

Office of the Los Angeles City Attorney  
Hydee Feldstein Soto

May 12, 2023

Holly Wolcott, City Clerk  
Office of the City Clerk  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, CA 90012

Dear Ms. Wolcott:

Please find attached a written threat of litigation relating to Council File CF 21-0624 regarding the declaration as surplus property and the possible sale of 17600 West Tramonto Drive, Los Angeles.

Please place this letter in the Council File. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Strefan Fauble". The signature is written in a cursive, flowing style.

Strefan Fauble  
Assistant City Attorney

SPACH, CAPALDI & WAGGAMAN, LLP  
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October 8, 2020

**SENT VIA EMAIL AND U.S. MAIL**

City of Los Angeles  
General Services Department  
Attention: Tony Royster  
Real Estate Services Division  
111 E. 1st Street  
Los Angeles, CA 90012  
tony.royster@lacity.org

Re: *Slope Failure at 17600 Tramonto Drive, Los Angeles, CA 90272*

General Services Department,

I write on behalf of our clients Mr. Greg Demos and Springhouse Hamilton Park, LLC ("SHP"), regarding the ongoing slope failure at the property owned by the City of Los Angeles located at 17600 Tramonto Drive, Los Angeles, CA 90272 (the "Property") in violation of that certain Order to Comply – Class 1 Slope Failure, Order No. RD 30051, (the "OTC") issued by the Los Angeles Department of Building and Safety ("LADBS") on or about August 10, 1999. The slope failure on the Property occurred in 1958, which presumably the City was aware of when they purchased the Property in 1964 – and in no event could the City have been unaware of this slope failure later than August 1999, which is when the City received the OTC. The OTC requires the City to engage a geologist and to take measures to stabilize the slope on their Property. Currently, this slope failure is causing the City's Property to slide down the hillside onto other properties. A copy of the OTC is attached hereto as **Exhibit 1**.

SHP and JDR Revello, LLC ("JDR") currently own twelve vacant lots adjacent to the City's Property. Over the past 18 months, SHP and JDR have prepared plans and numerous geology and soils reports in an effort to develop four homes on these twelve lots (two homes each). The proposed development is illustrated in the Site Plan attached hereto as **Exhibit 2** with the following building site addresses:

- (1) 17538, 17544, 17550 Tramonto Drive ("SHP House 1")
- (2) 17532, 17540, 17548 Revello Drive ("SHP House 2")
- (3) 17523, 17529 Revello Drive ("JDR House 1")
- (4) 17533, 17537, 17541, 17547 Revello Drive ("JDR House 2")

As illustrated in the Site Plan, a portion of 17548 Revello Drive is directly downslope of the Property. Due to the City's failure to comply with the OTC, SHP is not able to develop and use a portion of their property as indicated in the recorded Covenant and Agreement Regarding

Non-Buildable Zones, which is attached as **Exhibit 3**. As such, SHP had to modify the plans for the SHP House 2 so that no part of this home is within the slide zone of the Property as is generally denoted by the turquoise shaded area on the Site Plan and as is more specifically denoted in Exhibit A of the Covenant and Agreement as the “Non-Buildable Zone”.

This issue has been meticulously analyzed and studied by SHP’s geo-consultants (“Stoney Miller Consultants” or “SMC”). SMC prepared a Report dated January 20, 2020 in response to the LADBS, Grading Division’s Review Letter dated December 5, 2019. A copy of this Report and Review Letter are attached as **Exhibit 4**.

LADBS Grading Division’s Review Letter states:

*“The consultants state that Section J-J’ has an inadequate global factor-of-safety including the upslope areas of 17600 Tramonto Drive and 17551 Revello Drive and cannot be stabilized by measures implemented only at 17532 Revello. In addition, the consultants indicate that remedial measures would be required in the upslope properties at 17600 Tramonto Drive and 17551 Revello Drive in order to provide code conforming factors of safety. How will the roadway and slope above the portion of the project with a factor of safety less than 1.5 be brought to current code conformance as required by LABC 7005.9?”* (see Item 1, page 2 of City’s Review Letter referenced in Appendix A of Report)

SMC’s written response to this matter, which is based on their slope stability analysis, states:

*“It is our understanding 17600 Tramonto is owned by the City of Los Angeles and the 17551 Revello Drive property is privately owned. These properties must be stabilized in order to achieve an adequate global factor of safety at the far western flank of 17532 Revello Drive. This condition is recognized as unremediated, and as such no significant improvements are proposed in this portion of 17532 Revello Drive.”* (see Response to Item 1, page 2 of Report)

Note, LADBS and SMC’s reference to 17532 Revello covers all three lots included in the SHP House 2 building site as each home is required by law to only have one address rather than a range of addresses. As such, each proposed home or building site is referenced by just one address.

Back in early 2018, Mr. Demos began to recognize that this could develop into a much larger issue and become a legal matter between SHP and the City. In an effort to mitigate SHP’s potential damages and to avoid a legal dispute, Mr. Demos contacted the General Services Department (“GSD”) to inquire about purchasing the Property. GSD indicated that the City could not consider any potential sale without Council District (“CD”) 11’s approval. Mr. Demos then contacted CD 11 many times (i.e. at least 15 times by email and phone over a six-month time period) to seek CD 11’s approval. Unfortunately CD 11 never responded to Mr. Demos’ inquiries so he could only assume that CD 11 would not approve of the sale at that time.

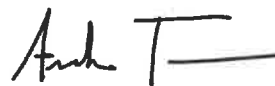
The City has rejected all of Mr. Demos' proposals and ignored his efforts to purchase the Property, yet the City has done nothing to remediate the existing slope failure on their Property that is preventing our clients from being able to develop a portion of the SHP House 2 building site and, preventing SHP from fully complying with its own orders to comply with respect to that lot (i.e. 17548 Revello Drive). The City has a legal duty to comply with the OTC and to reasonably maintain their Property so that it does not interfere with the use of nearby parcels. **Unlike most of the other parcels in the Tramoto Landslide area, the City is in the unique position to be able to stabilize the slope on their Property without having to rely on others, given the location of the Property at the top of the landslide. In other words, any lot directly downslope of the Property cannot be stabilized unless and until the City stabilizes their Property, which effectively renders all lots, or portions thereon, directly downslope of the Property unbuildable.**

At this point, our clients have exhausted all of their options. If the City is not willing to sell the Property to SHP so that SHP can itself take steps to stabilize the slope failure on the Property, which is preventing development on a material portion of 17548 Revello, then our clients hereby demand that the City immediately take measures to repair the slope failure occurring on their Property and to continue to do so until such failure has been fully remediated and fixed in a reasonable and timely manner.

Our clients wish to resolve this informally, but should the City continue to refuse to address the existing slope failure on their Property, our clients have instructed our office to pursue all available equitable and legal remedies, including, but not limited to, seeking injunctive relief to compel the City to stabilize the slope failure on the Property and to otherwise comply with the OTC. If we do not receive an indication from the City that demonstrates its intent to resolve these issues by close of business, Friday, October 16, 2020, we will begin legal proceedings. I am available to discuss this with you at your earliest convenience.

Nothing contained herein shall constitute a waiver of any of our client's rights or remedies pertaining to this matter, all of which rights and remedies are hereby expressly reserved.

Very truly yours,

A handwritten signature in black ink, appearing to read "Andrew TSU", with a horizontal line extending from the end of the signature.

ANDREW TSU

Enclosures

cc: Client

David Roberts (david.l.roberts@lacity.org)

Enid Gomez (enid.gomez@lacity.org)

Krista Kline (krista.kline@lacity.org)

Len Nguyen (len.nguyen@lacity.org)

Letter to City of Los Angeles General Services Department  
October 8, 2020  
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Patrick Schmidt ([patrick.schmidt@lacity.org](mailto:patrick.schmidt@lacity.org))  
Eric Noreen ([eric.noreen@lacity.org](mailto:eric.noreen@lacity.org))  
Jesus Acosta ([jesus.acosta@lacity.org](mailto:jesus.acosta@lacity.org))  
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