. Along 190th Street, a former 42-acre Honeywell manufacturing plant was converted into a self-storage facility and a warehouse for PC Mall, an Internet retailer.

The most noticeable development in recent years was a 67-acre industrial site formerly used as aerospace production facilities by Martin Marietta on the southeast corner of 190th Street and Western Avenue. Large warehouses and distribution facilities have been built on the site (Figures 6 and 7). East of the site, a zoning change from industrial use to neighborhood commercial allowed for the construction of a hotel, Wal-Mart store, and other retail shops (Figures 8 and 9).

Another large industrial site was rezoned to neighborhood commercial (M3 to C4-1) for a Holiday Inn on Vermont Avenue south of the San Diego Freeway (Figures 10 and 11).

At the southeast corner of 182nd Street and Vermont Avenue, a vacant 350-acre area planned for heavy industrial land is currently used for a used car auction operation (Figure 12).

In summary, due to the strategic location of Harbor Gateway between LAX and the port of Los Angeles, most of the industrial land uses are related to import/export activities such as logistics, warehouse/distribution spaces, and offices. Former manufacturing facilities have been converted into logistics warehouses, offices, and retails. There is still a surplus of industrially zoned sites that are used as salvage yards (southeast corner of Vermont Avenue and Artesia Boulevard), storage yards, and used car auction lots (a vacant 350-acre heavy industrial land) in Harbor Gateway.

4. Shortage of Housing in Harbor Gateway

Due to the shortage of workforce housing in Harbor Gateway in recent years, a 77-unit apartment building has a waiting list for prospective tenants such as nurses and interns from the adjacent UCLA Harbor Medical Center³. This shortage has even resulted in a concerted effort to help teachers and families find housing and live closer to their jobs. For example, developer BRIDGE Housing has broken ground to build 90-unit apartments on a L.A. Unified School District-owned site on the campus of Gardena High School (Figure 13)⁴.

It can also be noted that no apartment projects of any sizes have been built in Harbor Gateway since the late 1980's due to a shortage of developable residential land⁵.

3. Communication with manager at the Gateway Court apartment (Dorothy, 310-782-8338).
4. BRIDGE Housing www.bridgehousing.com
5. Communication with executives of CB Richard Ellis Group, Inc. (Mike McKinney, 310-880-2900).

5. Alleged Job Loss as a Result of Complaints from Future Residents

In October 2011, L&B Realty in Dallas, Texas, bought the old section of the Storm Business Park that includes tenants such as All Access and Los Angeles Times, which are adjacent to the proposed apartment buildings. Representatives from L&B stated that 500 jobs could be at risk if the future tenants of the apartment project start complaining about the outdoor construction, noise, odors, and truck traffic.

However, this statement is not grounded in facts. Since 2008, the developer has had several meetings with the president of All Access, which occupies two buildings in the Storm Business Park. One of the buildings is located at the entrance of Storm Parkway and is across the street from a new 78-unit condo project built in 2009 (former a used car auction lot) on Normandie Ave and 228th Street (Figure 14). For the last 5 years, there have been no complaints reported by those 78 families about noise, odors, and traffic across the street from the business park. In 2011, L&B did due diligence on the fact that there were residential developments adjacent to the business park such as the proposed apartment project and the new construction of the 78-unit condos before entering a contract to buy a portion of the Storm Business Park that included All Access and Los Angeles Times.

To mitigate these potential issues, the developer sold a 50-foot strip of land to L&B's predecessor TA Realty Boston to create a buffer zone between the proposed apartment buildings and All Access and Los Angeles Times (Figure 15). In addition to the 50-foot buffer zone, the proposed building will set back 21 feet from the property line. The total distance between the proposed apartments and their northerly business neighbors is comparable to that shown in Figure 16, i.e. the distance between All Access and the 78-unit condos.

Also, the two proposed buildings will have two levels of above-grade parking and apartment units will start on the 3rd floor. The elevated nature of the design of the proposed building will provide a vertical separation to minimize impacts of potential noise and odors from the Business Park.

Furthermore, the developer of Sea Breeze Apartments proposes to sign an indemnification agreement with L&B and give full disclosure to prospective future apartment tenants about potential issues.

Communication between businesses tenants of Storm Business Park and Los Angeles Times and All Access in the past 5 years has revealed no indication of concern regarding job losses as a result of residential development around the Park. Therefore, it is unlikely that there will be job losses as a result of the development of the proposed apartments.

6. Alleged Job Loss as a Result of Converting Industrial Land for Residential Use

Employment for new development as estimated by Fishkind & Associates for the Fiscal Impact Analysis Model (FIAM) is as follows:

Warehouse: 5,000 sq. ft. per employee (range: 1,000-7,500 sq. ft. per employee)

Office: 350 sq. ft. per employee (range: 275-450 sq. ft. per employee)

Retail: 600 sq. ft. per employee (range: 450-650 sq. ft. per employee)

Based on this study, job loss as a result of taking industrial land for residential use is exaggerated. For example, if the proposed Lots 2 & 3 are developed as office/warehouses for logistics, the estimated employment will be as follows:

Lot size: 222,906 sq. ft.

Building size: warehouses: 111,453 sq. ft.; office spaces 3,500 sq. ft. (52% lot coverage)

Estimated new employees for warehouses: 22 (Average 5,000 sq. ft. floor space per employee)

Estimated new employees for offices: 10 (Average 350 sq. ft. per employee)

Total new employees: 32

The 32 new jobs would be fewer than the number created by the proposed apartment buildings (40 jobs) as described in the analysis in the following paragraph.

7. Job Creation through Multi-Family Development

It is a general misconception that residential developments do not create jobs. Class A multi-family communities often contain amenities such as a swimming pool, spa, health club, club house, meeting facilities, recreational facilities, state-of-the-art communication systems, T1, fiber optic, Wi-Fi, elevators, methane gas detection systems, full sprinkler systems, fire detection and alarm systems, energy efficient lighting and central HVAC systems. In order for these systems to operate smoothly, multi-family projects rely on the expertise of technicians, plumbers, electricians, carpenters and elevator crews.

In addition to the job opportunities for painters, cleaning crews, gardeners, pool cleaners and security personnel, Class A apartment communities hire well-paid interior designers, architects, engineers, professional managers, marketing executives, advertising agents, and leasing specialists.

For each dollar of gross income from an apartment, 35 to 40 cents contributes to the expenses of operating and maintaining the building⁶. Compared to jobs at retail stores and warehouse distribution spaces, jobs to operate and maintain multi-family projects often provide higher wages and better opportunities for career advancement.

Furthermore, Class A apartments play an important role as incubator units for entrepreneurial and home-based business operators. The state-of-the-art communication systems and meeting facilities allow apartment tenants to conduct business from the convenience of their homes. In the latest survey, about 25% of tenants who lives in the Class A building as proposed in the subject property have a home-based business⁷.

Examples of types of home-based businesses:

- Consulting
- Marketing
- Advertising
- Communications
- Film/video production/editing
- YouTube video production
- Maintenance/janitorial/painting business
- Selling beauty products
- Interior design
- Masseuse
- Medical billing
- Telemarketing
- Financial advising
- Landscaping designer
- Import/export related business

Class A apartments provide essential amenities for these types of businesses to operate:

- Unit amenities:
 - Office space and tech desk in units
 - High speed internet via fiber optic cable
 - In-unit telecommunication network
 - Satellite data network
 - Temperature controlled units with heating and A/C
- Building amenities:
 - Wi-Fi available in common areas
 - Business center with fax and printer
 - Board room and meeting rooms
 - Teleconferencing facilities
 - 24-hour fitness center

In summary, distribution warehouses recently built to replace manufacturing facilities in Harbor Gateway do not create as many jobs as the previous use for manufacturing facilities. The proposed apartment complex is estimated to create 40 full-time, well-paid jobs. It will be comparable to those of a logistics warehouse recently built in Harbor Gateway. Class A apartment buildings such as the proposed project will not only create jobs but also facilitate home-based businesses.

6. Data from 2013 annual report, Apartment Owners Association of California, Inc.

7. Communication with apartment manager at a Class A, 136-unit apartments building, located in San Pedro (Lumi, 310-514-2515).

How you are aggrieved by the decision?

The property owner is aggrieved by this decision due to the right of the property owner to develop the subject property in relationship to an up-to-date Community Plan. The 18-year-old Plan does not accurately reflect the Sepulveda Boulevard commercial frontage development between Normandie and Western.