SUPPLEMENTAL FINDINGS RE GRANDFATHERING AND TOLLING

In addition to the findings proposed by the Planning Department in its August 26, 2010, report to the City Planning Commission, which are incorporated by reference and adopted by the City Council as its own findings, the City Council hereby finds:

1. Pursuant to California law, a local agency may not apply a new regulation to a development that has vested. Historically, an applicant obtained a vested right in a project only if the applicant obtained a building permit and performed substantial work in reliance on that permit. *Avco Community Developers, Inc. v. South Coast Regional Com.*, 17 Cal. 3d 785 (1976). More recently, California law has granted applicants a vested right to development before permit issuance if the applicant enters into a development agreement, or receives an approval for a vesting tentative map. In the case of development agreements, the "rules, regulations, and official policies governing permitted uses of the land, governing density, and governing design, improvement and construction standards and specifications, applicable to development of the property subject to a development agreement, shall be those rules, regulations, and official policies in force at the time of execution of the agreement." Gov't Code § 65866. In the case of vesting tentative maps, state law provides that when a local agency approves a vesting tentative map, that approval shall confer a vested right to proceed with development in substantial compliance with the ordinances, policies, and standards in place at the time the application for the vesting tentative map is deemed complete. *See, e.g.,* Cal. Gov't Code § 66498.1; *City of West Hollywood v. Beverly Towers, Inc.*, 52 Cal. 3d 1184, 1193 n. 6 (1991) (a "vesting tentative map gives a developer a vested right to proceed with development, including the right to obtain all necessary building permits and discretionary approvals, in accordance with the local ordinances, policies and standards in effect when the application for the vesting tentative map was complete.") In adopting Section 6 K. of the amended Ordinance, it is the intent of this Council to grandfather all developments that are vested under California law.

2. The Council also recognizes that several applicants may not have obtained building permits for their signs prior to the effective date of the amended Ordinance and/or their projects may not have involved a development agreement or a vesting tentative map. Nonetheless, these applicants spent a significant amount of time and money obtaining either a Project Permit Approval from the City or a Sign Covenant Agreement with the CRA prior to November 12, 2008 (i.e., the date that the Planning Department first held a widely noticed hearing concerning the amendment of the Hollywood Signage SUD). Thereafter, these applicants continued to invest a great deal of time and money in good faith reliance on these approvals or agreements. The Council finds that it would be inequitable to now apply the new ordinance to prohibit their projects. Thus, it is the intent of this Council in adopting Section 6 K. of the amended Ordinance to grandfather all developments that obtained a Project Permit Approval or a Sign Covenant Agreement prior to November 12, 2008.

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3. The City has been engaged in substantial litigation concerning its City-wide sign regulations over the past several years. In August of 2008 the trial court in the *World Wide Rush* action struck down the City's bans on off-site and supergraphic signs. In order to fill the regulatory gap created by the *World Wide Rush* ruling, this Council adopted Interim Control Ordinance 176172 (effective December 26, 2008), which prohibited all off-site and supergraphic signs City wide. Except for those with vested rights under California law, this prohibition applied even if the applicant had obtained a Project Permit Approval under the Hollywood Signage SUD Ordinance. Through the adoption of subsequent legislation, this prohibition continued uninterrupted until July 15, 2010, when the Ninth Circuit released its mandate in the *World Wide Rush* appeal. As a result, applicants were prohibited from moving forward with their projects during this 18 month period, notwithstanding the fact that their Project Permit Approvals or related entitlements include a 24 month expiration clause. It is the intent of this Council in adopting Section 6 L. of the Amended Ordinance to remedy this inequity by allowing all applicants with Project Permit Approvals that were valid as of December 26, 2008 to obtain permits pursuant to the previously issued approvals either within the next sixth months, or no later than the expiration date set forth in their approvals, whichever comes later.