



June 20, 2016

Via electronic mail

Vince Bertoni, Director of Planning, City Planning Department, vince.bertoni@lacity.org
Sarah Molina-Pearson, City Planning Department, sarah.molina-pearson@lacity.org
Henry Chu, City Planning Department, Henry.Chu@lacity.org
Erin Strelch, City Planning Department, erin.strelch@lacity.org

**RE: REEF Project - 1900 South Broadway
CPC-2014-1771-GPA-VZC-SN-VCU-MCUP-CUX-ZV-SPR-MS
CPC-2014-1772-DA
VTT-72914
ENV-2014-1773-EIR**

Dear Los Angeles City Planning Department:

We submit this letter to highlight significant concerns with the proposed development at 1900 South Broadway, otherwise referred to as the Reef Project (“the Project”). PHR LA MART, LLC (the Applicant) seeks approval to construct a development that deviates from the existing code in numerous and significant ways. The Project seeks a laundry list of exceptions and fundamental rule changes, including General Plan amendments, a zone change, several conditional use permits, FAR averaging, parking reductions and other significant departures from the City’s General Plan and other adopted plans and policies. All of these entitlements are being requested to enable the development of 1,444 residential units and hundreds of thousands of square feet of commercial uses and electronic signage on a site that is currently zoned for industrial use. As proposed, the Project is inconsistent with standards for equitable and inclusive development, and conflicts with numerous important planning and development standards and General Plan policies.

United Neighbors in Defense Against Displacement (UNIDAD) is a coalition of tenants, homeowners, workers, business owners, students, teachers, health providers and advocates, faith congregations, and community-based organization who work together to create a healthy and strong South Los Angeles community by ensuring that the interests of low-income communities, especially low-income communities of color, are represented in the decisions and processes that drive development in our neighborhoods.

Our collaborative was formed in the early 1990s. In all of our work, we have sought to deepen the quality of community resident engagement in land use and economic development policy creation and implementation, knowing that such engagement ultimately results in better planning and implementation. We have built capacity among local residents to be active participants in the planning processes through community-based programs, such as People’s Planning School. Through this process residents have created a set of Equitable Development Principles that guide our work.

These comments draw upon our years of experience living and working in this community and engaging in land use planning and development processes, including the LA Live



development, the USC Specific Plan, the Lorenzo housing project at the 23rd St. Expo Line station, the Grand Metropolitan mixed use project at the Washington/Grand Blue Line station, the City’s Housing Element, the Health and Wellness Element, and the updates to the Southeast LA and South LA Community Plans. Our member organizations are long-standing members of this community and are active in numerous economic development projects and programs, affordable housing and commercial development, health care service provision, social services, faith-based community building, the Community Plan Advisory Committees, and the Los Angeles Department of Public Health’s Community Prevention and Population Health Task Force.

These comments also draw upon the results of a rigorous community engagement process over the course of several months in 2015 and 2016. UNIDAD organizations convened hundreds of South Central community members to discuss the proposed Project and to lift up a vision for development in this neighborhood. This visioning process culminated in a community-based analysis of impacts of the proposed Project and a community benefits proposal that called for funding and/or support for the following: affordable housing, displacement prevention, good permanent and construction jobs at the development and support for local job programs, support for existing small businesses, health and safety improvement measures, programs for the homeless, green space, youth development, and community benefits implementation. The full proposal can be found online at <http://www.unidad-la.org/resources/>.

In this light, we provide the following comments on the proposed Reef Project at 1900 South Broadway.

As proposed, the Project falls short of equitable development standards for the South LA community.

For decades South LA communities have been harmed by poor planning efforts that have resulted in ill-fitting development and a lack of investment in the people and health-promoting infrastructure. Polluting industrial uses were placed on top of residential areas. Mega development projects have been encouraged that have exacerbated displacement of residents and small businesses in the area. And the promise of jobs for local residents has often fallen short both in terms of quality and quantity. In response, communities have taken it upon themselves to respond with visions for a different way of doing development – one that benefits all residents, especially those most economically vulnerable. The UNIDAD coalition - along with many other groups – have shown through policy change, community benefits agreements, and demonstration projects that development can be done to support the health and well-being of its long-time residents, including African-Americans and Latino immigrants.

The community benefits residents identified during UNIDAD’s recent community engagement process support a vision of South LA where existing and future redevelopment opportunities create economic opportunity and decrease the displacement of low-income residents of color in the Figueroa Corridor area of South Los Angeles, where development promotes healthy and equitable neighborhoods through planning and land use that is rooted in the community. The Reef is proposed within a community and so should adhere not only to land use regulation and city policies, but also to community standards for development established through decades of work done by local groups. Unfortunately, the Project, as proposed, does not meet local standards for equitable development.

As proposed, the Project fails to include the community benefits required by the City's Industrial Land Use Policy (ILUP).

The Project site is located in the M1-2-O zone and has a General Plan land use designation of "Limited Manufacturing." The M1 zone does not permit the uses currently proposed for the Project. As a result, the Applicant is requesting a General Plan amendment to change the use designation to "Community Commercial," and a zone change from M1-2 to (T)(Q)C2-2-O-SN. Well-established city policy dictates that in order to qualify for these discretionary approvals, the Project should provide specific community benefits, including on-site affordable housing. Until the Project is revised to include these community benefits, the Department of City Planning (DCP) should not recommend approval.

The Industrial Land Use Policy (the "ILUP") is the City's core tool to regulate industrial-to-residential conversions -- just like the one requested here. The ILUP provides a comprehensive assessment of the viability of the City's industrial districts. Based on this assessment, the ILUP organizes industrial zoned land according to four distinct typologies, ranging from districts that should be preserved to parcels that are appropriate for conversion.¹ The ILUP culminated in a memorandum to DCP staff ("Staff Directive"),² which clearly establishes the process and procedures that DCP staff must now follow when evaluating requests for General Plan amendments and zone changes on industrial zoned land. The ILUP is a touchstone of city land use policy, and plainly requires the inclusion of certain community benefits as part of *any* land use change on this Project site.

The ILUP Report's "Guiding Principles" include the following: "*When zone changes and/or other actions increase land value, ensure that community benefits are appropriately identified and provided.*"³ The ILUP Staff Directive calls for DCP staff to "recommend approval of applications for changes of use or zone *provided Community Benefits are incorporated...*" This directive applies even in areas identified as appropriate for transition. The ILUP recommendations for this exact Project site state that "*[i]f residential development is studied and recommended to replace industrial uses, an affordable housing component and/or other public benefits should be incorporated...*"⁴ And the Staff Directive instructs: "[w]hen considering approval of projects within "Industrial Mixed Use" and "Transition" Districts, *staff recommendations should include Community Benefits set forth below.*" The Staff Directive then defines specific Community Benefits that should be required, including: "a minimum number of on-site affordable units," relocation consultation for displaced business," the creation of a job training assistance fund, minimum job-producing space, open space, and infrastructure improvements."⁵

¹ Department of City Planning and Community Redevelopment Agency of the City of Los Angeles, "Los Angeles' Industrial Land: Sustaining a Dynamic City Economy" [hereafter, "ILUP Report"].

² Los Angeles Industrial Land Use Policy, Staff Direction Memorandum Regarding Industrial Land Use and Potential Conversion to Residential or Other Uses [hereafter, "Staff Directive."] Available at, http://planning.lacity.org/Code_Studies/LanduseProj/Industrial_Files/StaffDirections.pdf

³ ILUP Report, 32.

⁴ Preliminary Southeast Los Angeles Industrial Area Data and Recommendations, http://cityplanning.lacity.org/Code_Studies/LanduseProj/Recommendations/sela.pdf.

⁵ Staff Directive, 5-8.

The ILUP is undeniably relevant to this Project. Even if the Project site is determined to be appropriate for transition to other uses, the ILUP requires any such transition to include certain community benefits. At this stage, the Applicant has not mentioned the ILUP, and the Project as proposed does not include the affordable housing or other benefits required by this long-standing city policy. In this situation, the role of DCP staff is clear. As you prepare the Recommendation Report for this proposed Project, you must comply with the directives of the ILUP and ensure the provision of specific community benefits, including on-site affordable housing.⁶

As proposed, the Project is inconsistent with numerous General Plan policies and programs, and does not conform to good zoning practice.

The Project requires over a dozen different discretionary land use entitlements, including General Plan amendments, a zone change, tentative tract map, multiple conditional use permits and variances, FAR averaging and the creation of a new sign district. Each of these entitlements requires the City to find that the Project is consistent with the General Plan and/or in conformance with good zoning practice. The Applicant claims that the Project is consistent with the General Plan by selectively citing just a few Community Plan objectives. This cursory assessment obscures the many ways in which this proposal does not demonstrate consistency with other important General Plan policies and objectives, many of which are listed below. Until these substantial inconsistencies are resolved, the City should not approve the entitlements for the Project as proposed.

The Project conflicts with General Plan policies to increase affordable housing near transit.

A number of General Plan policies and objectives highlight the importance of creating new affordable housing, especially in developments located near transit. For example:

- Southeast LA Community Plan Policy 11-2.3: “Maximize opportunities for affordable housing and pedestrian access adjacent to rail stations.”
- General Plan Housing Element Policy 1.1.2: “Expand affordable rental housing for all income groups that need assistance.”
- General Plan Housing Element Policy 2.5.1 “Target housing resources, policies and incentives to include affordable housing in residential development, particularly in mixed use development, Transit Oriented Districts and designated Centers.”
- General Plan Housing Element Policy 2.5.2 “Foster the development of new affordable housing units citywide and within each Community Plan Area.”
- General Plan Housing Element Program 8. “Explore the feasibility and appropriateness of creating affordable housing requirements for projects that receive benefits from the City, including projects that receive City subsidies or City land, projects receiving zone changes that result in significantly more units than otherwise permitted, as well as projects that obtain a Development Agreement.”

⁶ Staff Directive, 8 (“When considering approval of projects within ‘Industrial Mixed Use’ and ‘Transition’ Districts, staff recommendations should include Community Benefits set forth below.”)

As proposed, the Project would provide 549 market rate rental units and 895 market rate condominium units and *zero affordable units* on a site that is less than one-quarter of a mile from a major transit stop. This is counter to sound public policy and planning objectives to maximize affordable housing near transit.⁷ The Project’s failure to provide on-site affordable housing directly contradicts the spirit and intent of numerous General Plan policies and programs.

As proposed, the Project would improperly undermine existing affordable housing programs.

A number of General Plan policies and programs seek to prevent developments and city actions from undermining existing affordable housing incentives. For example:

- General Plan Housing Element Program 73. “When building envelopes are increased, take care not to undermine the density bonus program. Aim to attach community benefits, including affordable housing, to significant bonuses in floor area and density.”
- General Plan Housing Element Program 99: “Explore ways to improve affordable housing production under the [Downtown Affordable Housing Bonus] program...”
- General Plan Housing Element Program 101: “Take care to not undermine the density bonus program by providing significant land-use incentives without an affordable housing provision...”
- General Plan Framework Element Policy 4.1.6: “Create incentives and give priorities in permit processing for low- and very-low income housing developments throughout the City.”
- General Plan Framework Element Policy 4.2.1: “Offer incentives to include housing for very low- and low-income households in mixed-use developments.”

The Project seeks a General Plan amendment, zone change and parking reductions that would dramatically increase the number of residential units permitted on site, thereby creating enormous new value. Yet, the Project seeks this increase in residential density without utilizing the city’s Density Bonus Ordinance, the Downtown Housing Incentive Floor Area Bonus, or meeting the standards of the FAR incentive program in the draft Community Plan. If the City grants the zone change and General Plan amendment as proposed, the Project would exceed the benefits contained in the Density Bonus Ordinance and the Downtown Housing Incentive Ordinance without meeting *even the minimum* requirements to qualify for these programs. By completely circumventing existing density incentive programs, this procedure undermines the City’s entire affordable housing incentive structure. This result is profoundly inconsistent with numerous

⁷ In California, higher income households drive more than twice as many miles and own more than twice as many vehicles as extremely low-income households living near transit. One recent study found that increasing affordable housing near transit would be “a powerful and durable GHG reduction strategy” and would significantly improve our air quality standards. See, California Housing Partnership Strategy & Transform. *Why Creating and Preserving Affordable Homes Near Transit Is a Highly Effective Climate Protection Strategy*, 3, 2014. <http://www.transformca.org/transform-report/why-creating-and-preserving-affordable-homes-near-transit-highly-effective-climate>. By providing exclusively luxury housing and no affordable units near a major transit stop, the Project proposal runs counter to the environmental and equity goals of increasing opportunities for low-income core transit riders to live near transit.

important General Plan policies and objectives and is the opposite of good zoning practice.⁸ If the City chooses to create incredible financial value for the Project by permitting significant residential development where none was previously allowed, then we urge that some of that new value be captured and redirected – in the form of affordable housing and other important benefits - to the South LA community that will be most impacted.

The Project fails to adequately address displacement and community destabilization impacts.

Numerous General Plan policies and programs seek to prevent displacement and avoid the loss of affordable housing and local small businesses. For example:

- Southeast LA Community Plan Policy 1-5.2 “Ensure that new housing opportunities minimize displacement of the residents. Program: Require that a decision-maker adopt a finding which addresses any potential displacement of residents as part of any decision relating to the construction of new housing.”
- Southeast LA Community Plan Policy 2-1.4 “Ensure the viability of existing neighborhood stores (i.e., mom-and-pop) which support the needs of local residents and are compatible with the neighborhood.”
- General Plan Housing Element Objective 1.2: “Preserve quality rental and ownership housing for households of all income levels and special needs.”
- General Plan Housing Element Policy 1.2.2 “Encourage and incentivize the preservation of affordable housing, including non-subsidized affordable units, to ensure that demolitions and conversions do not result in the net loss of the City’s stock of decent, safe, healthy or affordable housing.”
- General Plan Housing Element Policy 1.2.8 “Preserve the existing stock of affordable housing near transit stations and transit corridors. Encourage one-to-one replacement of demolished units.”
- General Plan Health Element Policy 1.7 Displacement and Health: “Reduce the harmful health impacts of displacement on individuals, families, and communities by pursuing strategies to create opportunities for existing residents to benefit from local revitalization efforts by: creating local employment and economic opportunities for low-income residents and local small businesses; expanding and preserving existing housing opportunities available to low income residents; preserving cultural and social resources; and creating and implementing tools to evaluate and mitigate the potential displacement caused by large-scale investment and development. [...] While communities naturally change over time, *major revitalization efforts that have the potential to cause displacement should be evaluated and mitigated.*”

⁸ In 2015, the City approved a project at 233 W. Washington Blvd. that was similarly requesting a General Plan amendment and zone change to allow mixed-use development on an industrial zoned site. The City acknowledged that with the requested conversion to C2 zoning, the project would be eligible for the Downtown Housing Incentive Area density incentives. To facilitate on-site affordable housing, the City approved the conversion but placed a “D” Development limitation on the site to limit the FAR below the requested 6:1. This allowed the project to reach its desired density through the 35% increase obtained in exchange for providing on-site affordability. See, Department of City Planning Recommendation Report, CPC-2008-0596-GPA-ZC-SPR.

- General Plan Health Element Program 86 Displacement: “To mitigate displacement, leverage government resources (including land) to preserve the social, cultural and economic diversity of the city. Evaluate best practices to develop criteria to assess the displacement potential of low-income and vulnerable populations; identify and implement an array of mitigation tools that can preserve existing small businesses and affordable housing for low-income households; and create opportunities for low-income and vulnerable populations to access the benefits created by new development and investment in their neighborhoods.”

As proposed, the Project threatens to add to the daunting displacement pressures experienced by lower income, rent burdened households. According to the Reef Project Health Impact Study, over 40,000 people have a moderate to very high risk for financial strain and/or displacement as a result of the Project’s impacts on housing prices in the surrounding area.⁹ Within the South Central community that would be impacted by the Project, thousands of households are already rent burdened, and a large number of subsidized affordable housing units are at risk of converting to market rate in the near future.¹⁰ The Health Impact Study also highlights the potential for this Project to contribute to disruption and destabilization for small local businesses.¹¹ Unmitigated, these displacement and community destabilization risks cause the Project to conflict with numerous General Plan policies, and clearly implicate the public health considerations outlined in the City’s new Plan for a Healthy LA.

The City should acknowledge the health impacts of displacement and must ensure the Project’s consistency with programs and policies aimed at addressing these impacts. It is not sufficient to merely state that construction of the Project will not remove housing from the Project site. The City should acknowledge and address the broader impacts of large-scale development in historically disinvested communities. Per the direction of Health Element Program 86, the City should consider and require an “array of mitigation tools that can preserve existing small businesses and affordable housing for low-income households; and create opportunities for low-income and vulnerable populations to access the benefits created by new development and investment in their neighborhoods.”

The Project threatens to contribute to the worsening of our City’s homelessness crisis.

The General Plan includes policies and programs aimed at reducing homelessness and providing resources and opportunities to individuals and families experiencing homelessness. For example:

⁹ The County of Los Angeles, Department of Public Health May 23, 2016 Project letter to PLUM (hereafter “DPH PLUM Letter”); Human Impact Partners, Assessing Health and Equity Impacts of the Proposed Reef Development Project in South Central Los Angeles, 19-20 (October, 2015) (hereafter, “Reef Project Health Impact Report”). Available at <http://www.humanimpact.org/news/reefdevelopmentproject/>

¹⁰ Reef Project Health Impact Report, at 20.

¹¹ Id., at 33-35. The Reef Project Health Impact Study also notes one example of a local business that had operated in the neighborhood for 20 years experiencing a rent increase of over 100%, forcing the business to close down immediately. Other businesses in the vicinity of the Project are only being offered short term leases, despite owners’ efforts to negotiate longer terms.

- General Plan Housing Element Objective 4.1: “Provide an adequate supply of short-term and permanent housing and services throughout the City that are appropriate and meet the specific needs of all persons who are homeless or at risk of homelessness.”
- General Plan Housing Element Objective 4.2: “Promote outreach and education to: homeless populations; residents; community stakeholders; health, social service and housing providers and funders; criminal justice system agencies; and, communities in which facilities and services may be located.”
- General Plan Housing Element Policy 4.2.3: “Strengthen the capacity of the development community to locate, construct and manage housing facilities for the homeless.”

A number of individuals and families experiencing homelessness currently live near the Project site, and Council District 9 has the second largest homeless population in the City. The Reef Project Health Impact Report notes that local residents and focus group participants fear becoming homeless as a result of increasing displacement pressures in the area.¹² Yet, as proposed, the Project provides zero affordable housing and fails to address or evaluate opportunities to support community stakeholders, health, social service and housing providers and funders to provide crucial services to the homeless population and to construct and manage housing facilities for the homeless. The Project’s silence on the issue of homelessness when the City has declared a state of emergency on the same reflects the depths of its deficiency.

As proposed, the Project is inconsistent with the Redevelopment Plan for the Council District Nine Corridor South of the Santa Monica Freeway Recovery Redevelopment Project (“Redevelopment Plan”).

The Applicant asserts the Project is consistent with the “relevant objectives” of the Redevelopment Plan by claiming that Objectives 1, 2, 4, 6, 7, 8, and 11 are the “relevant Plan objectives”.¹³ Yet, Applicant completely ignores the fact that the Project clearly undermines the following three critically important and highly relevant objections.

- Redevelopment Objective 3: “Industrial area stabilization and expansion by appropriate development incentives.”
- Redevelopment Object 5: “Housing for all income levels to be provided along with preservation of existing single family housing stock
- Redevelopment Objective 7: “The cultural heritage of the area to be preserved and promoted.”

With respect to Objective 3, as noted above, the Project seeks to change the zoning and designated use of the site from industrial to commercial residential, in direct conflict with this objective. ” Additionally, the Project proposes not a single unit of affordable housing, in direct conflict with Objective 5’s call for housing at all income levels. On the contrary, the development would be home exclusively to residents able to pay the ever increasing market rates. Additionally, the Applicant errs in claiming that the development would preserve the cultural heritage of the area. In reality, the Project will immediately impact and over the long term erase

¹² Reef Project Health Impact Report, 21.

¹³ Attachment A Section M.

the cultural heritage of this traditionally lower-income community of color. As noted by the Los Angeles County Department of Public Health, the Project's lack of affordable housing is likely to result in the displacement of current neighborhood residents, many of whom have lived there for generations. A project that stands to displace existing residents through gentrification and rent pressures cannot be described as preserving cultural heritage of the area. Until these consistencies are address, the Project, as proposed, should not be approved.

As proposed, the Project is inconsistent with the draft Southeast LA Community Plan.

The Department of City Planning is currently in the process of updating the Southeast Los Angeles Community Plan. The most recent draft of the plan was revised in October 2014, along with a corresponding draft of the Community Plan Implementation Overlay (CPIO).

The Applicant highlights that the Project site would be designated for Community Commercial use under the current draft of the Southeast LA Community Plan (Draft Plan).¹⁴ While claiming consistency with the Draft Plan's vision for a mixed-use TOD district along the Blue Line, the Applicant fails to acknowledge the Project's dramatic *inconsistency* with the density regulations. The Applicant also neglects to mention that the Project is fundamentally inconsistent with many of the Draft Plan's fundamental policies and objectives.

As proposed, the Project would have a floor area ratio (FAR) of at or just below 6:1. But the draft CPIO would allow density greater than 1.5:1 FAR on the Project site ***only for projects that provide on-site affordable housing***. In addition, the CPIO would only permit the type of parking reduction sought by the Applicant if the Project included on-site affordable housing.¹⁵ Because the Project would have a floor area ratio at 6:1 and enjoy parking reductions without including any affordable housing, it is patently inconsistent with the CPIO.

In addition to the affordable housing provisions in the CPIO, the Draft Plan also contains a number of broader goals and policies that are inconsistent with the Project. For example:

- Policy LU 1.5 "Encourage affordable housing options by promoting ... the density bonus ordinance."
- Policy LU4.1 "Maintain and increase the commercial employment base for community residents through local hiring, job resource centers and job training."
- Policy LU5.6 "Prioritize housing that is affordable to a broad cross-section of income levels and that provides the ability to live near work."
- Policy LU14.3 "Encourage job training and local hiring for community residents."
- Policy LU18.3 "Prioritize new housing for the transit-dependent community and discourage upscale luxury housing at TODs in Southeast Los Angeles, which has a large transit-user and low income population."
- Policy LU18.4 "Promote and incentivize mixed income and/or affordable housing in TODs"

¹⁴ Attachment A, 26

¹⁵ Draft Southeast Los Angeles Community Plan Implementation Overlay, 38.

- Policy LU 18.7 “Discourage the displacement of existing residents in TODs and encourage the protection of affordable housing units protected by the Rent Stabilization Ordinance.”
- Program 17 “The CPIO provides incentives for the development of mixed-income and affordable housing within LRT station areas, along commercial corridors that are well-served by transit and in close proximity to jobs, services and facilities.”
- Program 55 “Encourage businesses to hire locally, and require local hiring for discretionary projects with Development Agreements to the extent feasible.”

The Draft Plan clearly contemplates and advances a comprehensive vision for transit-oriented development in the Southeast LA Community Plan Area. The Draft Plan calls for TOD projects that include housing opportunities for low-income core riders and contribute economic opportunities to local residents. Lacking an affordability component or detailed programs to ensure permanent jobs for local residents, the Project is inconsistent with this vision. It also threatens the kind of community destabilization that directly contradicts the goals and objectives outlined above.

The Project’s Request for a Variance with respect to Tree Planting Should be Denied.

City zoning requires the Project to plant 361 trees. Despite its purported commitment to green, sustainable design, the Project seeks a variance to reduce its tree planting obligation to 289 trees – nearly 100 fewer than required. The Project attempts to justify this significant reduction by claiming that so many trees would interfere with the Project’s open space design. The Project asserts that the City’s tree planting requirement is out of step with high density urban construction and was crafted for more suburban settings. This statement is unsupported. Urban settings, if anything, have greater needs for maximal tree plantings than suburban environs. Urban settings such as the site of the Proposed Project are shade starved and in desperate need for more tree canopy. The Project’s application fails to adequately explain why this variance is necessary. The Project contends that if it were obligated to comply with the law, the “vast majority of the open space would need to be dedicated to tree planting ... [which would not allow] the exterior open space to be used by residents or the community.”¹⁶ It is unclear how trees interfere with open space, given that trees are traditionally needed for open space to be welcoming and comfortable to human users. Moreover, the Project’s request to plant fewer than the required numbers of trees conflicts with the self-described “green” nature of the Project’s design. Accordingly, the requested variance should be denied.

As proposed, the City should not approve the Supplemental Use District (SN) – Sign District.

- (i) It is Premature to Approve the SUD in light of the Complete Overhaul of the City’s Signage Ordinance currently underway.

¹⁶ Attachment A Section G(1).

Although neither necessary to its construction or functionality, the Project nevertheless requests a Supplemental Use District for Signage to allow over 200,000 square feet of electronic billboards. In addition to the objections submitted to the proposed SUD in our comments to the DEIR, which are incorporated herein by reference, the SUD should not be approved in light of the fact that the City is actively revising its Signage Ordinance with proposals that would not allow the SUD proposed here. Specifically, the Project falls outside one of the regional high intensity commercial centers in which signage districts would be allowed under the revised ordinance approved by the City Planning Commission in October of last year. Moreover, PLUM in April of this year, instructed City agencies to continue their work in preparing a revised Signage Ordinance, thus further highlighting the uncertain future of electronic billboards in the City as a whole. Given the enormous scale of the proposed SUD, prudence warrants withholding evaluation and approval until the City finalizes its vision for new signage regulations.

- (ii) The Project threatens to dismantle the City’s signage regulations and policies.

Additionally, approval of the SUD threatens to undermine the bedrock of the City’s signage policy with respect to aesthetics and public safety. Specifically, the Project applications and FEIR ignore fact that the Project violates the City’s ban on signage within 2000 feet of a freeway that would be viewed primarily from a main traveled roadway of a freeway or an on-ramp/off-ramp.¹⁷ In this regard, approval of the SUD threatens to invalidate the City’s hard fought ban of freeway facing signage – an environmental and policy impact of monumental significance. Although emerging victorious in *World Wide Rush LLC et al v. City of Los Angeles*, the Ninth Circuit cautioned the City that although the Staples Center and the Fifteenth Street SUD exemptions to the freeway ban did not invalidate the ordinance, additional exceptions could “break the link between Freeway Facing Sign Ban and the City’s objectives in traffic and aesthetics.”¹⁸

The Project has all the elements of a sign district that would invalidate the City’s ban of freeway facing signs ordinance. Its fully animated billboards would be highly visible from multiple freeways. The City’s arguments of blight and improving traffic safety available for the Staple Center and Fifteenth Street SUD are absent. Thus, the Project threatens the City’s continued ability to ban freeway facing signs, and opens up the entire length of every freeway to signage the City has fought so hard to ban. Accordingly, as proposed, the SUD should not be approved.

The City should not approve the Vesting Tentative Tract Map as proposed.

In order to approve the requested tentative tract map, the City must find that the Project is designed in compliance with zoning and all other elements of the General Plan.¹⁹ The Project must also satisfy the requirements of the California Subdivision Map Act. In addition to requiring

¹⁷ Article 4.4, Section 14.4.6 and Section 14.4.5 of draft Signage Ordinance under CPC consideration.

¹⁸ *Word Wide Rush LLC et al., vs. City of Los Angeles*, 606 F.3d 676 (9th Cir. 2010)

¹⁹ Los Angeles Municipal Code section 17.05.C.

consistency with the city’s General Plan,²⁰ the Subdivision Map Act also requires a city to deny approval of a tentative map where the site is not physically suitable for the type or density of development, or where “the design of the subdivision or type of improvements is likely to cause serious public health problems.”²¹

For the reasons described above, the Project as proposed is not consistent with numerous important policies and programs contained in several different General Plan Elements, including the Land Use Element (Community Plan), Health and Wellness Element, Framework Element, and Housing Element. As a result, the Project fails to satisfy the findings required by LAMC 17.05 and the Subdivision Map Act. The City should resolve these inconsistencies before it can approve the tentative tract map.

In addition to General Plan inconsistencies, the Project may also demonstrate several of the criteria listed in the Subdivision Map Act that compel denial of a tract map application. As proposed, the Project would construct 10 low and mid-rise buildings in addition to a 35-story residential tower, a 32 story residential tower, and another 19 story hotel tower, each of which are out of scale with the surrounding uses. This increase in density and height is proposed on a site that is currently zoned industrial and surrounded by industrial uses. This suggests that the site may not be physically suitable for both the type and density being proposed, which would compel the City to deny the tract map request under Government Code 66474(c)-(d).

Moreover, the Reef Project Health Impact Study has determined that over 40,000 people have a moderate to very high risk for financial strain and/or displacement as a result of the Project’s impacts on housing prices in the surrounding area.²² The Reef Project Health Impact Report also identifies a large number of subsidized affordable housing units are at risk of converting to market rate in the near future.²³ There are severe negative public health consequences associated with this displacement threat. For example, the Reef Project Health Impact Report found:

“Housing instability, living in substandard housing, overcrowding, and homelessness are all determinants of poor health that can be caused by the financial strain of gentrification. These health determinants can have negative impacts on mental and physical health for adults, and can also specifically impact children... There are significant associations between high housing costs and hunger, inadequate childhood nutrition, and poor childhood growth.”²⁴

The Reef Project Health Impact Report also notes:

“Disruption of social networks through forced serial displacement and root shock can lead to additional health challenges including exposure to fragmented social environments that have higher rates of violence and sexually transmitted

²⁰ California Government Code section 66473.5.

²¹ California Government Code section 66474.

²² Reef Project Health Impact Report, 19-20.

²³ Reef Project Health Impact Report, 19-20.

²⁴ Reef Project Health Impact Report, 21.

diseases. Multi-generational traumas of this nature can potentially influence the genetic makeup of future generations, leaving them more physiologically susceptible to the impacts of stress.”²⁵

The LA County Department of Public Health further advises that²⁶:

“Moving frequently leads to housing instability and has negative impacts on children including increased absenteeism and poor performance in school, which is linked with negative health and social outcomes.”

The City of Los Angeles’ own General Plan Health Element explicitly acknowledges the many negative public health consequences of displacement. Given the clear, demonstrated displacement threats posed by the Project and the corresponding health risks, the Subdivision Map Act compels denial of this tract map until these serious public health problems are evaluated and mitigated.²⁷

It is unclear whether the City has properly initiated the General Plan amendment under consideration.

Under the City Charter, a General Plan amendment may only be initiated by the Director of Planning, the City Planning Commission, or the City Council. In May 2014, Councilmember Curren Price introduced a motion to instruct the Planning Department to initiate the proceedings for a General Plan Amendment and the creation of a Supplemental Use District (SN) – Sign District for the property.²⁸ This motion is currently pending in the Planning and Land Use Management Committee, and therefore the directive has not yet received City Council approval. Since City Council has not yet directed the Department to initiate the amendment, that leaves only the City Planning Commission (CPC). Assuming the CPC has not initiated this proposed amendment, it would appear that the amendment has not been properly initiated and the Department’s review and recommendation at this time is premature.

There have been significant flaws in the CEQA review process.

All comments submitted on the Draft EIR are herein incorporated by reference, and the Coalition reserves the right to submit additional, more detailed comments regarding the Final EIR (FEIR). However, it is important to address some general concerns at this time. The CEQA process for the proposed project has been significantly flawed, and fails to account for the true potential impacts of this project on area residents, the community, and the environment.

²⁵ Id.

²⁶ DPH PLUM letter.

²⁷ See, California Government Code section 66474. “A legislative body of a city or county shall deny approval of a tentative map, or a parcel map for which a tentative map was not required, if it makes any of the following findings:[...] (f) That the design of the subdivision or type of improvements is likely to cause serious public health problems.

²⁸ Council File 14-0620.

The Draft EIR contained numerous inaccuracies with respect to the project description and characterization of impacts, which are especially important features of an EIR because they provide a baseline understanding of the activity being analyzed in the document for decision makers and the public. The FEIR's response to comments did not remedy these inaccuracies. For example, at numerous times throughout the EIR, the City concludes that based on the specific features of the Project, impacts will be less than significant, while at the same time providing flexibility to the Project under the Design Guidelines and Land Use Equivalency Program with respect to specific building locations, uses, and other project features. This is an outright inconsistency, which was identified in comments on the Draft EIR. However, the FEIR does not remedy this inconsistency, but merely states that if the project is changed through the Design Guidelines or Land Use Equivalency Program, its impacts will be analyzed through separate environmental review at that time. This, arguably, represents improper deferral of study and mitigation of project impacts under CEQA, and suggests the Draft EIR provides merely a "best guess" as to the specific features and impacts of the proposed Project, in violation of CEQA.

It is especially troubling that the City dedicates significant attention to attempting to dismiss and discredit the lived experience, important concerns and concrete challenges faced by Project area residents, which were presented in the Coalition's comments to the Draft EIR as well as an accompanying report entitled "Assessing Health and Equity Impacts of the Proposed Reef Development Project in South Central Los Angeles." Rather than addressing the evidence presented by the report, the City attempts to discredit its methodology (and by extension, the extensive outreach done to collect the local community's input). This is especially inappropriate given that Human Impact Partners, who conducted the study, is a well-respected organization with a proven track record in evaluation of health impacts in connection with development and government decision-making. The City relies on oversimplified assumptions about displacement, without taking into account the economic considerations outlined in the study, as required by CEQA in evaluating the significance of a project's potential impacts.

The Department of Public Health's PLUM Letter, which acknowledges the study, agrees that a lack of affordable housing and increasing economic pressures on residents have important implications for the project area. That letter concludes that "[i]ncreased access to affordable housing in housing development projects such as the Reef Project Development would help ameliorate the lack of quality, affordable housing in the City of Los Angeles and related negative health outcomes..." Despite this, and numerous studies indicating that the siting of affordable housing in projects such as The Reef can alleviate such negative outcomes, ease displacement pressures, and increase utilization of public transit systems (reducing greenhouse gas, air quality, and transportation/traffic impacts), the EIR concludes that including affordable housing as mitigation would not affect the impacts of the project, and would not be appropriate for inclusion in project mitigation measures. This statement is made by the City against the backdrop of increasing homelessness, increasing housing insecurity, and a citywide affordable housing crisis. Instead of engaging with the community to investigate the true impacts of the project, and considering feasible measures to mitigate those impacts, the City has prioritized development at all costs and expressed a lack of interest in the needs of current residents.

We appreciate the Planning Department's efforts to fully review this project and take our comments into consideration.



On behalf of the UNIDAD Coalition²⁹,

Joe Donlin
Associate Director
Strategic Actions for a Just Economy
ldonlin@saje.net

4816-1830-7891, v. 1

²⁹ For more information on the UNIDAD coalition, visit <http://www.unidad-la.org/who-we-are/>