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TO THE COUNCIL OF THE
CITY OF LOS ANGELES

FILE NO. 05-1388-S1

Your

PLANNING AND LAND USE MANAGEMENT

Committee

reports as follows:

	<u>Yes</u>	<u>No</u>
Public Comments	<u>XX</u>	<u>—</u>

EXEMPTION, PLANNING AND LAND USE MANAGEMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION authorizing the execution of a Development Agreement between the City of Los Angeles and California Whitebird, Inc. for property at 7000-8000 La Tuna Canyon Road.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. FIND that this action is exempt from California Environmental Quality Act (CEQA) pursuant to Article II, Section 2, Class 1 of the City's Guidelines.
2. ADOPT the FINDINGS of the Planning Commission, as modified by the Planning and Land Use Management Committee as the Findings of the City Council.
3. PRESENT and ADOPT the accompanying ORDINANCE, approved by the Director of Planning, authorizing the execution of the Development Agreement by and between the City of Los Angeles and Whitebird, Inc., for the proposed construction of 221 single-family homes on individual lots clustered on 142 acres, 138 acres of private open space, private recreational amenities, and the preservation of 607 acres as permanent open space on an 887 acre site at 7000-8000 La Tuna Canyon Road (Canyon Hills project), within the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan area as modified.

Applicant: Whitebird, Inc. doing business as California Whitebird, Inc.

CPC 2004-7739 DA

4. AUTHORIZE the Mayor to execute the Development Agreement on behalf of the City, subject to approval of the City Attorney as to the form and legality, and subject to the effective date of the ordinance.

Fiscal Impact Statement: The Planning Department reports that there is no General Fund impact, as administrative costs are recovered through fees.

Summary:

At its meeting held June 20, 2006 (continued from May 30, 2006), the Planning and Land Use Management Committee considered a proposed Ordinance authorizing the execution of a Development Agreement between the City of Los Angeles and California Whitebird, Inc. for the proposed construction of 221 single-family homes on individual lots clustered on 142 acres, 138 acres of private open space, private recreational amenities, and the preservation of 607 acres as permanent open space on an 887 acre site at 7000-8000 La Tuna Canyon Road (Canyon Hills project), within the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan area.

After considering the testimony of City Planning staff, the City Attorney, a representative for the applicant, the public, and the Chief Deputy of Council District Two (speaking on behalf of Councilmember Wendy Greuel), the Committee recommended that Council adopt the findings of the City Planning Commission, which have been modified to conform the findings to the final revisions to the Development Agreement and to the project modifications previously approved by the City Council. In addition, typographical corrections were made to the draft ordinance.

The matter is hereby submitted to Council for its consideration.

Respectfully submitted,

PLANNING AND LAND USE MANAGEMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
REYES:	YES
HUIZAR	ABSENT
WEISS:	YES

Ed P. Reyes

Am. Wong

BG:ys
6-21-06
Enc: CPC 2004-7739 DA
Ordinance

CD 2

#051388.1A

REPT & FINDINGS
ADOPTED

JUN 28 2006

LOS ANGELES CITY COUNCIL
EXEMPT. APPROVED
ORD OVER ONE WEEK TO JULY 5, 2006

ORD

ADOPTED

JUL 05 2006

LOS ANGELES CITY COUNCIL

FINDINGS

1. As originally proposed, the Canyon Hills project (the "Project") included the development of 280 single-family homes and the preservation of approximately 693 acres of open space. The proposed single-family homes would have been clustered on approximately 194 acres of the 887-acre project site (the "Site"). Under the original proposal, 211 homes would have been constructed on a portion of the Site located north of Interstate 210 ("Development Area A") and 69 homes would have been constructed on a portion of the Site located south of Interstate 210 ("Development Area B").

On January 4 and January 5, 2005, the Advisory Agency issued written determinations approving (a) Vesting Tentative Tract Map No. 061672 (the "VTTM") for the Project, (b) Project Permit Compliance Review under the San Gabriel/Verdugo Mountains Scenic Preservation Specific Plan (the "Specific Plan") for the Project and (c) Site Plan Review for the Project (collectively, the "Approvals"). The Advisory Agency approved the development of 175 homes spread throughout the entire Site. The Advisory Agency's determinations were appealed to the City Planning Commission (the "CPC") by several parties.

On February 24, 2005, the CPC considered (a) the appeals of the Approvals, (b) the General Plan Amendment and Zone Change requested for the Project (Case No. CPC-2004-4344-GPA-ZC) and (c) the proposed Development Agreement for the Project (the "Development Agreement"). The CPC recommended approval of the General Plan Amendment and Zone Change and the Development Agreement, with certain modifications. The CPC also granted one of the appeals with respect to the Approvals and, in so doing, modified the Approvals to permit the development of 230 homes in Development Area A, but to eliminate the development of any homes in Development Area B. In addition, the CPC required the VTTM to be revised to include all of the approximately 518 acres of land on the Site that would be preserved as public open space pursuant to the Development Agreement (Case No. CPC-2004-7739-DA).

On October 3, 2005, the Planning and Land Use Management Committee ("PLUM") of the City Council considered the further appeals of the VTTM, as well as the General Plan Amendment and Zone Change. At the conclusion of the public hearing, the project applicant voluntarily agreed to donate Development Area B and reduce the maximum number of homes in Development Area A from 230 to 221. Based on those voluntary agreements by the project applicant, PLUM recommended that the City Council grant in part and deny in part the appeals with respect to the VTTM and, in so doing, recommended that the City Council (1) require that the VTTM include all of the approximately 607 acres of land on the Site outside of Development Area A that will be preserved as public open space pursuant to the Development Agreement and (2) permit the development of 221 homes in Development Area A.

On October 19, 2005, the City Council approved the VTTM and adopted the General Plan Amendment and Zone Change, subject to the modifications recommended by PLUM, as described in the preceding paragraph.

On June 20, 2006, PLUM recommended that the City Council approve the Development Agreement, subject to two modifications requested by the Council office and agreed to by the project applicant.

Prior to taking action on the Project on February 24, 2005, the CPC heard and considered public testimony that (a) the CPC should not approve more homes than permitted under the City's slope density formula, which currently applies to the Site, and (b) the City's slope density formula permits less homes than the 175 homes approved by the Advisory Agency in his January 4 and

January 5, 2005 written determinations. The planning staff also advised the CPC that the original slope density calculation had inadvertently included two grids that were outside the boundaries of the VTTM Property, and that the slope density formula therefore permitted 169 homes on the Site. However, the CPC determined that it was appropriate to approve more homes than would be permitted under the slope density formula in consideration of the project applicant preserving approximately 518 acres of the Site as public open space and eliminating all development on the portion of the Site south of Interstate 210. The CPC also noted that the proposed General Plan Amendment would change the land use designation in the Sunland-Tujunga-Shadow Hills-Lakeview Terrace-East La Tuna Canyon Community Plan (the "Sunland-Tujunga Community Plan") for Development Area A to Low Residential, which is exempt from the City's slope density formula and that, in any event, the CPC's approval of the Project was not dependent on the number of homes permitted under the slope density formula.

In approving a clustered development, the CPC determined that a clustered project with significant accessible acreage permanently designated as public open space would result in a more positive overall land use pattern for the Site and the surrounding community, rather than spreading the approved homes throughout the Site in the manner approved by the Advisory Agency. The approved Project locates all of the approved homes in Development Area A, which is adjacent to existing residential areas, and eliminates all of the proposed homes in Development Area B, which is, for the most part, located adjacent to large tracts of open space.

In addition, the CPC elected to cluster the approved homes in Development Area A to (a) reduce substantially the required grading and landform alteration required for the Project, (b) eliminate the significant aesthetic impact associated with the development of Development Area B, particularly as viewed from La Tuna Canyon Road and Interstate 210, (c) reduce substantially the Project's impacts on flora and fauna, including coast live oak trees, and (d) reduce the Project's potential impact on regional and local wildlife movement through the southern portion of the Site. In addition, the CPC noted that Development Area A is adjacent to existing residential areas, while Development Area B is, for the most part, located adjacent to large tracts of open space.

PLUM and the City Council subsequently concurred with these determinations by the CPC, but reduced the number of approved homes in Development Area 1 from 230 to 221 and increased the public open space component of the Project, as described above.

2. Sections 65864 through 65869.5 of the California Government Code authorize municipalities to enter into binding development agreements with the persons having legal or equitable interest in real property for the development of such property.
3. The City of Los Angeles (the "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).
4. Whitebird, Inc., a Nevada corporation, doing business in California as California Whitebird, Inc. (the "Applicant"), has requested that the City consider entering into the Development Agreement. The development agreement process was initiated by the Applicant, and all proceedings have been taken in accordance with the City's adopted procedures.
5. The approved Project includes the development of 221 single-family detached homes and

the preservation of approximately 746 acres of the Site as open space, including approximately 607 acres of public open space. The proposed single-family homes will be clustered on approximately 142 acres of the Site in Development Area A. Additional open space and recreation amenities will be provided throughout the Site. The proposed private recreational facilities include tot lots, active play areas, passive open space areas, a vista point with picnic area and gazebo, and a pool with a jacuzzi, restroom building and barbeque area.

6. In accordance with Section 65867.5 of the California Government Code, the Development Agreement is consistent with the applicable objectives, policies and programs specified in the City of Los Angeles General Plan, including the Sunland-Tujunga Community Plan, which is part of the General Plan, in that:
 - a. Development Area A is located entirely within the area covered by the Sunland-Tujunga Community Plan. Under the Sunland-Tujunga Community Plan, portions of the VTTM Property were previously designated as Minimum Residential, Very Low I Residential and Very Low II Residential. The VTTM Property was previously zoned A1-1, A1-1-K and RE11-1. There was a small area of approximately 9 acres designated as Open Space in the Sunland-Tujunga Community Plan at the southerly boundary along La Tuna Canyon Road. The Sunland-Tujunga Community Plan establishes that, if privately owned, the designated Open Space is limited to minimum density uses (Map Footnote 5). The Sunland-Tujunga Community Plan establishes slope density requirements for land with a Minimum Residential land use designation. The Sunland-Tujunga Community Plan permits clustering with certain limitations (Map Footnote 7).
 - b. The approved development of 221 homes was not previously permitted under the Community Plan land use and zoning designations. Pursuant to Map Footnote 4 of the Sunland-Tujunga Community Plan, the City's slope density formula applies to the Site and did not permit 221 clustered homes. However, with the City Council's adoption of General Plan Amendment and Zone Change, the approved 221 homes are consistent with the approved Minimum Residential, Low Residential and Open Space land use designations and the approved A1-1, RE9-1-H, RE11-1-H and OS zoning designations.
 - c. As discussed in Final Environmental Impact Report No. 2002-2481-EIR (the "Final EIR") for the Project, which includes the Draft Environmental Impact Report (the "Draft EIR") for the Project, the Project is consistent with the applicable policies in the Sunland-Tujunga Community Plan and other elements of the General Plan. The consistency of the Project with these policies is addressed in Section IV.G (Land Use) pages IV.G-18 through IV.G-24, in the Draft EIR and Section III (Corrections and Additions) pages III-68 through III-76, in the Final EIR.
7. As discussed in the Final EIR, the Project is consistent with the applicable standards and requirements in the Specific Plan. The consistency of the Project with the standards and requirements is addressed in Section IV.G (Land Use), pages IV.G-24 through IV.G-25, in the Draft EIR and Section III Corrections and Additions, pages III-76 through III-78, and Section IV (Responses to Comments) in the Final EIR.
8. For the reasons set forth above with respect to the consistency of the Project with the General Plan and the Specific Plan, the Development Agreement will not be detrimental to the public health, safety and general welfare.

9. The Development Agreement will promote the orderly development of the Site in accordance with good land use practice. The Development Agreement encourages the development of the Project, which will cluster 221 single-family homes on approximately 142 acres in the eastern portion of Development Area A, while preserving approximately 746 acres of the Site as open space, including approximately 607 acres of public open space. In addition, the development of the Project pursuant to the Development Agreement will not alter the general character of existing nearby development or divide an existing neighborhood, community of land use.
10. The Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements. The Development Agreement further complies with the guidelines adopted by the City:
 - a. Promotes Certainty. The Development Agreement is required to provide the certainty necessary for the comprehensive planning and implementation of a long-term project that the traditional planning approval process does not provide. As a project with multiple buildings to be built over a period of several years, the Project could be exposed to a substantial hardship if its implementation was to be governed by the current legal vesting rules. The Development Agreement will provide regulatory stability and predictability for the implementation of the Project.
 - b. Term. The recommended 20-year term provides a reasonable time frame to permit the development of the Project and to accommodate potential changes in the development time frame caused by market conditions.
 - c. Processing. This proposed Development Agreement was processed concurrently with the General Plan Amendment and Zone Change for portions of the Site, as discussed above.
 - d. Public Benefits. The Development Agreement will provide public benefits not otherwise obtainable, and for which no nexus exists under the Project's environmental clearance, and will benefit the City and its residents, as follows:
 - i. Public Open Space. Approximately 607 acres of the Site shall be permanently preserved as public open space. Prior to the issuance of a building permit or the recordation of the final map, whichever occurs first, with respect to the single-family homes to be constructed in Development Area A, the project developer shall transfer fee title to such public open space to the Santa Monica Mountains Conservancy or another qualified entity that agrees to preserve such public open space as permanent open space. The project developer shall first offer to transfer the public open space to the Santa Monica Mountains Conservancy before offering the public open space to any other qualified transferee. In the event that neither the Santa Monica Mountains Conservancy nor any other qualified entity is willing to accept the public open space, the project developer shall then offer to transfer the public open space to the City. In the event that the City is not willing to accept the public open space, it shall be the responsibility of the homeowners' association to establish a funding source for the perpetual maintenance of the public open space.
 - ii. Height Limit. The maximum height (as defined in Section 12.03 of the Los Angeles Municipal Code under the heading "Height of Building or Structure") of the single-family homes to be constructed in Development Area A shall not exceed

30 feet, except that the maximum height of all such homes on custom lots identified in the VTTM that are not located within a designated Scenic Highway Corridor under the Specific Plan or are not visible from the right-of-way of La Tuna Canyon Road or Interstate 210 shall be governed by the applicable provisions of the Los Angeles Municipal Code. In addition, the size of the approved single-family homes shall not exceed the maximum applicable floor area ratio in the Los Angeles Municipal Code.

- iii. Soundwalls. The project developer agrees not to build any of the approved soundwalls for the Project.
 - iv. Housing. The development of the project will help alleviate the substantial housing shortage in the City and, in particular, the northeast San Fernando Valley.
 - v. Economic Benefits. The development of the project will provide hundreds of construction jobs, new permanent jobs, additional property tax revenues and otherwise provide a substantial boost to the local economy.
 - vi. Freeway Interchange: The project developer agrees to take appropriate steps to relinquish its right to cause the construction of an interchange for Interstate 210 in the vicinity of the Site in accordance with a Judgment in Condemnation dated April 15, 1976 in an action titled The People of the State of California v. Lee Mansdorf et al. (Los Angeles Superior Court Case No. NC C 8787B).
11. The proposed Development Agreement contains all of the provisions, terms and conditions which, in addition to those required by law, are deemed to be necessary and or desirable in order to implement the City's General Plan.
 12. Based upon the above findings, the recommended action is deemed consistent with public necessity, convenience, general welfare and good zoning practice.
 13. On September 7, 2004, the City completed the Final EIR (State Clearinghouse No. 2002091018). On October 19, 2005, the City Council certified the Final EIR. The Project described in the Final EIR is the same project that is the subject of the Development Agreement. None of the conditions described in Section 15162(a) of the State CEQA Guidelines have occurred and therefore no further environmental review under CEQA is required with respect to the Development Agreement.