

From: Khalatian, Edgar <EKhalatian@mayerbrown.com>
Sent time: 08/25/2020 03:28:06 PM
To: Kevin Keller <kevin.keller@lacity.org>
Subject: FW: Response to CGS Letter dated July 16, 2020 re the Hollywood Center Project [MB-AME.FID1683707]
Attachments: Mayer Brown Letter re CGS Letter Dated 07162020.PDF

Kevin,


Please see below/attached.

Thanks.

Edgar Khalatian

Partner

Mayer Brown LLP
350 South Grand Avenue, 25th Floor
Los Angeles, CA 90071-1503 United States of America
213-229-9548
ekhalatian@mayerbrown.com

 Please consider the environment before printing this e-mail. If you need to print it, please consider printing it double-sided.

From: Khalatian, Edgar
Sent: Tuesday, August 25, 2020 3:24 PM
To: 'steve.bohlen@conservation.ca.gov' <steve.bohlen@conservation.ca.gov>
Cc: 'wade.crowfoot@resources.ca.gov' <wade.crowfoot@resources.ca.gov>
Subject: Response to CGS Letter dated July 16, 2020 re the Hollywood Center Project [MB-AME.FID1683707]


Mr. Bohlen,

Please see attached correspondence.

Edgar Khalatian

Partner

Mayer Brown LLP
350 South Grand Avenue, 25th Floor
Los Angeles, CA 90071-1503 United States of America
213-229-9548
ekhalatian@mayerbrown.com

 Please consider the environment before printing this e-mail. If you need to print it, please consider printing it double-sided.

This email and any files transmitted with it are intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. If you are not the named addressee you should not disseminate, distribute or copy this e-mail.

Mayer Brown is a global services provider comprising an association of legal practices that are separate entities, including Mayer Brown LLP (Illinois, USA), Mayer Brown International LLP (England), Mayer Brown (a Hong Kong partnership) and Tauil & Chequer Advogados (a Brazilian partnership).

Information about how we handle personal information is available in our [Privacy Notice](#).

Mayer Brown LLP
350 South Grand Avenue
25th Floor
Los Angeles, CA 90071-1503
United States of America

T: +1 213 229 9500
F: +1 213 625 0248

mayerbrown.com

August 25, 2020

BY EMAIL

Edgar Khalatian

Partner
228053

T: 213.229.9548
ekhalatian@mayerbrown.com

Mr. Steve Bohlen
State of California Natural Resources Agency
Department of Conservation
Office of the State Geologist
801 K Street, MS 12-30
Sacramento, CA 95814

Re: CGS Comment Letter dated July 16, 2020
regarding the Hollywood Center Project

Dear Mr. Bohlen:

This firm represents the owners of the property located at 1720 North Vine Street¹ (the “Property”) in the City of Los Angeles (the “City”). We write today to address the false and misleading statements made by the California Geological Survey (“CGS”) regarding the planned mixed-use project at the Property (the “Hollywood Center Project” or the “Project”).

Specifically, in a letter to the City dated July 16, 2020 (“the CGS Letter”), CGS claims that a recent USGS Study² presents “new” evidence that demonstrates the presence of an active fault strand on the Property. This highly inflammatory claim misconstrues the USGS Study, ignores basic scientific standards, and sadly represents yet another example of a concerted, years-long effort from somewhere within CGS to push a preordained conclusion at the risk of the agency’s reputation and basic scientific principles.

This letter evidences how the CGS Letter intentionally omitted critical data to influence unfounded conclusions of fault activity and propagated biased interpretations based on impaired and selective interpretations out of context without regard for facts.

The underlying bias is clear from the letter’s unwarranted dismissal of exhaustive subsurface studies that consistently found evidence precluding the possibility of an active fault on the Property.³ These studies – conducted in full compliance with CGS standards by renowned

¹ The Property consists of the following assessor parcel numbers: 5546-004-006, 5546-004-029, 5546-004-020, 5546-004-021, 5546-004-032, 5546-030-028, 5546-030-031, 5546-030-032, 5546-030-033, and 5546-030-034.

² The United States Geological Survey (“USGS”) issued a report on May 8, 2020 entitled “2018 U.S. Geological Survey – California Geological Survey Fault-Imaging Surveys Across the Hollywood and Santa Monica Faults, Los Angeles County, California” (the “USGS Study”).

³ An active fault is one that has had surface displacement within Holocene time (since the last Ice Age, i.e., within the last 11,700 years).

Mayer Brown LLP

Mr. Steve Bohlen

August 25, 2020

Page 2

geologists – utilized the most scientifically-credible methods of fault investigation, including extensive trenching, transect CPTs and core borings. Importantly, all of the studies were also subjected to peer review, including review by paleoseismic experts and the City. Furthermore, at least one of the authors of the CGS Letter was also present during all of the fault trench viewings and participated in review of the transect data, which proves that CGS is fully familiar with the fault studies and yet omitted the relevant scientific data from its letter to the City.

The CGS Letter ignores these findings and seeks to obfuscate the science by claiming a recent USGS Study provides “new” evidence that demonstrates an active fault on the Property. A simple read of the USGS Study shows that is not the case.

The USGS Study does not conflict with the prior findings nor does it provide new data that illustrates fault activity contrary to the approved site-specific fault studies. All of the studies infer fault traces, but only the site-specific trenching and transect studies sought to determine the rupture history, which is determinative on whether the fault is considered active under Alquist-Priolo Zone regulations. The site-specific studies found evidence precluding the possibility of an active fault for at least the last 30,000 years. By contrast, the USGS Study never even sought to date the last rupture. In fact, the first page of the USGS Study makes clear that its seismic data provides “*little or no information*” about the rupture history of the fault traces.”

In other words, the USGS Study admits on its face that it contains no scientific evidence by which CGS or any other geologist could ascertain whether the fault is active, undercutting the entire foundation of CGS’ argument. The CGS Letter, not surprisingly, fails to point this out. It also fails to point out that USGS urged “*extreme caution*” in evaluating its data because of the noisy conditions caused by high-cultural noise levels on North Argyle Avenue, heavy traffic along the 101 overpass and Hollywood Boulevard, and subway trains.

No doubt recognizing the fallacy of relying on the USGS Study, the CGS Letter also clings to two other investigations cited in that study (Ninyo & Moore, 2015; and Group Delta, 2015). That is again misleading, as one of the investigations was never signed and the other fault was considered indeterminate and needed further investigation. Moreover, both investigations involved sites that are blocks away from the Property and are of little probative value relative to the Property.

CGS’ claim that “new” evidence casts doubt on the findings from the 2015 and 2019 Fault Studies is factually inaccurate. The USGS Study identified four potential locations of fault “activity” along North Argyle Avenue. However, the on-site trenching determined that there are no active faults at three of the four locations identified in the CGS Letter. The CGS Letter fails to acknowledge this salient point. Furthermore, CGS, without explanation, intentionally located this supposed fault approximately 30 feet south of where USGS interpreted possible faulting.

Lastly, and equally disturbing, is the CGS Letter’s recount of the site-specific fault study peer review (ECI, 2015). Not only does the CGS Letter misquote simple geologic legend definitions provided in the peer review figures, but it misguides readers as to the interpretations presented in

Mr. Steve Bohlen
August 25, 2020
Page 3

the peer review. If the peer review is read in the context for which it was prepared, as all scientific based documents are, it is obvious that the conclusions of the data evaluation lead the reviewer to support the findings in the site-specific fault studies for the Property that the faulting below the Property has been inactive through at least the Holocene time (i.e., since the Ice Age). In short, like the USGS Study, the two other investigations referenced by CGS provide no credible basis to question the peer-reviewed conclusions reached in the prior site-specific fault studies.

We will not speculate on CGS' motives for submitting such a misleading letter at this late stage, other than to say that over the last several years, it appears that factions at CGS have pursued an arbitrary and capricious campaign to reach a preordained conclusion on this Project, regardless of what the scientific evidence demonstrated. Whether that effort was motivated by hubris or an improper effort to aid Project opponents is not yet clear. What is clear, though, is that CGS' actions on the Hollywood Center Project stand in stark contrast to its silence on the many other entitlement projects pending in the Property's immediate surroundings.

Below are additional details regarding our concerns. We respectfully request that you immediately investigate the facts surrounding the issuance of the CGS Letter and either rescind the letter or provide immediate contextual clarification that the studies presented in the CGS Letter do not provide a scientific basis to infer an active fault on the Property.

I. The 2015 and 2019 Fault Studies Both Found No Active Fault on the Property.

Two geological studies were performed on the Property by Group Delta Consultants, Inc. ("Group Delta"), a leading geotechnical engineering firm that has been practicing with professional geologists on earthquake hazards for more than thirty years; one was dated March 6, 2015 (the "2015 Fault Study") and another was dated July 19, 2019 (the "2019 Fault Study"). Both studies were peer reviewed by another leading geological consulting firm, Earth Consultants International. The studies collectively involved:

- A review of previous site exploration data;
- A review of site vicinity fault investigation data;
- 48 core borings;
- 117 cone penetration tests; and
- Excavation and logging of four trenches, the locations of which were reviewed by CGS and approved by the City, to evaluate the stratigraphic horizons and potential fault traces.

Germane to the issue here, Group Delta geologists, the City geologist, and CGS geologists personally entered the trenches to observe whether there was any Holocene-age fault movement. Following this inspection, all of the geologists unanimously concluded that there was clear evidence precluding the possibility of an active fault.

Mr. Steve Bohlen
 August 25, 2020
 Page 4

In addition to the trenching, the following on-site geotechnical investigations were performed:

PRIOR ON-SITE GEOTECHNICAL INVESTIGATIONS PERFORMED

Consultant	Report Date and Type	Fault Related Investigation/Conclusions
Langan Engineering & Enviro. Services	5/10/2012 Geotechnical	<ul style="list-style-type: none"> Four geotechnical borings to depths ranging from 61.5 to 101.5 feet Feasible Project with conditions that could be mitigated
Group Delta Consultants (See Appendix G)	3/6/2015 Fault Activity Investigation	<ul style="list-style-type: none"> 35 continuous core borings, 78 Cone Penetrometer Tests (CPTs), maximum explored depth of 60 feet, two fault study trenches on the East Site No Holocene-active faults – Project approved for redevelopment
Earth Consultants International	3/9/2015 & 6/3/2015 Fault Study Review	<ul style="list-style-type: none"> Third-party opinion of 2015 Group Delta investigation Agreed no Holocene-active faults – Project approved for redevelopment
Rockwell Consulting	12/13/2018 Fault Study Review	<ul style="list-style-type: none"> Paleoseismic and soil specialist interpretation of the Holocene seismic history at the Project Site No Holocene-active faults – Project approved for redevelopment
Earth Consultants International	7/18/2019 Fault Study	<ul style="list-style-type: none"> Third-party review of 2019 Group Delta investigation Agreed no Holocene-active faults – Project approved for redevelopment
Group Delta Consultants (See Appendix G)	7/19/2019 Surface Fault Rupture Hazard Evaluation Report	<ul style="list-style-type: none"> 8 continuous core borings to maximum depth of 55 feet, 18 cone penetrometer test borings to maximum depth of 60 feet, three trenches to maximum depth of 15 feet, soil horizon dating, concluded no fault activity within at least the last 120,000 years No Holocene-active faults Recommended removal of 50-foot building setback zone for Project Site
Feffer Geological Consulting (See Appendix G)	9/23/2019 Geotechnical Investigation	<ul style="list-style-type: none"> Researched previous investigations, 4 soil borings to maximum depth of 135.5 feet, installation of one groundwater monitoring well, geotechnical testing of soil samples, provided preliminary geotechnical recommendations for project design, concluded project feasible with mitigatable conditions

Mr. Steve Bohlen
 August 25, 2020
 Page 5

The following local geotechnical investigations were also performed in the Property’s vicinity:

LOCAL GEOTECHNICAL INVESTIGATIONS PERFORMED

Consultant	Location	Report Date and Type	Fault Related Investigations/Conclusions
Group Delta Consultants	1800 Argyle Avenue	6/30/2014 Geotechnical	<ul style="list-style-type: none"> • See 2015 Fault Study • Feasible project with mitigatable conditions
Group Delta Consultants	1756,1760 Argyle Avenue	9/7/2014 Fault Study	<ul style="list-style-type: none"> • 13 CPTs, 5 continuous core borings, fault trenches, bucket auger borings • No Holocene-active faults – project approved for redevelopment
Group Delta Consultants	6220 West Yucca Street	10/7/2015 Geotechnical	<ul style="list-style-type: none"> • See 2015 Fault Study • Feasible project with mitigatable conditions
Group Delta Consultants	1800 Argyle Avenue	11/10/2015 Fault Study	<ul style="list-style-type: none"> • 20 CPTs, 2 Bucket auger borings, 9 Continuous core borings, fault trenches • No Holocene-active faults – project approved for redevelopment
Group Delta Consultants	1718 Vine Street	7/28/2016 Fault Study	<ul style="list-style-type: none"> • 7 continuous core borings, 14 CPTs, maximum explored depth of 80 feet • No Holocene-active faults; feasible project with mitigatable conditions; project approved for redevelopment
Rockwell Consulting	6305 Yucca Street	7/9/2018 Fault Study	<ul style="list-style-type: none"> • Paleoseismic and soil specialist interpretation of the Holocene seismic history at the site • No Holocene-active faults – project approved for redevelopment
Group Delta Consultants	6305 Yucca Street	8/30/2018 Fault Study	<ul style="list-style-type: none"> • Core borings and fault trenches • No Holocene-active faults – project approved for redevelopment

The above charts demonstrate that the Property and the surrounding area have been subjected to extensive subsurface testing and multiple layers of review consistent with best practices and CGS standards. Evaluations were performed and reviewed by renowned geologists, including CGS. And they were approved by the City. They provide the best technical evaluation of the surface fault rupture hazards at the Property and the surrounding area, yet CGS inexplicably dismisses them outright.

II. CGS’ Efforts to Discredit the 2015 and 2019 Fault Studies Ring Hollow.

CGS seeks to discredit the 2015 and 2019 Fault Studies by erroneously suggesting they were not sufficient. That is nonsense.

This is not the first time that CGS has attempted to “move the goal posts” on this Project when the scientific data did not support its preordained conclusion. For example, after the 2014 fault trench exposure refuted the presence of Holocene faults that CGS had mapped, CGS simply moved the fault strands north into Yucca Street and south, just outside the southern limits of trenching. Similarly, CGS decided to extend the width of its zone, but again only after trenching was

Mr. Steve Bohlen

August 25, 2020

Page 6

completed and revealed no active fault. When the science does not support an active fault, that science should be respected, not undermined by repeatedly moving the fault traces to avoid inconvenient data.

As for the CGS call for additional trenching, this ignores the extensive subsurface testing already conducted on the Property. Trenching is not the only way to evaluate fault recency. As outlined in CGS SP 42 and LABC 1803.5.11 Document No. P/BC 2020-129, transects of closely spaced CPTs and core boring investigations are considered a reliable method when interpreted by a trained certified engineering geologist. In fact, they are often the only subsurface investigation method used to evaluate fault recency below an urban site. Here, several transects of closely spaced CPTs and core borings were extended to the southern perimeter of the Property. After evaluating the transects, combined with the stratigraphy evaluated in the extensive trenching, experienced geologists unanimously concluded that there has been no fault activity for at least 30,000 years. And again, these interpretations were already subjected to peer review and approved by the City.

III. CGS Did Not Present “New” Evidence Pointing to an Active Fault on the Property.

CGS’ claim that “new” evidence casts doubt on the findings from the 2015 and 2019 Fault Studies is likewise nonsense. The USGS Study identified four potential locations of fault “activity” along North Argyle Avenue. However, the trenching already found evidence to refute active faults at three of the four locations identified in the CGS Letter, which are in fact identified as two fault zones in the USGS report (not four individual fault traces as CGS claimed). The CGS Letter fails to acknowledge this salient point, and instead focuses attention on the one location that was not subject to previous trenching along the southern Property line and disregards continuous core data that shows unfaulted near surface stratigraphy dated to be pre-Holocene deposition (i.e., not an active fault). As further proof that CGS is trying to reach its preordained position on where this fault is located, CGS, without any explanation, intentionally located their supposed fault a full 30 feet south of where USGS pointed to possible fault activity. If CGS were to locate the fault activity where the USGS located it (even though the USGS study was supposedly the basis for the “new information” CGS uncovered), CGS would not be able to claim an active fault as the 2015 Fault Study overlaps with the USGS interpreted possible fault zone showing continuous pre-Holocene deposition. Instead, CGS chose to manipulate the data to reach their desired conclusion.

But even this is misleading. The USGS Study cited by CGS does not dispute the 2015 and 2019 Fault Studies; it is agreeable with them. The faults inferred by the USGS survey can be evaluated for recency with significantly more accurate data generated by the subsurface investigations in 2015 and 2019 Fault Studies. The site-specific fault studies were specifically designed to evaluate the age of the faults (and proved them to be inactive and pre-Holocene), while the USGS methodology was not. In fact, USGS specifically disclaimed any attempt to date the fault, stating that its data provides “*little or no information about the rupture history of the fault traces.*” The age of the fault is, of course, determinative on whether the fault is active, so the USGS Study provides no scientific evidence of an active fault. Yet somehow, the CGS Letter misleadingly uses

Mayer Brown LLP

Mr. Steve Bohlen

August 25, 2020

Page 7

the study to assert there is an active fault without definition in the context of an Alquist-Priolo Zone study nor the available stratigraphic context in the local area.

The CGS Letter also fails to mention that USGS urged “*extreme caution*” in evaluating its data because of the noisy conditions caused by high-cultural noise levels on North Argyle Avenue, heavy traffic along the 101 overpass and Hollywood Boulevard, and subway trains. Again, though, regardless of the reliability of the USGS data, the USGS Study did not attempt to ascertain the rupture history, which is determinative on whether the fault is active.

Finally, CGS’ attempt to bootstrap two other investigations (Ninyo & Moore, 2015; and Group Delta, 2015) cited in the USGS Study is of no moment. For one, USGS should have never calibrated their study with incomplete studies that required more investigation for fault determination when there was more reliable, City approved data available. And both investigations involved sites blocks away from the Property. Like the USGS Study, these investigations provide no scientific basis to question the findings of the site-specific Group Delta studies.

The 2015 Fault Study and the 2019 Fault Study, both conducted within the Property, represented an exhaustive subsurface investigation of the Property. Those studies were conducted by leading geologists, peer-reviewed by internationally-recognized experts, and approved by the City. All agree they clearly preclude the possibility of an active fault. Yet at the eleventh hour, CGS still refuses to accept the science and continues to chase a preordained conclusion that has been repeatedly disproven by the facts. This conduct appears to be part of a concerted, years-long effort to undermine the Hollywood Center Project, potentially in concert with Project opponents. If so, these actions put the reputation of CGS at great risk.

Based on our review of the relevant technical information, all of which is publically available, it is our opinion that the CGS Letter is either (i) extremely poor quality with no basis in science, (ii) intentionally misleading to achieve a preordained conclusion, or (iii) prepared by a government agency working in concert with local project opponents who continue to oppose and litigate the development of much-needed housing in Hollywood (this later point is highlighted by the apparent fact that CGS provided individuals opposing the Project with information related to the CGS Letter prior to the letter being finalized or provided to the public). In any of these instances, the actions of CGS must be investigated by a neutral third-party.

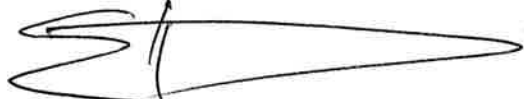
We respectfully urge you to immediately investigate this matter and ask that CGS either rescind its misleading letter or provide the necessary qualifications to make clear that the studies presented in that letter do not provide a scientific basis to infer an active fault on the Property.

Mayer Brown LLP

Mr. Steve Bohlen
August 25, 2020
Page 8

We are also simultaneously referring this matter to the Department of Consumer Affairs, Board for Professional Engineers, Land Surveyors, and Geologists to request a complete and transparent investigation into CGS' actions related to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edgar Khalatian', written over a horizontal line.

Edgar Khalatian
Partner

Department of Consumer Affairs, Board for Professional Engineers, Land Surveyors, and Geologists
California State Mining and Geology Board
California Board for Professional Engineers, Land Surveyors, and Geologists
The Honorable Gavin Newsom, Governor of California
Mr. Xavier Becerra, Attorney General of California
State Senator Ben Allen
Assemblymember Richard Bloom
Mr. Wade Crowfoot, California Secretary for Natural Resources
The Honorable Eric Garcetti, Mayor of Los Angeles
The Honorable Mitch O'Farrell, Councilman for the 13th District
Mr. Vince Bertoni, Department of City Planning, Director
Mr. Osama Younan, Department of Building & Safety, General Manager, Superintendent of Building
Ms. Luci Ibarra, Department of City Planning