



MICHAEL N. FEUER
City Attorney

REPORT NO. R22-0061
MAR 01 2022

REPORT RE:

**DRAFT ORDINANCE AUTHORIZING THE ADOPTION OF
AN AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF LOS ANGELES AND NEXT CENTURY PARTNERS, LLC**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 12-1580-S1
CPC-2008-4953-CU-CUB-DA-ZAA-SPP-SPRGB-M1

Honorable Members:

On February 1, 2022, the City Council took an action requesting that our Office prepare and present the necessary ordinance to authorize the execution of an amendment to the Development Agreement between Next Century Partners, LLC (the Developer) and the City.

As requested, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, and the Amendment to the Development Agreement (the Amendment) in a form we can also approve.

Background

The City and Developer entered into that certain Development Agreement dated April 22, 2013 (the Original Agreement), which vested development rights related to the proposed redevelopment of the site of the 16-story Hyatt Regency Century Plaza Hotel (the Project). The Project consisted of: (i) preservation and rehabilitation of the existing

Century Plaza Hotel into 63 condominium units, 394 hotel guest rooms, 26,250 square feet of hotel meeting room/ballroom space, 1,900 square feet of hotel retail space, 14,100 square feet of hotel spa and fitness center space, and 9,100 square feet of hotel restaurant space; (ii) development of two 578-foot high buildings with 290 condominium units and 10 housekeeping units; and (iii) roughly 93,840 square feet of non-Hotel pedestrian-serving retail and restaurant uses.

The Original Agreement required the Developer to provide a payment of \$125,000 to the California Community Foundation for the purpose of funding a traffic study in the vicinity of Century City. However, due to the extended time period between Council action, execution of the Original Development Agreement, and receipt of the payment by the Developer, the California Community Foundation has indicated that the funding for this traffic study is no longer needed. Therefore, the Amendment is being entered into in order to change the recipient of the funds from the California Community Foundation to the City of Los Angeles – Council District 5 Avenue of the Stars Community Amenities Trust Fund.

Findings

The required Charter and Government Code findings were prepared by the Department of City Planning and are contained in the Planning Department staff report dated February 3, 2020, at pages F-1 through F-2. Should the City Council adopt this draft ordinance, it may comply with the provisions of Charter Section 558 and the Government Code by adopting these findings or by making its own findings.

California Environmental Quality Act (CEQA)

If the City Council wishes to adopt the draft ordinance and Amendment, it must first comply with CEQA. The Environmental Impact Report (EIR) for the Project was previously certified by the City Council on August 1, 2012. Therefore, the City Council may comply with CEQA by taking the following action prior to, or concurrent with, any action to adopt the ordinance and Amendment:

Find, based on the independent judgment of the decision-maker, after consideration of the whole of the administrative record, the project was assessed in the previously certified Environmental Impact Report No. ENV-2008-4950-EIR, certified August 1, 2012; and pursuant to CEQA Guidelines, Sections 15162 and 15164, no subsequent EIR or negative declaration is required for approval of the project.

Council Rule 38 Referral

Pursuant to Council Rule 38, copies of the draft ordinance and the Amendment were sent to the Department of Building and Safety, and Department of Transportation,

with a request to direct any comments directly to your Honorable Body or your Committees at the time this matter is considered.

Government Code Requirements for Notice and Hearing

Before action may be taken on either the draft ordinance or the Amendment, the City must comply with the provisions of Government Code Sections 65867, 65090 and 65091. Those sections require, among other things, notice and a public hearing. In addition, the City's development agreement procedures state that the City Council shall not take any action on any development agreement prior to the expiration of a 24-day notice.

Recommended Actions

If the City Council wishes to approve the proposed Amendment as recommended by the City Planning Commission, it must:

1. Find, based on the independent judgment of the decision-maker, after consideration of the whole of the administrative record, the project was assessed in the previously certified Environmental Impact Report No. ENV-2008-4950-EIR, certified August 1, 2012; and pursuant to CEQA Guidelines, Sections 15162 and 15164, no subsequent EIR or negative declaration is required for approval of the project; and
2. Adopt the enclosed draft ordinance authorizing the execution of the Amendment.

If you have any questions regarding this matter, please contact Deputy City Attorney Laura Cadogan Hurd at (213) 978-8177. She or another member of this Office will be available when you consider this matter to answer any questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By



DAVID MICHAELSON
Chief Assistant City Attorney

DM/LCH:kh
Transmittal