

**LETTER NO. 15**

Dated: 2/26/01

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**COMMENT 15.1**

The following are comments from the Figueroa Corridor Coalition for Economic Justice (“FCCEJ”) regarding the Draft Environmental Impact Report (“DEIR”) for the Los Angeles Sports and Entertainment District (the “Project”).

FCCEJ is a coalition dedicated to the protection and improvement of the neighborhoods surrounding the Figueroa Corridor and the principles which unite us. A list of our most recent organizational membership is attached in Appendix 1. FCCEJ also has a substantial membership of individual residents who live in the communities surrounding the Project and in the Figueroa Corridor (see attached map).

Our perspective on this DEIR is entirely concerned with the health, safety, and quality of life issues that this Project presents to low-income people of color -- our members who live and work in the area surrounding the proposed Project.

As discussed in detail below, FCCEJ finds (1) substantial environmental impacts have been ignored in the DEIR, and (2) other substantially environmental impacts have been inadequately addressed.

Of particular concern are the environmental justice issues that are evident in the overwhelming negative environmental impacts the Project will impose disproportionately on low-income people of color in the surrounding neighborhoods. We are also alarmed by the lack of specific and enforceable benefits that the Project will have on this population, and a lack of sensitivity to the existing environmental conditions, history, and context of the community surrounding the proposed Project.

**RESPONSE 15.1**

The commentor's membership organizations, as contained in Appendix 1, are noted for the record (refer to Comment No. 15.38). This Final EIR has been prepared in accordance with requirements set forth in CEQA and has been "prepared with a sufficient degree of analysis to provide decisionmakers with information which enables them to make a decision which intelligently takes account of environmental consequences." (CEQA Guidelines Section 15151) Responses to comments on specific environmental issues are provided below. Concerning "environmental justice" issues and the potential for the project to result in disproportionate effects on minority and low-income populations, the EIR has fully considered the physical impacts of the project on all affected populations in accordance with Section 15132 of the CEQA Guidelines. This assessment has been made with extensive input from the public, including input from those in nearby minority and low-income areas. In response to the Draft EIR, 88 comments were received in Spanish and are responded to in this Final EIR.

**COMMENT 15.2****1. GENERAL COMMENTS****A. The Requirement for Additional Time Was Inappropriately Denied.**

FCCEJ, as well as a number of other organizations and individuals, recently requested additional time to review the voluminous Project DEIR. One of the main reasons for the request was that many of our members who will be directly impacted by this proposed development need a Spanish language translation of this DEIR to effectively review it and provide educated comments. The request for additional time to review the DEIR was denied by the City Planning Department without explanation. We believe this denial clearly violates the tenets of environmental justice and the public participation requirement of one of its legal bases, Title VI of the Civil Rights Act of 1964.

As discussed in the DEIR and these comments, this Project will generate significant negative environmental effects on a minority and low-income community. By the denial of additional time, members of that community are being deprived of the opportunity to closely review the DEIR and its discussion of identified environmental impacts and their predicted magnitude and compare those impacts with their daily experiences over the past year living with the environmental impacts of Staples Center operations.

By refusing this request for additional time, the Planning Department as Lead Agency is refusing to include essential input in the final EIR regarding the magnitude and variety of potential environmental impacts as well as the effectiveness of proposed mitigation based upon the real life daily observations of impacted residents. Rather, the Planning Department is choosing to rely primarily instead on expert sampling, models and extrapolation. This refusal to extend the

time to comment also deprives both community members and decision-makers of the formal response by the EIR consultants to this community input, undermining the adequacy and validity of the EIR process.

We recognize that there will be other opportunities for the public to voice their concerns regarding the Project. However, it is important to distinguish between public testimony provided subsequent to the approval of the final EIR, and the public comment that occurs within the legal and formal EIR review process. In the latter case, the Lead Agency is required to produce formal written responses per the requirement of California Environmental Quality Act (“CEQA”).<sup>1</sup>

Our strenuous objection stated, FCCEJ submits the following comments on the DEIR at this time, to comply with the inexplicably short comment period.

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<sup>1</sup> 14 Cal. Code Regs. §§ 15088(a), 15132.

## **RESPONSE 15.2**

The Draft EIR for the Los Angeles Sports and Entertainment District and the associated environmental review process have been guided by and undertaken in compliance with the requirements of the California Environmental Quality Act (CEQA) and the Guidelines for Implementation of CEQA, as amended. While the City supports the principles of environmental justice and full public participation, a 45-day public review period for the Draft EIR was considered reasonable in meeting the requirements of CEQA Guidelines Section 15105 and conforming with standard City practices. In preparation of the Draft EIR, approximately 50 comment letters received in Spanish were translated to ensure that public concerns were addressed. The Summary of the Draft EIR and some sections were provided in Spanish. Noticing was provided in both English and Spanish in compliance with standard City practices. Of the 135 letters received by the City of Los Angeles Department of City Planning regarding the Draft EIR, 88 letters were submitted in Spanish. These letters have been translated and responded to in both English and Spanish. In addition, any other Responses to Comments referred to in the responses to these letters have also been provided in Spanish. These translations are provided in Volume III of this Final EIR. In addition, a translator will be provided at public hearings for the Project.

**COMMENT 15.3****B. The DEIR Contains No Analysis of Energy Use or Sources.**

Although an EIR should include the energy environmental impacts of a project, the DEIR for the Project fails to include such an analysis. This omission seems particularly puzzling in light of the ongoing energy crisis facing the state and the region. Thus far, the City of Los Angeles has been shielded from energy price volatility because of surplus generation capacity and existing long-term contracts for purchasing energy. Considering projected growth and the current strains on the energy grid, however, this will not always be the case.

The vast proposed Project includes plans for a major 1,200 room convention center hotel, a second 600 room hotel, a 7,000 seat live theater, 800 residential units, up to 300,000 square feet of office space, and up to 125,000 square feet of sports club.<sup>2</sup> Such buildings will require huge amounts of energy to provide the proper lighting, machinery, and ancillary functioning throughout the day and often into the night, in light of the size of the Project and the energy crisis, we believe a full energy analysis should be completed in compliance with requirements set forth in CEQA, and that an energy analysis, complete with required mitigation measures, should be included in the final EIR.

**1. CEQA Requirements Support Completion of an Energy Analysis in the Final EIR.**

According to the CEQA Guidelines, Appendix F, “Potentially significant energy implications of a project should be considered in an EIR.” The discussion of energy impacts should explain why certain construction measures were incorporated in the project and why other measures were dismissed. Impacts to be evaluated include the project’s energy requirements and its energy use efficiencies; effects on local and regional energy supplies and on requirements for additional capacity; effects on peak and base period energy demands; the degree to which the project complies with existing energy standards; effects on energy resources and the projected transportation energy use and its overall use of efficient transportation alternatives.<sup>3</sup>

According to Public Resources Code section 21100(b)(3), mitigation measures for EIR analysis should include measures to reduce wasteful, inefficient and unnecessary consumption of energy. These measures include the potential of siting, orientation, and design to minimize energy consumption, including transportation energy; the potential for reducing peak energy demand; alternate fuels (particularly renewable ones) or energy systems; and energy conservation which could result from recycling efforts.<sup>4</sup> Failure to include a detailed statement setting forth mitigation measures proposed to reduce wasteful energy consumption as required by Public Resources Code § 21100(b)(3) may render an EIR legally inadequate.<sup>5</sup>

**2. Proposed Greenbuilding Guidelines and Energy Mitigation Measures.**

We urge the Project applicant, L.A. Arena Company, LLC (“Project Applicant”) to use the Leadership in Energy and Environmental Design (LEED) system developed by the U.S. Green Building Council (Appendix 2). The LEED guidelines encourage use of non-toxic materials, renewable energy and water efficiency. If a building or project meets certain specific criteria under the LEED guidelines, the building or project can seek certification under the program. We encourage the Project Applicant to seek the platinum certification under the LEED guidelines, utilizing the cleanest and most energy efficient building standards. According to the U.S. Green Building Council, such LEED buildings can be built within a mere 2-3% cost increase, and often the energy savings pay back that extra cost in short order.

### 3. Recommendations:

In addition to implementing the LEED guidelines in construction and operation, we propose that the mitigation measures include:

- On-site solar and photovoltaics power generation, which will lessen any added load to Los Angeles Department of Water and Power’s generation facilities. Clean, on-site energy generation will also delay or prevent the need to build additional petroleum-based generation capacity. Because such plants often end up in communities of color and low-income neighborhoods, on-site power generation for the Project could increase environmental quality elsewhere in the region.
- If off-site generation is pursued, 20% of the Project’s total use should come from renewable technologies (solar, wind, geothermal, etc.) to reduce environmental impacts associated with fossil fuel energy use.
- Design and operate Project buildings to meet building energy efficiency and performance as required by ASHRAE/IESNA 90.1-1999 or the local energy code, whichever ever is more stringent.
- Zero use of CFC-based refrigerants, HCFC’s or Halon in base building HVAC and refrigeration systems to reduce ozone depletion.

We look forward to a comprehensive energy analysis, including discussion of appropriate mitigation measures, to be included in the final EIR.

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<sup>2</sup> *DEIR, p.1.*

<sup>3</sup> *App. F, § II(C).*

<sup>4</sup> *App. F, § D 1-4.*

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<sup>5</sup> *People v. County of Kern* (1976) 62 Cal. App. 3d 761.

### **RESPONSE 15.3**

The Initial Study for the Project did not conclude that the Project's energy consumption would result in a significant impact. Therefore, this issue was not included in the Draft EIR. However, in response to the comment, the following energy analysis has been included. The Project would consume energy. Although consistency with Appendix F of the CEQA Guidelines is not a mandatory requirement for projects, an analysis of the Project's potential impacts on energy are included below. This includes an analysis of the Project's impacts on energy generation and distribution facilities, Project energy consumption and mitigation measures for ensuring that electrical and natural gas service is provided to the Project and that the Project will participate in energy conservation. This Project would exceed Title 24 requirements. LEED is a model that will be used to assure exceedance of Title 24 requirements by 5 percent. Refer to Response to Comment 4.9 regarding the menu of energy conservation measures to be utilized.

LADWP would provide electrical service to the Project site as it does to the City of Los Angeles' 3.8 million residents. LADWP has 24 major thermal generating units at 8 facilities. Hydro resources and pumped storage facilities can also be used to meet market demands. Unlike many municipal electrical service providers in the State of California, LADWP has been able to provide a stable, reliable and inexpensive power source throughout the City of Los Angeles. The rolling blackouts from power shortages that have occurred in other parts of California have not been felt and will not be felt by LADWP customers. Maximum power consumption within the LADWP electricity service area occurs in the summer and is estimated at 5,700 megawatts per day. The total combined peak capacity of these facilities is estimated at 7,000 megawatts per day. Therefore, DWP power generation facilities have surplus capacity to accommodate existing and future worst-case power consumption. Approximately 15 percent of the LADWP surplus power is placed in reserve and the remainder is made available for sale to California entities to assist them in meeting their normal and emergency energy needs (Darlene Battle, Spokesperson, City of Los Angeles Department of Water and Power. Telephone Conversation on March 8, 2001). While electric rates have increased for some utilities in California, Los Angeles City residents continue to enjoy stable rates that have remained unchanged for nine years. LADWP has the ability to provide electrical service to the Project. As shown in Table 1, the Project would consume a maximum of approximately 148 megawatts of electricity per day. As discussed above, LADWP power generating facilities would have available capacity to accommodate this future demand. Existing electrical lines will need to be upgraded at the connection points to the Project site. However, the Project would not result in significant impacts to power availability, service or distribution. Per the guidelines for environmental impacts to energy conservation, contained in the CEQA Guidelines, Appendix F, Section II.C.2, and II.C.3, the Project would not result in significant impacts to local and regional energy supplies or on requirements for additional capacity, nor would the Project result in significant impacts on peak and base period demands for electricity.

The Southern California Gas Company would provide natural gas service to the Project site. Project natural gas consumption is shown on Table 2. The Project would consume approximately 520,753 cubic feet of natural gas per day. The Southern California Gas Company has adequate natural gas supplies to serve the Project (Phone conversation with Butch Ruiz, Southern California Gas Company on March 20, 2001.) However, the Project would not result in significant impacts to natural gas availability, service or distribution. Natural gas mains would need to be extended onto the Project site in areas where there are no existing natural gas mains. However, the Project would not result in significant impacts to natural gas availability, service or distribution.

Project fuel consumption is shown on Tables 3 through 5. Based on the total vehicle miles traveled for the Project (Table 3), the Project would consume approximately 11,950 gallons/day (Table 4). The total fuel consumption in Los Angeles County is estimated at approximately 8,500,000 gallons per day. The Project fuel consumption in comparison with Los Angeles County would be 0.14%. No significant impacts from Project fuel consumption would occur.

Although no significant impact on energy would occur as a result of the Project, the following energy conservation measures, incorporated as Conditions of Approval, shall be added to reduce energy consumption.

1. At the time building permits are pulled for each development area, an energy needs assessment will be developed for the development area. The Project Applicant will coordinate with LADWP and the Southern California Gas Company to identify on-site electrical or natural gas improvements to be required prior to the issuance of the Certificate of Occupancy.
2. An energy plan for the Project development in conjunction with LADWP and the Southern California Gas Company will set forth a program for the inclusion of energy conservation measures on a building by building basis. The conservation measures set forth will be incorporated into the energy conservation program for the Project. A combination of these measures will be selected so that the Project will exceed Title 24 requirements by 5 percent. Refer to Response to Comment 4.9. LEED is a model that will be used to assure exceedance of the Title 24 requirements by 5 percent.

Table 4

## LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT ELECTRICAL CONSUMPTION

Use	Size/Units	Electrical Consumption Factor (kilowatt-hour/ square foot/year) <sup>a</sup>	Total Annual Demand
<b>Olympic Properties</b>			
Retail	110,000 sq.ft.	13.55	1,490,500 <sup>b</sup>
Dining	85,000 sq.ft.	47.45	4,033,250 <sup>b</sup>
Entertainment	125,000 sq.ft.	13.55	1,693,750 <sup>b</sup>
Entertainment—Live Theater/Cinema	260,000 sq.ft. (7,000 seats)	13.55	3,523,000 <sup>b</sup>
Entertainment—Museums	75,000 sq.ft.	13.55	1,016,250 <sup>b</sup>
Health Club	125,000 sq.ft.	12.95	1,618,750
Office	75,000 sq.ft.	12.95	971,250
Hotel	1,060,000 sq.ft. (1,200 rooms)	9.95	10,547,000
Hotel—Meeting/Ball Rooms	100,000 sq.ft.	9.95	995,000
<b>Subtotal</b>			<b>25,888,750</b>
<b>Figueroa Properties</b>			
Residential	800 DU	5,627 <sup>c</sup>	4,501,600
Retail	315,000 sq.ft.	13.55	4,268,250 <sup>b</sup>
Dining	140,000 sq.ft.	47.45	6,643,000 <sup>b</sup>
Entertainment	80,000 sq.ft.	13.55	1,084,000 <sup>b</sup>
Office/Sports Medicine Center	135,000 sq.ft.	12.95	1,748,250
Office	90,000 sq.ft.	12.95	1,165,500
Hotel	530,000 sq.ft. (600 rooms)	9.95	5,273,500
<b>Subtotal</b>			<b>24,684,100</b>
<b>Total</b>			<b>50,572,850</b>
<b>Daily Total</b>			<b>138,556 kilowatt hours/day or 138.6 megawatt hours/day 9 megawatt hours/day</b>
<b>Add 15% Additional Consumption for Outdoor Lighting, Signage, etc. for Commercial/Hotel Uses included in the Specific Plan Area</b>			
<b>Total</b>			<b>148 megawatt hours/day</b>

*DU = dwelling unit*

<sup>a</sup> Electrical Consumption factor source: SCAQMD CEQA Air Quality Handbook, Table A9-11-A.

<sup>b</sup> Use would also include outdoor lighting, signage, etc. which has been added at the bottom of this table.

<sup>c</sup> Kilowatt-hour/unit/year.

Source: PCR Services Corporation, March 2001.



Table 5

## LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT NATURAL GAS CONSUMPTION

Use	Size/Units	Natural Gas Consumption Factor (cubic feet/ square feet/month) <sup>a</sup>	Total Demand
<b>Olympic Properties</b>			
Retail	110,000 sq.ft.	2.9	319,000
Dining	85,000 sq.ft.	2.9	246,500
Entertainment	125,000 sq.ft.	2.9	362,500
Entertainment—Live Theater/Cinema	260,000 sq.ft. (7,000 seats)	2.9	754,000
Entertainment—Museums	75,000 sq.ft.	2.9	217,500
Health Club	125,000 sq.ft.	2.0	250,000
Office	75,000 sq.ft.	2.0	150,000
Hotel	1,060,000 sq.ft. (1,200 rooms)	4.8	5,088,000
Hotel—Meeting/Ball Rooms	100,000 sq.ft.	4.8	480,000
Subtotal			7,867,500
<b>Figueroa Properties</b>			
Residential	800 DU	4,012 <sup>b</sup>	3,209,600
Retail	315,000 sq.ft.	2.9	913,500
Dining	140,000 sq.ft.	2.9	406,000
Entertainment	80,000 sq.ft.	2.9	232,000
Office/Sports Medicine Center	135,000 sq.ft.	2.0	270,000
Office	90,000 sq.ft.	2.0	180,000
Hotel	530,000 sq.ft. (600 rooms)	4.8	2,544,000
<b>Subtotal</b>			<b>7,755,100</b>
<b>Total</b>			<b>15,622,600</b>
<b>Daily Total</b>			<b>520,753 cf/day</b>

DU = dwelling unit

<sup>a</sup> Natural Gas Consumption factor source: SCAQMD CEQA Air Quality Handbook, Table A9-12-A.

<sup>b</sup> Cubic feet/unit/month.

Source: PCR Services Corporation, March 2001.

Table 6

## TOTAL VEHICLE MILES TRAVELED FOR PROJECT

Residential Trips						
	Home-Work	Home-Shop	Home-Other	Weighted Trip Length	# of Trips	VMT
Urban Trip Length (mi)	11.5	4.9	6.0			
% of Trips	20.0%	37.0%	43.0%	6.7	2,183	<u>14,605</u>
Commercial Trips						
	Commute	Non-Work	Customer	Weighted Trip Length	# of Trips	VMT
Urban Trip Length (mi)	10.3	5.5	5.5			
Raqueetball/Health	5.0%	2.5%	92.5%	5.7	2,430	13,948
Quality Restaurant	8.0%	4.0%	88.0%	5.9	10,503	61,800
Live Theater	5.0%	2.5%	92.5%	5.7	3,763	21,600
Entertainment	5.0%	2.5%	92.5%	5.7	6,557	37,637
Visitor Attraction	5.0%	2.5%	92.5%	5.7	1,159	6,653
Hotel	5.0%	2.5%	92.5%	5.7	6,065	34,813
Regnl. Shop. Center > 570,000 sq.ft.	2.0%	1.0%	97.0%	5.6	8,323	46,576
Museum	2.0%	1.0%	97.0%	5.6	673	3,766
Office Building	35.0%	27.2%	37.8%	7.2	1,584	11,373
Medical Office Building	7.0%	3.5%	89.5%	5.8	4,536	26,472
					45,593	<u>264,637</u>
<b>Total VMT (residential + commercial)</b>						<b>279,243</b>

Source: LA Sports and Entertainment District EIR, Technical Appendix Vol. II, Regional Emissions – URBEMIS7G Output.

Table 7

## FUEL CONSUMPTION FOR PROJECT

Vehicle	Type	% Type	VMF	Gal/VMF	Gal
Light Duty Auto		64.28%	179,497		
	Non-catalyst	0.13%	233	0.03	7.0
	Catalyst	99.78%	179,102	0.03	5,373.1
	Diesel	0.09%	162	0.03	4.8
Light Duty Truck		24.50%	68,414		
	Non catalyst	0.58%	397	0.05	19.8
	Catalyst	87.07%	59,568	0.05	2,978.4
	Diesel	12.35%	8,449	0.04	338.0
Medium Duty Truck		7.39%	20,636		
	Non-catalyst	1.20%	248	0.08	19.8
	Catalyst	86.41%	17,832	0.08	1,426.5
	Diesel	12.39%	2,557	0.06	153.4
Heavy Duty Truck		3.83%	10,695		
	Non-catalyst	0.54%	58	0.18	10.4
	Catalyst	7.11%	760	0.18	136.9
	Diesel	92.34%	9,876	0.15	1,481.4
<b>Total Fuel Consumption</b>					<b>11,950 gallons/day</b>
<b>% Fuel Consumption Compared to LA County</b>					<b>0.14%</b>

Source: MVE17G and CEQA Handbook, Table A9-5-0, 1993.

**Table 8****TOTAL FUEL CONSUMPTION IN LOS ANGELES COUNTY**

<b>Vehicle</b>	<b>Type</b>	<b>% Type</b>	<b>VMT</b>	<b>Gal/VMT</b>	<b>Gal</b>
Light Duty Auto		64.28%	127,679,364		
	Non-catalyst	0.13%	165,983	0.03	4,979.5
	Catalyst	99.78%	127,398,469	0.03	3,821,954.1
	Diesel	0.09%	114,911	0.03	3447.3
Light Duty Truck		24.50%	48,664,350		
	Non catalyst	0.58%	282,253	0.05	14,112.7
	Catalyst	87.07%	42,372,050	0.05	2,118,602.5
	Diesel	12.35%	6,010,047	0.04	240,401.9
Medium Duty Truck		7.39%	14,678,757		
	Non-catalyst	1.20%	176,145	0.08	14,091.6
	Catalyst	86.41%	12,683,914	0.08	1,014,713.1
	Diesel	12.39%	1,818,698	0.06	109,121.9
Heavy Duty Truck		3.83%	7,607,529		
	Non-catalyst	0.54%	41,081	0.18	7,394.5
	Catalyst	7.11%	540,895	0.18	97,361.2
	Diesel	92.34%	7,024,792	0.15	1,053,718.8
<b>Total Fuel Consumption</b>					<b>8,499,899 gallons/day</b>

Source: MVE17G and CEQA Handbook, Table A9-5-0, 1993.

**COMMENT 15.4****C. The Development Time Frame Section of the Project Description Is Inadequate.**

From review of the DEIR Project description, it is unclear what the planned time line is for Project construction. Although an approximately seven-year construction period is put forward in the DEIR, a specific time line for construction has not been offered.<sup>6</sup> Therefore we cannot tell what will be built when, and cannot determine at what intensity the environmental impacts will occur at any particular, point in time over the next seven years. This ambiguity as to construction time makes it difficult to comment intelligently about the ramifications of the environmental impacts of the Project construction. This is particularly challenging because certain DEIR analysis is specifically tied to the construction of the Project (e.g., air quality, pedestrian safety, traffic and parking).

We understand that the Project Applicant, for practical economic reasons, is seeking maximum flexibility with respect to future Project design. It is our belief that tools like the proposed equivalency matrix need to be carefully balanced with appropriate environmental protection and mitigation measures so that benefits to the Project Applicant do not unfairly burden the local community with additional environmental degradation.

**1. Recommendations**

According to California law, a project description in an EIR must include all relevant parts of a project, including reasonably foreseeable expansion or other activities that are part of the project.<sup>7</sup> As a result, and for the reasons set forth above, we request that the final EIR provide much more specific information, including a time line, on the details of the construction plan for the Project.

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<sup>6</sup> DEIR, p.70

<sup>7</sup> *Laurel Heights Improvement Assn. v. Regents of the University of Cal.* (1988) 47 Cal. 3d 253.

**RESPONSE 15.4**

As was stated in the Draft EIR, Section II, D. Project Development Time Frame on page 70, the proposed Project has been formulated based upon the Project objectives and anticipated market conditions, particularly a demand for additional convention hotel facilities, and entertainment, retail, and restaurant uses, as well as residential, office, and hotel uses on the Project site. As proposed, following Project approval by the City, site work and infrastructure development could begin in late

2001. Project development is expected to occur incrementally, with buildout scheduled to occur by 2008.

The Applicant proposes to construct the new parking structure on the northern half of the Olympic West Properties prior to commencing construction on the Olympic East Properties. A portion of this facility would serve as replacement parking for STAPLES Center that is displaced when development activities begin on the balance of the Olympic Properties. When Project construction and demolition activities begin, portions of the existing parking within the Olympic and Figueroa Properties may also be used as construction staging areas.

During the 7-year construction phase, construction would be intermittent and would not occur all the time. The greatest construction impacts would only occur during periods of excavation and grading which would be infrequent. Construction impacts were analyzed in the Draft EIR, Section IV. Environmental Impact Analysis, for each environmental issue.

Understanding the variable factors that influence the timing of construction, the EIR includes a conservative analysis of construction impacts based on reasonable expectations at this point in time. As described in Section IV.F.1 of the Draft EIR (page 269), the Applicant will be required to implement a Construction Management Plan which contains several components, including a community liaison officer.

## **COMMENT 15.5**

### **II. SPECIFIC COMMENTS ON THE DEIR**

#### **A. The Land Use Section of the DEIR Is Inadequate.**

##### **1. The DEIR Land Use Section Omits Consideration of the Adjacent Pico Union I and II Redevelopment Plans.**

The DEIR states that the Project is subject to and guided by numerous land use plans, including the Central Business District Redevelopment Plan, the City's Central City Community Plan, the City of Los Angeles Zoning Code, the Housing Element of the City's General Plan Framework the Downtown Strategic Plan, the South Park Development Strategies and Design Guidelines, the Southern California Association of Governments Regional Comprehensive Plan and Guide (RCPG), and the Figueroa Corridor Economic Development Strategy.<sup>8</sup>

Although the DEIR discusses many appropriate land use plans, a glaring omission is any reference to the Pico Union I and Pico Union II Redevelopment Plans. These Redevelopment Plans cover geographic areas located directly west and adjacent to the proposed Project which

<sup>9</sup> In addition, the Redevelopment Project seeks to:

- improve the appearance of the community through rehabilitation and improved land use;
- improve the traffic flow within and through the area;
- and stimulate the economy to create new business opportunities and jobs.

As explained more fully below, without due consideration to the Pico Union I and II Redevelopment Plans and their goals, the proposed Project will:

- cause “gentrification” and thus reduce the amount of housing that is affordable to working class and low-income people at a time when, according to the City’s own Housing Crisis Task Force Report, the City is suffering a “profound crisis of housing affordability;”
- strain traffic flow within and through the area; and
- undermine the development of home-grown businesses.

We request that the final EIR include a detailed analysis of the relationship of the proposed Project to the Pico Union I and II Redevelopment Plans.

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<sup>8</sup> *DEIR, pp. 88-118*

<sup>9</sup> *Pico Union I Redevelopment Project, Five-Year Implementation Plan, FY2000-FY2004, Health & Safety Code Section 33490, Adopted, November 16, 2000.*

### **RESPONSE 15.5**

The comment states that the Pico Union Redevelopment Project, Areas Nos. 1 and 2, are located adjacent to the Project site. In fact, the Redevelopment Areas are located west of the Harbor Freeway which acts as a barrier between the Project site and Pico Union. The purpose of a Specific Plan is to guide land use development in a geographic area wherein land uses have common characteristics. As a proposed sports and entertainment district, the character of the Project is

markedly different than the existing character of the Pico Union area. The uses and design standards of the proposed Specific Plan would not be appropriate to the predominately residential character of Pico Union. In the case of the Project, as discussed in Section II.E of the Draft EIR, the proposed Los Angeles Sports and Entertainment District Specific Plan would apply to the properties adjacent to STAPLES Center and the Los Angeles Convention and Exhibition Center (i.e., Olympic West, Olympic East, Figueroa Central, and Figueroa South Properties). Although the Project is located outside the Pico Union I and II Redevelopment Plan areas, the Project would be consistent with the neighborhood traffic and affordable housing goals contained within the Pico Union I and II Redevelopment Plan areas. Specifically, as analyzed in Section IV.F.1 of the Draft EIR (pages 260 and 261), the Project would not result in any significant neighborhood traffic. Also, the Project would develop, or cause to be developed, affordable housing equal to 20 percent of the residential units built within the Specific Plan area. These issues are further addressed below in response to the commentor's specific comments on these issues.

Although Section IV.A, Land Use, of the Draft EIR does not specifically analyze the Project's compliance with the Pico Union I and II Redevelopment Plan areas, the Project's potential environmental effects on these areas are addressed in the Draft EIR where existing conditions, including the issues referenced in the Comment, serve as the basis for the analysis. With an understanding of existing conditions, the EIR has explored all feasible mitigation to offset project impacts where they can be reasonably foreseen. In fact, much of the Project's mitigation strategy is specifically intended to preserve and protect local neighborhoods. The Project Applicant has committed to working cooperatively with these neighborhoods in finding solutions.

### **COMMENT 15.6**

#### **2. The Specific Plan Must Be Broadened to Include Adjacent Low-Income Residential Areas.**

One of the land use challenges of the proposed Project is how to balance the needs of a 3.75 million square foot regional sports and entertainment attraction with those of an existing historic residential community, without negatively impacting that community. As shown throughout these comments, our members who live in the area have suffered from a lack of environmental mitigation from the current operations of Staples Center, the precursor to the Project. The Project Applicant has recognized these problems, and has recently engaged in a cooperative effort with FCCEJ to mitigate these negative impacts. From our experiences, we have all learned the hard way that it is much more difficult to mitigate problems after they have occurred than [sic] to prevent them from occurring in the first place, by having appropriate mitigation measures and processes in place.

High-end projects such as the proposed Project development create economic pressures on property values and real estate behavior in adjacent low-income neighborhoods, often referred to



as “gentrification.” Without very careful intervention, the result is generally displacement of low-income minority residents.

FCCEJ has documented specific cases of rent increases and reduced maintenance that occurred immediately after the construction of the Staples Arena. Interviews and focus groups with current residents who currently live adjacent to the existing Staples Center have provided vivid examples of what happens when no land use mechanisms or mitigation are in place to protect housing resources. Residents have testified that some of their rents were increased substantially (in one case from \$250 to \$500) immediately following the construction of the Staples Center. In another case, residents explained that their landlord stopped providing services to the building as soon as the Staples Center was constructed, anticipating an imminent sale to developers interested in implementing the many downtown visions of planning described above.

Entities devoted to the protection and development of long-term affordable housing in the area -- non-profit housing developers have been completely frustrated by an atmosphere of speculation immediately following the Staples development. In some cases, property owners have raised asking prices to two or three times the previous year’s price.

It is true that the residential rent increases are beyond those permitted by the current Rent Stabilization Ordinance and that housing conditions cited are out of conformance with the City’s Code. However, it is also true that it is beyond the City’s current resources to mitigate the severe impact that an enormous Project will have on a community -- unless specific land use and planning mechanism are in place that incorporate a geographic area broader than those owned by the Project Applicant near the proposed Project.

We believe it is bad planning to limit the entire proposed specific plan to the Project site. It is particularly crucial that residential minority neighborhoods are incorporated into the proposed Specific Plan because:

- After approximately 40 years of effort in the area of affordable housing, Pico Union I and 11 will expire soon after the projected completion date of the Project. The City cannot afford to delete this effort with a new one, and must protect its historic investment in affordable housing in an historic minority neighborhood.
- Most of the investments made by local, state, and federal agencies in affordable housing have expiration dates that permit reversion to market rate in a few short years. The Figueroa Corridor is an area in which many of these investments have either reached their expiration dates or will reach their expiration dates before the completion of this Project, exposing them to the economic pressures described above. A list of these 253 buildings, representing 16,684 housing units is provided in Appendix 3.<sup>10</sup>

Given the current affordable housing crisis, the current financial crisis of the L.A. Community Redevelopment Agency, and the severe limitations of the City's resources for affordable housing in a period of extreme need, it is imperative that past and current investments and efforts for affordable housing are not completely canceled out by the loss of affordable housing. This negative impact, which is inconsistent with existing adjacent plans, will disproportionately impact low-income people of color who live in the surrounding community.

### 3. Recommendations

We are recommending related land use strategies that will assist in mitigating the projected impacts of displacement, gentrification, and loss of affordable housing and their disparate impact on minority working class residents. A preview of these impacts has already occurred as a result of the existing Staples Center, and thus every measure of prevention and cure must be considered in reference to the much larger proposed Project.

Our land use mitigation recommendations are:

- Extend the Specific Plan boundaries to include existing residential areas that have been struggling for years to provide affordable housing, such as the Community Redevelopment Agency's Pico Union I and Pico Union II Project Areas.
- Include the language recommended by the L.A. Housing Crisis Task Force in the Specific Plan and the Disposition and Development Agreement/Developer Agreement, provided in Appendix 4.

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<sup>10</sup> *Neighborhood Knowledge Los Angeles, Department of Urban Planning, School of Public Policy and Social Research, UCLA.*

### **RESPONSE 15.6**

Existing conditions, such as those associated with operation of STAPLES Center, were carefully considered in the planning of the Los Angeles Sports and Entertainment District Project and also contributed to the assessment of identifying the potential impacts of the Project and mitigation measures. It is important to note that although the STAPLES Center is owned by the Project Applicant, it is separate and distinct from the proposed Project, consistent with CEQA Guidelines Section 15378(c) which states, "[t]he term project refers to the activity which is being approved and which may be subject to several discretionary approvals by governmental agencies." STAPLES Center underwent its own environmental review process and the Final EIR for that project was certified by the City in 1997.

The purpose of a Specific Plan is to guide land use development in a geographic area wherein land uses have common characteristics. As a proposed sports and entertainment district, the character of the Project is markedly different than the existing character of the Pico Union area. The uses and design standards of the proposed Specific Plan would not be appropriate to the predominantly residential character of Pico Union. In the case of the Project, as discussed in Section II.E of the Draft EIR, the proposed Los Angeles Sports and Entertainment District Specific Plan would apply to the properties adjacent to STAPLES Center and the Los Angeles Convention and Exhibition Center (i.e., Olympic West, Olympic East, Figueroa Central, and Figueroa South Properties). The Harbor Freeway acts as a barrier between the Project site and the residential neighborhoods, including Pico Union, to the west. Furthermore, inclusion of Pico Union within the boundaries of the Specific Plan could dramatically effect the character of the land uses within the Pico Union area and would, therefore, conflict with the stated goals of the commentor. Therefore, it was not considered appropriate to include these areas within the Specific Plan.

Although the proposed Specific Plan does not include the Pico Union I and II Redevelopment Plan areas, the Project's potential environmental effects on these areas are addressed in the Draft EIR where existing conditions, including the issues referenced in the comment, serve as the basis for the analysis. In particular, refer to Sections IV.E., Air Quality; IV.H., Noise; and IV.F., Transportation/Circulation. With an understanding of existing conditions, the EIR has explored all feasible mitigation to offset project impacts where they can be reasonably foreseen. The Project Applicant has committed to working cooperatively with these neighborhoods in finding solutions.

CEQA requires that mitigation measures be incorporated into a Project where impacts would be significant. As the Draft EIR found that the issue raised in the comment would not result in a significant impact, the mitigation measures recommended in the comment are not being included.

#### **COMMENT 15.7**

B. The DEIR Section on Population, Housing and Employment Fails to Address the Issue of Affordable Housing and Gentrification of the Surrounding Community.

The affordable housing and displacement problems described above must be viewed in the context of the current affordable housing crisis in Los Angeles. The City's affordable housing crisis has been well documented in the recent report issued by the Los Angeles Housing Crisis Task Force. Some of the Los Angeles Housing Crisis Task Force Report's ("Task Force Report") findings are:

- Over the next few years, thousands of units in the City's older housing stock will be demolished to make way for new residential, commercial and school construction.

- As described above, most of the subsidies invested by public agencies in affordable housing have expiration dates which permit reversion to market rate.
- The City is nearly built out, and suitable parcels of land for new housing are so scarce that construction has nearly ceased. Between July 1998 and June 1999, 1,940 net new housing units were built in the City of Los Angeles while population increased by 65,000 people.

Regional projections from the Southern California Association of Governments (“SCAG”) as presented in the DEIR do not adequately reflect the affordable housing shortages in Los Angeles. SCAG projections in the DEIR for growth in the housing supply in the Los Angeles subregion does not include a breakdown of the affordable housing supply, or make adjustments for overcrowding, overpayment, or slum conditions. This is a significant oversight given the low-income community that surrounds the proposed Project site. The proposed Project will have a deleterious effect on the affordable housing supply in a community that is already sorely lacking in affordable housing.

According to SCAG calculations cited in the Task Force Report, the City will need 60,280 new units in a seven and half year period between 1998 and 2005, or about 8,000 new units a year. Of this number, 3,787 must be affordable. The City’s building permit data shows that between July 1998 and June 1999, 2,621 units were constructed and 781 were demolished. In the six months between June and December 1999, 2,337 units were constructed and 429 units were demolished. Although construction appears to be increasing, it is still a long way from the 8,000 annual units projected by SCAG. Nor does new construction address the problem of affordability. In fact, new construction compounds the problem of affordability because the units demolished to make way for new construction are the City’s older and most affordable housing units.

In the neighborhoods that surround the Figueroa Corridor, 36% of residents live below the federal poverty level. According to 1990 Census data for the 90015 zip code (where the Project will be located), 90.9% of occupied units are renter occupied units. The median household income for the area is \$15,656 - half of the median household income for Los Angeles City (\$30,925). Eighty-seven and a half percent of residents are classified as Hispanic, and 50.4% residents have less than a 9th grade education.

This population’s inability to afford market-rate housing fuels an exploitative slumlord industry, so severe that the City established the Systematic Housing Code Enforcement Program (SCEP) to respond to the increase in slum housing as documented by the Blue Ribbon Citizen’s Committee on Slum Housing. The lack of appropriate planning and mitigation regarding this

issue have exacerbated this problem in housing since the development of the existing Staples Center three years ago.

### **RESPONSE 15.7**

It is important to note that the Project would not remove or displace any residential uses and would provide approximately 800 new residential units. As stated in Response to Comment 15.6, the Project Applicant has committed to working cooperatively with the affected neighborhoods in finding solutions to the issues raised in this comment. Moreover, Project development will be “inclusionary” in that it will include an affordable housing component.

The Community Redevelopment Agency (CRA) requires that within a redevelopment project area, as is the case with the proposed Project, at least 15 percent of housing units be provided as affordable housing, based on the following criteria:

- 6% of total units built must be affordable to Very Low Income persons earning no more than 50% of Area Mean Income (AMI).
- 9% of total units built must be affordable to Low or Moderate Income persons earning less than 110% of AMI.

CRA allows the affordable housing to be provided off-site on a 1:1 basis within any redevelopment area, subject to a public hearing. Furthermore, CRA requires that if the affordable housing is not within a redevelopment area, then the percentage requirement is doubled (i.e., 30%). Affordable units can include newly built or substantially rehabilitated units. In addition, half of the required affordable units may be procured by buying affordability covenants in existing developments so long as: (1) no more than half of the required affordable units are procured in this way; and (2) that at least 50 percent of units procured in this way are affordable to Very Low Income households (50 percent AMI).

The Applicant has committed to exceeding the CRA’s affordable housing requirement through an Affordable Housing Program. The Project proposes to exceed the CRA’s 15 percent inclusionary requirement to provide additional affordable units and to make housing affordable to more lower income families. This plan for more units and lower rent levels reflects the Applicant’s commitment to extend the benefits of its economic enterprise to surrounding neighborhoods and families. To further its connection to neighborhoods, the Applicant proposes to work with community based housing developers to implement much of the plan.

#### Percentage Inclusionary Units

The Applicant will develop or cause to be developed affordable housing equal to 20% of the residential units built within the Specific Plan area. With current plans calling for 800 units on the site, the affordable housing commitment incorporated into the Project will be 160 units.

#### Income Targeting

The 160 inclusionary units will be affordable at the following distribution:

- 30% affordable to families earning 50% of AMI
- 35% affordable to families earning 60% of AMI
- 35% affordable to families earning 80% of AMI

#### Term of Affordability

Inclusionary units will remain affordable for a minimum of 30 years pursuant to a recorded covenant or agreement as required by The Community Redevelopment Agency.

#### Location

The affordable units will be built within the Specific Plan area or within a redevelopment area within a three-mile radius.

#### Unit Type

All inclusionary units will be rental units. Any inclusionary units within the Specific Plan area will likely have two bedrooms. Three and four bedroom units may be developed at offsite locations that are more appropriate for large families.

#### Implementation

The Applicant will develop all inclusionary housing through partnerships with housing developers. Development of on-site housing will be the direct responsibility of a for profit housing developer selected through a competitive process to build both market rate housing and affordable units within the Specific Plan Area. Off-site housing will be developed through joint ventures with community based partners.

The requirement for the provision of affordable housing shall be incorporated into the Project's Disposition and Development Agreement (DDA) or Development Agreement (DA). With the proposed Affordable Housing Program, Project impacts on affordable housing remain at a less-than-significant level.

Furthermore, the related projects list included as Table 4 on page 84 of the Draft EIR identified four projects in the area of the proposed Project which include residential development. These four projects would result in a total of 465 new residential units, many of which would be located within a redevelopment area and subject to CRA's affordable housing requirements. Therefore, development would result in an increase in affordable housing and cumulative impacts on affordable housing would be less than significant.

### **COMMENT 15.8**

1. The Failure to Mitigate The Project's Negative Impacts on Affordable Housing May Violate Fair Housing Statutes.

The potential for unmitigated displacement will exclusively impact Latinos, poor families with children, women, seniors and people with disabilities who live in the area impacted by the Project. All of these populations are entitled to special protection under federal and state statutes guaranteeing fair housing civil rights. These include the Federal Fair Employment and Housing Act<sup>11</sup>, and the California Fair Employment and Housing Act (FEHA), Government Code section 12955 et seq. It is important to note that while under the Federal Fair Housing Act, proof of violation is based upon discriminatory intent, such a showing of intent is not required under FEHA. Rather, a violation of FEHA is based upon a showing of discriminatory effect.<sup>12</sup>

The community surrounding the proposed Project is a low-income, predominately Latina/o community that suffers from sub-standard apartments and housing shortages at levels well above the rest of the City. The DEIR fails to adequately address the impact that the loss of affordable housing will have on an already vulnerable community, a loss of housing that may be a violation of state and federal statutes.

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<sup>11</sup> Title VIII of the Civil Rights Act of 1968, as amended 1988. 42 U.S.C. Section 3601.

<sup>12</sup> Cal. Gov. Code § 12955.8.

**RESPONSE 15.8**

The Project will not demolish or otherwise displace any residential uses and will provide approximately 800 new residential units. Furthermore, as discussed in Response to Comment 15.7, the Project would exceed the CRA affordable housing requirement.

Neither the Federal Fair Employment and Housing Act nor the California Fair Employment and Housing Act prohibit implementation of the Project, which will add to and not detract from the existing affordable housing stock. In addition, all housing units created by the Project will be required to be provided in compliance with these fair housing statutes. Further the existing Disposition and Development Agreement for STAPLES Center prohibits such discriminatory practices by covenant and it is anticipated that the City would require the adoption of this covenant for the Project.

**COMMENT 15.9**

2. The DEIR Fails to Adequately Analyze the Connection Between Project Wage Levels and Nearby Housing Prices.

Among the South Park Design Guidelines listed, one is “creating a Live/Work Community” (DEIR, p. 188). Yet there is a growing gap between wages and housing costs. Over the past ten years, job growth has been highest in the service and retail sectors. While job growth has been concentrated in low-wage sectors, since the end of the recession in 1997, housing prices have continued to rise.

According to the Task Force Report, the housing crisis impacts people who earn less than \$25,000 per year, 92% of whom must pay over half of their pre-tax income for rent. In Pico Union and other neighborhoods which surround the Project, many residents are low-wage workers that earn minimum wage, which is \$14,040 per year. The Task Force Report, produced by business, community, and City staff, states that a minimum \$14.90 per hour wage is necessary for a worker to afford a two bedroom apartment in Los Angeles -- much less than the current California minimum wage of \$6.75 per hour.

While types of jobs that may be created from the proposed Project are listed in the DEIR, there is no analysis of job quality, wage levels, or full-time/part-time ratios. The DEIR states that “employment growth directly attributable to the Project will have a favorable impact on employment in the Central City Community Plan Area, and will assist in the recovery of downtown Los Angeles employment levels last seen prior to the economic recession of the early 1990s.”<sup>13</sup> However, the DEIR cannot address the issue of economic revitalization without taking into account job quality.



Los Angeles is the capital of working poverty. In the late 1990's, 64.1% of all poor adults and children in Los Angeles County lived in a household in which at least one member worked full-time, according to *The Other Los Angeles: The Working, Poor in the City of the 21st Century*, a study released in August 2000 by the Los Angeles Alliance for a New Economy ("LAANE") (Appendix 5).

Poverty has grown, despite the fact that unemployment was under 6% in 2000. The Los Angeles Times has reported that of the over 300,000 new jobs created in Los Angeles County since 1993, a majority pay substantially below-average wages of less than \$25,000 a year (Appendix 6).

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<sup>13</sup> *DEIR, p.191.*

### **RESPONSE 15.9**

As discussed in Section IV.C of the Draft EIR (page 190), the Project would create 5,367 full-time equivalent (FTE) jobs by 2008. Of these, 1,073 jobs, or 20%, would be in managerial, administrative, professional, and technical occupations with an average annual salary range between \$32,000 and \$62,000. In addition, 1,878 jobs, or 35%, would be in sales or clerical and administrative support occupations with an average annual salary range between \$18,000 and \$46,000. Given the definition of quality jobs provide by the commentor in footnote no. 14 (see Comment 15.10, below), all of the managerial, administrative, professional and technical jobs would be "quality jobs". Likewise, a portion of the sales, clerical, and administrative support services would also be "quality jobs."

The Applicant acknowledges that the Project will generate construction and permanent jobs on-site as well as permanent jobs from the development of new and expanding business enterprises in the surrounding area. The Applicant is committed to developing a local hiring and job training program in cooperation and with participation with the City, the community, and the trade unions to achieve these goals.

### **COMMENT 15.10**

3. The DEIR Does Not Address the Impact of Low-Wage Jobs on Public Services.

As with the Staples Center, the economic development benefits of the L.A. Sports and Entertainment District are described in the DEIR. However, the Staples Arena, according to their own Arena Jobs Incentive Program report in November 2000 (Appendix 7), created a high number of part-time, low-quality jobs. A full 83% of all Staples employees are part-time,