



Alejandro Huerta <alejandro.huerta@lacity.org>

**COMMENTS TO DRAFT ENVIRONMENTAL IMPACT REPORT ENV-2015-2026-EIR
STATE CLEARINGHOUSE NO. 2015101073**

1 message

Michael Saltz <msaltz@jrsnd.com>

Mon, Jun 19, 2017 at 1:21 PM

To: "alejandro.huerta@lacity.org" <alejandro.huerta@lacity.org>



JACOBSON, RUSSELL, SALTZ,
NASSIM & DE LA TORRE LLP

Dear Mr. Huerta:

Please find attached a copy of a correspondence sent to you regarding comments to the DRAFT ENVIRONMENTAL IMPACT REPORT ENV-2015-2026-EIR STATE CLEARINGHOUSE NO. [2015101073](#).

The original has been sent to your address via Federal Express.


Thank you.

Yours truly,

Michael J. Saltz, Esq.
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[PLEASE NOTE THE CHANGE OF ADDRESS]

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June 12, 2017

VIA FEDERAL EXPRESS AND EMAIL TO:

alejandro.huerta@lacity.org

Alejandro A. Huerta, Environmental Review Coordinator
Major Projects & Environmental Analysis
Department of City Planning
City Hall, City of Los Angeles
200 North Spring Street, Room 750
Los Angeles, CA 90012

**RE: DRAFT ENVIRONMENTAL IMPACT REPORT ENV-2015-2026-
EIR STATE CLEARINGHOUSE NO. 2015101073**

PROJECT NAME: Crossroads Hollywood

**SITE LOCATION: 1540–1552 Highland Avenue; 6700–6760 Selma Avenue;
6663–6675 Selma Avenue; 1543–1553 McCadden Place; 1542–1546
McCadden Place; 1501–1573 Las Palmas Avenue; 1500–1570 Las Palmas
Avenue; 1600–1608 Las Palmas Avenue; 6665–67136 Sunset Boulevard, Los
Angeles, California, 90028**

COMMUNITY PLAN AREA: Hollywood Community Plan Area

COUNCIL DISTRICT: 13—Mitch O’Farrell

**CERTIFIED NEIGHBORHOOD COUNCIL: Central Hollywood
COMMENT REVIEW PERIOD: May 11, 2017–June 26, 2017**

To Whom It May Concern:

Be advised that this office represents Hollywood Media Center, LLC (“HMC”). It has come to our attention that a Draft Environmental Impact Report bearing file number ENV-2015-2026-EIR (hereinafter the “DEIR”) has been published for public comment regarding an area of Central Hollywood that directly impacts property owned by HMC and certain business concerns to whom they rent. As such, we hereby submit the following written comments to the DEIR.

Background of HMC and its Properties:

HMC owns 1534 and 1540 N. McCadden Place, Hollywood, CA 90028 (collectively the "Subject Properties"), which is located almost in the middle the proposed project identified in the DEIR. HMC purchased the Subject Properties in October 2016. At that time the Subject Properties were vacant and required significant investment for improvements to get them to be in a position to be leased. To date, HMC has spent significant time and effort and more than \$200,000.00 for tenant improvements to the Subject Properties with another \$1 Million or more earmarked to complete all upgrades to the Subject Properties.

HMC is scheduled to meet certain previously signed lease obligations by finishing the office component by the end of July 2017, and the restaurant space has been leased to a celebrity chef and applications for Conditional Use Permits have already been submitted. The CrossRoads project will significantly impact the Subject Properties both during construction, which could be anywhere from 5 to 7 years, as well as once the project is in full operation. While it most likely will be possible to eventually fully lease the office space during the long-term construction, HMC is now facing having to give substantial discounts for the inconveniences identified in the DEIR. The restaurant will be another story, since the release of the DEIR, the celebrity chef HMC has signed to lease the restaurant and one of the ground floor spaces to the offices building is now threatening to back out of the deal, which will constitute millions of dollars in losses over the course of the term of the previously agreed upon business arrangement. Further, should the restaurant lease fall through due to the CrossRoads project, the disturbances identified in the DEIR will now make it extremely hard to re-lease the restaurant space as a restaurant because it will be next to impossible for such a business concern to be successful in the midst of the construction blocking access to the restaurant, excessive noise, dust in the air and negative impact to its parking.

As such, and for the reasons stated in more detail, the DEIR makes clear that the CrossRoads project will significantly negatively impact HMC's ability to utilize and manage the Subject Properties and force it to absorb millions of dollars in losses during the proposed construction thereof.

Comments to the DEIR:

The comments and notes below are reflective of the CrossRoads project DEIR, which was published May 8, 2017. References below are based on two of the documents: The Executive Summary (D.I.pdf) and the Project Description (D.II.pdf).

To begin, it should be noted that HMC did not receive any notification from the City regarding the DEIR or public scoping from the City even though HMC is one of the properties that is most affected by this project. The City, however, did send HMC a

notice of assessment increase, so it is clear that the City does have HMC's contact information.

Comments to Document (D.I.pdf) Executive Summary

1. The Executive Summary includes several alternatives [See D.I.pdf, Pg. I-3, Sec. 3-V]. Alternative 3 [See D.I.pdf, Pg. I-24 – I-29] has the Subject Properties as incorporated within the project and used to alter the parking configuration for the project. The Subject Properties, which are referred to in this section as Parcels G [D.I.pdf, Pg. I-27 (“Parcel G is located at 1534-1540 N. McCadden Place”)], are owned by HMC and CrossRoads currently has no options to purchase them, nor are there any negotiations to sell the Subject Properties. As such, it would appear that Alternative 3 is misleading because the developer does not now own, nor is it trying to obtain, the very properties that are being discussed in this alternative.

2. Noise and dust have been identified as a major disruption and inconveniences for the surrounding community. It will be even more so for the Subject Properties, as they are located directly in the middle of the CrossRoads project. Specifically, during construction, the outside of the Subject Properties will need to be constantly cleaned, landscaping will be at risk and the outdoor portions of the restaurant space, which makes up approximately 3000 sq. ft. of dining space, will be deemed unusable. Based on construction time lines, this could persist for over 5 years. Once the project is completed, noise levels from stated increased street traffic, roof top lounges and the pedestrian mall will make the quaint outdoor patio space of the restaurant undesirable.

3. The Executive Summary mischaracterizes Parcel G as being vacant structures. [See D.I.pdf, Pg. I-27 (“Development Parcel G would involve the removal of the two vacant commercial buildings on-site, totaling approximately 4,658 square feet”)]. This description is misleading. Most of the The Subject Properties were leased prior to the publication of the DEIR and are currently undergoing renovations for tenant occupancy, inclusive of the filing of CUP applications for the proposed restaurant space. Specifically, a lease has been signed with HMC for the restaurant at 1534 and 1000 square feet at 1540 N. McCadden Place prior to the release of this DEIR. Now, due to the major disruption of quiet use and enjoyment of the Subject Properties identified in the DEIR, the tenants are threatening to back out of their leases. In the meantime they have decided not to initiate their build-out until some definitive decision on the project is determined, thus causing financial hardship for both HMC and its tenants.

4. The Executive Summary also incorrectly refers to the Subject Properties as 4658 sq ft. [the Executive Summary mischaracterizes Parcel G as being vacant structures. [See D.I.pdf, Pgs. I-23 and I-27]. The commercial space is closer to 7300 sq ft and the total land is approximately 11397 sq ft.

5. The Executive Summary states that portions of N. McCadden Place could be used for hauling during construction. [See D.I.pdf, Pgs. I-132, I-133 and I-140]. According to the

Executive Summary, the construction and hauling will cause significant increase in noise and vibration levels on N. McCadden Place. This will cause serious unmitigated disruption to both the new office tenants and the restaurant space. The restaurant space CUP will include breakfast, lunch and dinner, so the intention is to be open during the hauling and construction periods, thus interfering with HMC's ability to delivery quiet use and enjoyment of the Subject Properties to its tenants.

6. The Executive Summary calls for the loss of 8 metered parking spots on N. McCadden Place, and a total loss of 82 public street spots. [See D.I.pdf, Pg. I-188]. The elimination of these spots will be detrimental to the restaurant and the office space. Furthermore the Executive Summary states that barriers will also be erected that will limit public access to sidewalks and other public right of ways. This will also greatly diminish the commercial profitability of the restaurant and access to the businesses in the office space of the Subject Properties.

7. The Executive Summary indicates major changes to the water infrastructure. [See D.I.pdf, Pg. I-222]. The changes proposed to the water infrastructure will clearly impact the Subject Properties with regard to disruption in water service for an indeterminate period of time, inclusive of water and bathroom service to a restaurant and office space, making the Subject Properties unusable during said time frame because of their proximity to the heart of the project.

Document (D.II.pdf) Project Description

The Hotel is proposing to have an entrance and exit on the west side of N. McCadden Place near Selma and almost directly across from the Subject Proeprties. [See D.II.pdf, Pgs. II-17 - II-22]. In addition, there will be a separate service level entrance off N. McCadden Place for delivery trucks and other service traffic. [*Id.*]. Further, one of the main residence/commercial entrances and exits is proposed on the east side of N. McCadden Place almost directly across from the above hotel entrance and exits. [*Id.*].

With the amount of projected vehicle traffic generated from this project and the fact that there will be multiple entrances and exits all in a location directly surrounding the Subject Properties, the Subject Properties will become landlocked, as no vehicles will be able to access the subject area or find parking. It will also become problematic for pedestrians to maneuver the narrow sidewalks. Valet drop off for the restaurant will become problematic and will cause traffic to significantly back up traffic on the already narrow street. The valet service will also find it difficult to park cars in their covenanted parking at 1533 N. McCadden Place and 1530 N. McCadden Place. These issues will continue during construction and after, thus interfering with the normal use of the Subject Properties.

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Further, the heights of the proposed project will cause issues with restaurant patio space privacy. There are no provisions stated in the DEIR to mitigate such issues.

The comments made herein are designed to address some of the major issues that are raised in the DEIR that will negatively impact the use, value, profitability and alienability of the Subject Property. This letter is not intended to constitute a complete recitation of all issues, complaints, claims, facts, conditions, discrepancies, causes of action, or other matter, all of which is hereby expressly reserved.

Please feel free to contact the undersigned should any additional information be required or to otherwise address the issues stated herein.

Yours truly,

JACOBSON, RUSSELL, SALTZ, NASSIM, & DE LA TORRE, LLP

A handwritten signature in blue ink, appearing to read 'M. Saltz', with a long horizontal flourish extending to the right.

Michael J. Saltz, Esq.

cc:
Hollywood Media Center, LLC