



THE
NEW 9th
COUNCILMEMBER
CURREN D. PRICE, JR.

October 28, 2016

Honorable Councilmember José Huizar
Chair, Planning and Land Use Management Committee
Los Angeles City Council
200 N. Spring Street
Los Angeles, CA 90014

RE: CF 16-1058, 1900 S. Broadway (Case Nos. VTT-72914; CPC-2014-1771-GPA-VZC-SN-VCU-MCUP-CUX-ZV-SPR-MS; CPC-2014-1772-DA; ENV-2014-1773-EIR)

Dear Councilmember Huizar and Honorable Committee Members:

The proposed Reef project, located at 1900 S. Broadway, is a catalytic project that will provide a wealth of resources, opportunities, and community benefits to the South Los Angeles region. The Reef, which sits only two blocks away from the Grand and Washington Metro Blue Line Station, will provide 1,444 units of housing (including a 5% set aside for Low Income Households), a 208-key hotel, a full-service grocery store and pharmacy, micro-retail space for local entrepreneurs, restaurants, more than 2,500 bike racks, showers and lockers, and open plazas for community events.

Many have praised the project as a model transit-oriented development project because the project focuses density along mass transit, activates the streetscape for local pedestrians, and provides community-serving commercial amenities. Most importantly, the **project will create more than 2,700 temporary and 750 permanent jobs and infuse \$5.5 million annually into the City's General Fund.**

While the Blue Line is the most heavily ridden Metro transit line in the County since its inception in 1990, there were several missed opportunities with the construction of this line, including narrow sidewalks, lack of landscaping, uninviting solid warehouse fronts, and a lack of investment from Metro to provide meaningful economic development opportunities along Washington Boulevard. In contrast, The Reef project is a pioneering transit-oriented development that will bring a much-needed infusion of investment, with wide sidewalks and inviting landscaping.

I am constantly looking for innovative proposals that will provide meaningful investments in our community, especially after the demise of the Community Redevelopment Agency in 2012. The Reef project, in addition to two other 100% affordable housing projects (722 Washington and the La Opinion site), and the expansion and renovation of Los Angeles Trade Tech College along Washington Boulevard will provide a shot in the arm to construct much-needed housing, economic opportunity, and resources to our community.

Since The Reef project application was filed in July 2014, I challenged the applicant to meet with all members of the community, including non-profits, churches, parent groups, local businesses, community organizations, and advocacy groups to determine how this substantial investment can help all ships rise with the tide. Since that time, **the applicant has met with dozens of organizations and thousands of individuals to propose a community benefits package unlike anything that has ever been proposed before the City, valued at \$23.5 million.** Currently, proposed community benefits include:

- \$15 million for affordable housing;
- 5% on-site rent-restricted affordable housing for Low Income Households;
- An Project Labor Agreement with the Building Trades, which includes a 30% local hire provision;
- A card-check neutrality agreement with Unite HERE for the hospitality workers; and
- More than \$3 million in direct community benefits to local community organizations that will provide critical resources for job-training, youth and recreational programming, violence prevention efforts, and street trees.

These community benefits will go a long way in serving many of the needs we see in the community, in terms of preserving expiring affordable housing covenants, construction dollars for 500+ units of affordable housing in my district that are currently looking for funding, and acquiring “naturally occurring affordable housing” in the local vicinity. Job training benefits will also prepare our local workforce to take advantage of the incoming pipeline of jobs in South Los Angeles, including the Los Angeles Football Club’s soccer stadium, the Los Angeles Memorial Coliseum renovation, and the USC Village, which is currently hitting local hiring goals above and beyond 30%.

However, I believe that there is more that can be done in order to serve many of the needs of the community. Therefore, I am requesting the following amendments to the Development Agreement:

- The on-site affordable housing units affordability level shall be reduced from 80% AMI to 50% AMI (i.e., from Low-Income to Very-Low Income);
- In accordance with City Policy, the applicant shall pay a Covenant Preparation Fee and an Annual Affordable Housing Monitoring Fee, as determined by the Housing and Community Investment Department (HCIDLA), for the on-site affordable housing units;

- The applicant shall make a contribution to the CD 9 Affordable Housing Trust for the development, acquisition, and preservation of affordable housing units and covenants in an amount equal to \$100,000 multiplied by 10% of the total number of residential dwelling units in the project as shown on the final approved building plans, plus \$250,000 each for Phases 2 and 3 prior the issuance of a building permit, for a grand total of \$15,000,000;
- The applicant shall report on local hiring and procurement to the City's Bureau of Contract Administration on a quarterly basis;
- The applicant shall appoint an on-site Community Relations Ombudsman at The Reef to perform civic engagement and community relations functions, which may include vendor outreach information, construction schedule information, and facilitation of compliance with certain community benefit reporting and record keeping functions;
- The applicant shall contribute \$250,000 for a Small Business Revolving Loan fund to be administered by the Economic Workforce Development Department (EWDD) prior to the issuance of building permits for Phase 1; and
- The applicant may not assign or transfer the property, as well as the rights and obligations under the Development Agreement without prior consent of the City, unless the applicant has met the monetary obligations outlined in the Public Benefits portion of the Development Agreement, irregardless of the timing triggers enumerated, prior to the effectuation of the assignment or transfer.

I am also sensitive to the potential impacts of the Sign District that was originally submitted by the applicant, which included 234,067 square feet of signage throughout the project. **I am requesting that the Sign District be amended to reduce the proposed signage by approximately 70%, from 234,067 square feet to 69,278 square feet, and that Digital Displays be prohibited on the residential towers.**

In addition, I am requesting the following amendments to the proposed Sign District:

- Sign Zone A, Vertical Level 3: Reduce the size of the new signage on The Reef. Allowed signs shall also include Digital Displays and Identification Signs. The allowed sign area shall not exceed 13,887 square feet for one sign on the north façade, 13,665 square feet on the east façade, and 13,665 square feet on the west façade, for a maximum sign area of 41,217 square feet, and shall not to exceed a 193 feet in height.
- Sign Zone B, Vertical Level 3: All signage shall be prohibited with the exception of Identity Signage for the Hotel. The allowed sign area shall not exceed 1,364 square feet for one sign on the north façade, 1,364 square feet for one sign on the south façade, 2,926 square feet on the east façade, and 2,926 square feet on the west façade, for a maximum sign area of 8,580 square feet
- Sign Zone C, Vertical Level 2: All signage shall be prohibited with the exception of Identity Signage for the Residential Tower.
- Sign Zone C, Vertical Levels 1 & 2: The combined maximum sign area for all signage at Levels 1 & 2 shall be consistent with the Los Angeles Municipal Code.

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- Sign Zone C, Vertical Level 3: Signage shall be prohibited.
- Sign Zone D, Vertical Level 2: All signage shall be prohibited with the exception of Identity Signage for the Residential Tower,
- Sign Zone D, Vertical Levels 1 & 2: The combined maximum sign area for all signage at Levels 1 & 2 shall be consistent with the Los Angeles Municipal Code.
- Operating hours for lighted Limited Animation I and Controlled Refresh I signage within Vertical Sign Zone 3 shall be limited to 7:00 a.m. to 11:00 p.m. Sunday through Thursday, and 7:00 a.m. to 12:00 midnight Friday and Saturday.

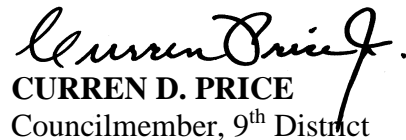
Finally, I am respectfully requesting that the project's CEQA findings be revised accordingly to reflect the adopted amendments to the project.

I am asking The Reef to contribute resources unlike anything we have ever seen in the City of Los Angeles, which will provide benefits to improve the short and long-term quality of life for our community. The proposed project will go a long way in meeting the goals outlined in the City's "Sustainability pLAN", which aims to build 100,000 housing units in the next five years, with at least 17,000 units along mass transit.

I am certain that The Reef will set the tone for future developments in the Ninth Council District to do more than simply "build" in our community, but to provide meaningful, long-term investment for our residents that will benefit generations to come.

Thank you for your consideration.

Sincerely,



CURREN D. PRICE
Councilmember, 9th District