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LATHAM & WATKINS LLP

Date: 6-18-19

Submitted in PWM Committee

June 18, 2019

Council File No: 19-0258 + 81

Item No.: 15 and 16

Via Hand Delivery

Deputy: Commissioner Snow
Applicant Rep.

Planning and Land Use Management Committee
Los Angeles City Council
City of Los Angeles - City Hall
200 North Spring Street, Room 395
Los Angeles, CA 90012

Re: June 18, 2019 Agenda: Mitsui 8th and Fig. Appeals of Case Nos. VTT-74197-1A and CPC-2016-1950-TDR-SPR

Dear Chair Harris-Dawson and Honorable Committee Members:

On behalf of the Applicant Mitsui Fudosan America (“MFA”), we look forward to presenting the proposed 41-story mixed-use residential building located at 744 South Figueroa Street, 732-756 South Figueroa Street, and 829 West 8th Street (the “Project”). As discussed in prior submittals to you, we respectfully request that the Applicant’s appeals be granted, including removal of the Inclusionary Zoning condition imposed without legal basis by the City Planning Commission (“CPC”), and removal of the CPC’s design condition together with approval of the revised “Exhibit A” dated June 3, 2019 as recommended by staff in its June 13, 2019 report.

In addition to the materials previously submitted as to the Inclusionary Zoning condition, including that the Project is paying nearly \$5 million in TFAR which can be used for affordable housing and is not subject to any other City ordinances justifying imposition of this requirement, two brief submittals are provided here in support of Applicant’s appeal on the design condition and in support of Staff’s recommendation for denial of the opponent’s appeals of the Project’s CEQA and other entitlement approvals.

As to the design condition, attached as Exhibit 1 is a Project summary including a rendering of the revised “Exhibit A” design together with three graphics demonstrating the design refinements in the three areas requested by the CPC. As noted in the June 13, 2019 staff report, the intent of the CPC’s design comments has been met. The graphics depict the proposed refinements to the podium, including wrapping with an enclosed glass system, from the vantage point of the corner of 8th Street and Figueroa Street; a comparison view along the Figueroa Street frontage showing the improvements to the entrance and connections to the tower; and the refined building top that now includes an up-lit cornice element. The revised design elements architecturally tie the various elements of the building together to create a cohesive, unified design.

We also appreciate staff's recommendation that the opponent's appeals be denied, and staff's detailed summary of why the opponent's arguments are incorrect and the City's CEQA process has been fully appropriate and should be certified by the Council. In addition to the points made by staff, the Project's CEQA consultant, Eyestone Environmental, has provided a memorandum attached as Exhibit 2 that provides additional clarification regarding haul truck trip calculations analyzed in the Project's Environmental Impact Report.

We respectfully request your support and that this letter and the attachments be included in the record. Once again, thank you for your consideration.

Very truly yours,



Lucinda Starrett
of LATHAM & WATKINS LLP

Enclosures

cc:

Stuart Morkun, Mitsui Fudosan America
Jeff Chang, Mitsui Fudosan America
James L. Arnone, Latham & Watkins LLP
Peter J. Gutierrez, Latham & Watkins LLP
Scott Johnson, Johnson Fain

EXHIBIT 1

8th & Fig Project Overview

Property/Project Information

- 732-756 Figueroa Street; 829 W. 8th Street
- Existing parking lot; no displacement of housing

Floor Area	424,490 sf
FAR	8.43
Dwelling Units	438
Retail Space	7,493 sf
Building Height	530 feet
Floors	41
Car Parking	505 spaces
Bike Parking	211 spaces



Minimal Entitlements for Transit-Adjacent Location with Streetscape Improvements

- Site Plan Review, TFAR, and Tract Map
- Walking distance to 7th Street Metro Center and proximate to jobs
- Adding mid-block crossing on Figueroa St. with signal timing to accommodate streetcar
- Widening of Figueroa Street and installation of double row of street trees and street furniture. Alley improvements, including widening to allow two lanes of traffic, improved pedestrian access and decorative alley paving.

Design

- Podium design updated to be enclosed with glass system to conceal parking and improve aesthetics of podium.
- Top of building design updated by extending the glass parapets at the perimeter to create a deep cornice, or crown. This cornice will be indirectly lit in the evening to create a celebratory top to the building.
- Building includes architectural design features and building articulations, including patterned and spandrel glass, perforated aluminum panels, and materials including concrete and stone.

Public Benefits

- Mid-Block Crosswalk (\$500,000); Sidewalk and Alley Upgrades (\$300,000); Community Organizations (\$100,000); Value Net Land Dedications (\$2.8 million); Quimby (\$2.5 million).
- \$10.7 Million in total Public Benefits: \$600,000 TFAR transfer payment; \$4.3 million TFAR Public Benefit payment; \$1.8 million in school fees; \$1.1 million in transportation and ROW improvements; \$2.9 million value of land dedication for ROW/Streetscape improvements.
- Housing near transit; Direct Construction Labor – 2,593 workers; annual \$17.8 million in resident spending. (LAEDC Economic Impact Analysis for 8th and Figueroa).



Previous



Proposed



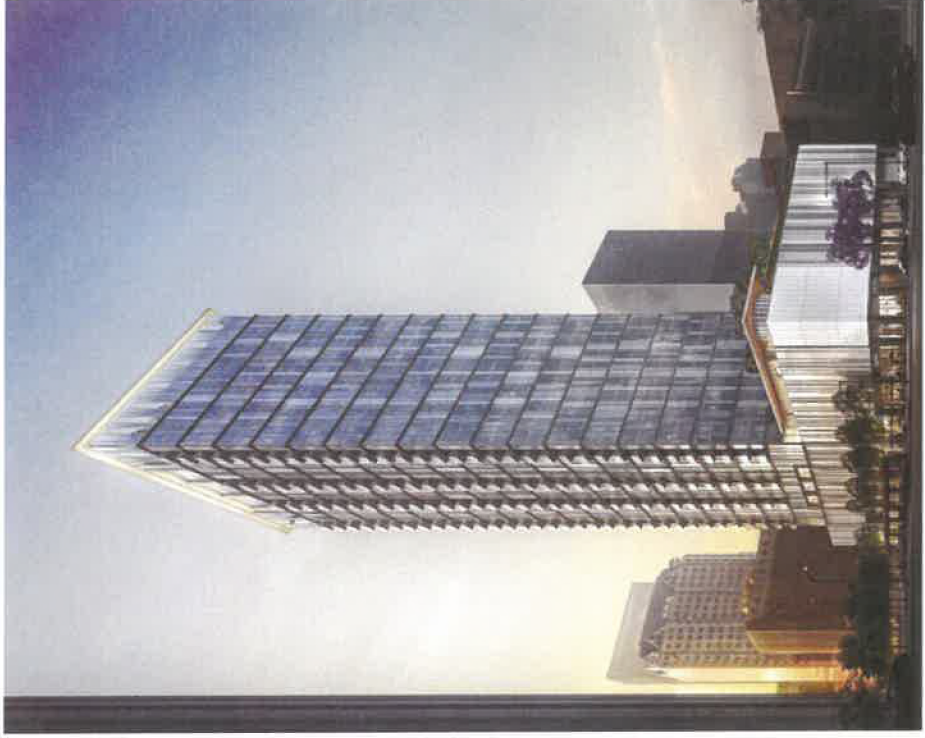
Previous



Proposed



Previous



Proposed

EXHIBIT 2



MEMORANDUM

ATTORNEY-CLIENT PRIVILEGED/CONFIDENTIAL ATTORNEY WORK PRODUCT

TO: City of Los Angeles
FROM: Mark Hagmann, P.E.
SUBJECT: Fig and 8th Project - Haul Truck Trip Clarification
DATE: June 18, 2019

Introduction

Comment letters regarding the Fig & 8th Project ("Project") questioned the adequacy of the analysis of air quality impacts associated with hauling. Comments were provided on the Draft EIR on June 11, 2018; additional comments were provided on the Final EIR on October 24, 2018; and still additional comments were provided as part of the Final EIR Appeal on November 28, 2018.

While many of the comments in the above identified comment letters were duplicative, responses to each of the comments in the letters have been provided and are part of the record. As demonstrated by these responses, no new significant information (as defined by CEQA Guidelines Section 15088.5) that would require recirculation of the Draft EIR has been identified. Specifically, upon review of all of the comments received and analyzed, there are no new significant environmental impacts from the Project or from a mitigation measure that were identified in the Final EIR. In addition, upon review of all comments received and analyzed, there are no substantial increases in the severity of any of the significant environmental impacts identified in the Draft EIR.

A reoccurring comment reflects a difficulty in understanding the difference between the number of haul trips used in the air quality analysis compared to the number of haul trips used in the energy (fuel consumption) analysis. This issue was thoroughly addressed in Response to Comment Numbers 4 and 15 in the October 2018 letter and is further discussed here for additional clarification.

Discussion

South Coast Air Quality Management District's (SCAQMD's) CalEEMod model was used to analyze impacts from haul trips during the excavation/export phase of the Project. In order to analyze these potential impacts, it is important to understand how the model works. CalEEMod requires an input of the total number of haul trips over the duration of



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the grading and excavation phase and does not allow a direct input of the number of haul truck trips per day. For the energy analysis, the CalEEMod input of haul trips was fairly simple since the analysis is concerned with the total fuel consumption. 95,000 cubic yards of exported debris and soil provided in the updated Haul Route Application would require approximately 6,786 loads or 13,572 haul truck trips (95,000 cubic yards ÷ 14 cubic yard trucks). This is equivalent to 57.5 average daily loads or 115 trips per day over the 118-day grading and excavation phase. This average number of daily trips per day that was used in the energy analysis is lower than the peak number of trips per day during the hauling period that was analyzed for air quality impact purposes. The mitigation measure discussed further below limits the maximum number of daily hauls to 135 per day. For the air quality analysis, the CalEEMod input of haul trucks uses the maximum daily number of hauls.

For purposes of determining significance under CEQA for air quality impacts, the peak daily emissions projected to occur during construction are compared to SCAQMD daily significance thresholds. Therefore, using the 57.5 average daily loads (that is, 115 trips per day since each load involves a trip in and a trip out) over the 118-day grading and excavation phase would only capture average daily emissions. Mitigation Measure AIR-MM-5 allows for 135 daily hauls or 270 daily haul trips for import/export during the grading and excavation phase. As discussed above, CalEEMod requires an input of the total number of haul trips over the duration of the grading and excavation phase and does not allow a direct input of the number of haul truck trips per day. Therefore, to analyze peak daily impacts and work with the inputs that are allowed in the model, the total number of haul trucks trips over the grading and excavation phase must be back calculated. This is equivalent to 135 hauls per day x 2 trips per haul x 118 days over the grading and excavation phase or 31,860 total haul truck trips. It is recognized within the analysis that peak conditions would not occur every day during the grading and excavation phase, otherwise the duration would have been reduced from 118 days to 50 days (95,000 cubic yards ÷ 14 cubic yard trucks ÷ 135 hauls per day equals 50 days). Since the number of haul trips will not be at the peak daily levels each day during the grading and excavation phase, the number of total haul trips in the air quality model are purposely overstated.