



City Clerk Council and Public Services &lt;clerk.cps@lacity.org&gt;

## Fwd: Time Sensitive: Please add to Council File Numbers 22-0496 And 21-0829-S1 ASAP

Office of the City Clerk &lt;cityclerk@lacity.org&gt;

Mon, Jun 13, 2022 at 11:43 AM

To: City Clerk Council and Public Services &lt;clerk.cps@lacity.org&gt;

----- Forwarded message -----

From: 'Jeffrey Gavin' via Clerk - CityClerk &lt;cityclerk@lacity.org&gt;

Date: Mon, Jun 13, 2022 at 2:48 AM

Subject: Time Sensitive: Please add to Council File Numbers 22-0496 And 21-0829-S1 ASAP

To: CityClerk@lacity.org &lt;CityClerk@lacity.org&gt;

Please confirm that this comment and the attached documents have been added to File Numbers 22-0496 And 21-0829-S1 ASAP.  
The Public Comment System would not work.

Venice Dell Housing Development (Previously known as Reese Davidson)

To support and enable the developers' false narrative that there is no unmet demand for parking at Venice beach, the City of Los Angeles has been doing almost everything it can to block, prevent and discourage beach access for low-income residents and people of color, turning people away from public beach parking in Venice on at least 14 out of 15 weekends during the summer of 2021 and on many weekends during the winter months.

The City's exclusionary practices include prices for parking that are two to four times the market price and more than five times as much as many residents can afford, changes at the entrance to Beach Parking Lot #731 to prevent people from parking, keeping beach parking Lot #701 locked to the public even when the streets are flooded with cars searching for beach parking, turning cars away from the 3 public beach parking lots on Venice Beach every weekend during the summer season, signs on North Venice Blvd directing visitors away from the beach and parking, lengthy unnecessary 20++ minute waits in artificially created lines for parking, making it impossible for visitors to know about the pricing and availability of parking until they get to the front of those lines and the prominent display of an exclusionary price for parking on Pacific Ave.

In a 2016 statewide Study of California Voters by UCLA, half of the people surveyed would not pay more than \$8.75 for parking. A survey of Low-Income residents in the City of Los Angeles would come up with a much lower number. The \$20.00 that the City is charging on weekends during the winter and the \$25.00 to \$45.00 it charges during the summer are clearly exclusionary, in violation of the Coastal Act and the City's policies for equity and social justice that require that all public facilities must be accessible to everyone.

Here is a chart showing the costs of summer weekend beach parking in different Cities:

LADOT Lot #731-Venice Dell Site in the Median	\$25.00-\$45.00
No option for less than a full day for people who want to visit the Historical Canals or Boardwalk	
The City charges \$20.00 on weekends during the winter when lots on the beach charge half as much.	
Visitors walk by signs putting them on notice that they have been "ripped off" by the City of Los Angeles on their way to the beach.	
Santa Monica South Beach Lot-Near Venice	\$12.00 Max including Holidays
Redondo Beach	\$2.00 per hour
Fisherman's Village Marina del Rey	0-2 HRS: \$2 // 0-4 HRS: \$4 // Full Day: \$8
4545 Admiralty Way-Marina del Rey next to boat slips.	\$7.00 max
Torrance Beach Lot	\$7.00
Will Rogers Beach	\$13.00-\$15.00 max
San Diego Beach	Free
Malibu Beach	\$10.00-\$15.00 max depending upon Lot
1976 Venice Beach Rate Adjusted for inflation	\$5.00 (approximately)

The financial projections for the new parking garage at this development show that the City plans to lock in an additional increase over and above the prices listed above to pay for operating costs estimated by the City to be five times as much as at the current lot and for \$1,368,000 annual debt service. The projected price increase would get the price of summer weekend parking into the \$31.00 to \$56.00 range, making the City's public beach parking lot inaccessible to most residents. Even at those prices, the new parking garage would generate about \$1,887,000 in negative cash flow and lost profits per year for the next 19 years as the debt service would be more than the gross revenue. The reduced traffic from high prices would further increase the City's losses on what is claimed to be a revenue generating parking garage.

Prior to the Covid crisis, Venice Beach was the 2nd most visited tourist spot in all Southern California, with about 200,000+ visitors on peak days and 10 million visitors per year. To accommodate these crowds, the City only has less than 1000 publicly owned parking spaces on the beach and about 350+ spaces in the median. The City's plans to replace the existing parking lots in the median with housing and commercial development would permanently reduce and cap the number of spaces available for beach visitors and make it impossible to implement long-standing plans to use an existing trust fund to add additional parking at Venice Beach.

Equitable Beach access is an essential element for racial, social, and economic justice in the City of Los Angeles. Regular Visits to the Beach must be part of growing up for every child in our City and an affordable option for everyone. With only about 1350 public parking spaces, including those in the median, it would be impossible to provide enough affordable parking to meet the demand from 4 million City Residents, 6 million additional County residents and millions of tourists. The reduction and cap in the number of parking spaces in Venice resulting from this development would severely limit beach access in our City for the 99 years that this lease would remain in effect.

The developers are required to provide replacement beach parking to build the project. The developers are trying to get the City to pay for the replacement parking with a \$19,492.862 MICLA bond without any investigation as to why the cost almost quadrupled from the 5.2 million estimated cost in 2020.

The MICLA Bond request claims that the parking structure would generate \$11,382 per space in gross annual revenues ignoring the fact that the busiest parking lots actually on the beach only generate about \$3000 to \$5000 in annual revenue per space. The new parking structure will generate less than half the revenue projected by the developers, leaving the City holding the bag with a parking garage that will cost the general fund about \$1,887,000.00 in negative cash flow and lost profit per year and more than 35 million dollars over the first 19 years of the lease.

Everything about this development is a scam, including the 252 space beach parking garage that the City is being asked to pay for. The developers' own expert has confirmed that the building envelope is not big enough for a 252 space parking lot. (Parking Design Group Proposal August 14, 2020, Page 4) The CAO report for the Homeless Committee claims that the parking garage will have 252 spaces, but the plans included in their report show that the planned garage only has 231 spaces and that it also exceeds the height limit for the project. The developers want the City to commit to pay for a 252 space garage knowing that the plans only have 231 spaces and do not comply with the height limit and that it would be impossible to build the 252 spaces required for the project in the building envelope.

The number of parking spaces on Venice Beach hasn't changed since the early 1950's and the fact that there is not enough beach parking has been repeatedly documented in studies, reports, news stories, Planning Department Documents, online travel reviews and more. The decision to move forward with this development relies upon the finding in the Tierra West Advisors Venice Parking Study prepared for LADOT to rebut this well-known fact. The study concluded that Lot #731 was not filling up on summer weekends. LADOT documents show that the department manager who reviewed and approved the Study knew that this was not true. In other words, the Parking Study used to justify the decision to lease this valuable 2.6 acre property next to the beach for one dollar per year was falsified.

This project would also eliminate the only possible safe path for bike riders to and from the beach on North Venice Blvd. Since 2019, there have been at least five fatal traffic accidents involving pedestrians and bike riders in the immediate vicinity of this property. The removal of the path for bike riders will create another impediment to equitable beach access and is likely to result in multiple deaths and severe injuries during the 99 year term of this lease.

Any lease agreement with the developers is premature as the project still has to be reviewed and approved by the Coastal Commission where it will face fierce opposition. Even if the Coastal Commission approves the development, they are almost certain to impose conditions limiting the prices charged that would add another huge increase to the City's losses on the parking garage.

If built, this project is almost certain to produce the most expensive affordable housing units ever built in the United State when you include the cost of the coastal land, construction cost for the replacement beach parking lot, negative cash flow on the parking garage and the lost profits on beach parking.

My emails with the CAO and LADOT regarding some of the fatal defects in the plans for this development, including serious financial improprieties, are submitted with this comment. A typo has been changed in one of the emails to correctly state the term of the lease. I have also included a copy of a letter from Sonya Reese Greenland demanding that her family's name be removed from the project.


I visited Venice beach every weekend during the summer of 2021. and on multiple occasions before and after, documenting the facts discussed above with pictures and videos. I have also reviewed numerous documents related to this project.

Before any vote to approve an agreement that would permanently eliminate any possibility of providing equitable beach access to the City's 4 million residents and generate millions of dollars in operating losses to the general fund, the City Council should continue the hearing to allow staff to meet with me to discuss the issues raised in this comment.

Jeffrey Kevin

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## 2 attachments

 **Venice Dell CAO & LADOT Emails.pdf**

150K

 **Sonya Reese Letter.pdf**

319K

**Emails to and from CAO:**

Hello Yolanda and Jacqueline.

Thank you for your response to my email.

The DDA Agreement would commit the City to a 99 year lease at \$1 per year for a project that does not have its entitlements approved. The DDA agreement specifically states that the garage would be financed with a MICLA loan, which could easily cost the General Fund about \$1,887,000 in negative cash flow and lost profits per year for the next 19 years as discussed below and in my prior email. Thus, the statement in the CAO report that there is no impact on the General Fund from signing the DDA agreement including the reference to the MICLA Loan is false and inaccurate. The committee's understanding of the facts relating to the MICLA loan will be important with regard to their decision about the DDA.

The CAO reports also assumes that the Coastal Commission will approve this project, and do so without conditions. This is extremely unlikely. The project does not comply with the provisions of the Coastal Act and there is very strong opposition. As the City has been charging rates at Lot #731 that are mostly twice as much as other parking lots at the beach, any approval of the project should include a condition requiring the City to reduce the rates being charged by around 50% instead of permitting the increase that the City plans to use to pay for the debt service. Signing the DDA before the City knows what the Coastal Commission will do would be financially reckless and irresponsible. The CAO's job is to protect the City in this kind of situation. At very least, you have an obligation to fully disclose these risks to the Homeless Committee before they meet.

According to the CAO report for the Poverty Committee hearing, the new parking structure would have 252 spaces. This is not true. The 252 spaces listed in the tabulation are fictional as the plans included with the CAO report only have 231 spaces. The Parking Design Group informed the developers that the maximum capacity in the "garage envelope" would be about 220 after they carefully studied "any and all reasonable potential options for this site." (Page 4 of their August 14, 2020 Proposal that I will send you in a separate email.) As Jacqueline knows, the developers have spent years trying to come up with a workable design to increase the capacity of the garage to match the numbers they promised without any success. There is no plan for a 252 space parking lot in the available building envelope and there never will be. Again, you clearly have an obligation to disclose all of this to the Homeless Committee before they meet.

The agreement does not include the Coastal Permit Application, Hearing and approval in the list of project milestones. This omission also needs to be corrected.

The MICLA request states "parking experts predict that this Public Parking Structure will be more profitable than the existing surface parking lot." This is not true. In fact, the net income shown in the developer's investment summary is much less than the profit at the existing parking lot. The cost of operation shown for the new parking structure is more than five times as much as the existing parking lot and the debt service alone would be more than the gross revenues at Lot #731.

The MICLA request states that the funding will pay for a 246 space parking lot. The MICLA request and the revenue projections need to be changed to reflect the true number of spaces that will be built.

The MICLA Request also states that the revenue from the new parking structure will fully cover debt service payments and provide incremental income during the 18 year term. This statement is not true. The request is based upon a projection that the new parking garage a block and half from the beach will generate up to 2.8 million dollars in revenue without taxes, which would be \$11,382 per space per year. The busiest parking lots on the beach managed by the County, including the ones owned by the City, generate \$3000.00 to \$5000.00 per space in annual revenue. If the new parking garage was able to generate \$5000.00 per space, the revenue would be over 1.5 million dollars less than projected. This information also has to be disclosed to the Homeless Committee and MICLA before they take any further action.

The existing parking lot generates about 1 million dollars a year in gross revenue according to the Tierra West Parking Study prepared for LADOT. Tierra West concluded that overall there was no unmet demand for parking in this location except for on Holiday afternoons. (Page 3). The study's finding that there is no unmet demand in this location is in direct conflict with the CAO's prediction in the MICLA request that revenue will increase by 1.8 million dollars per year. Again, it is obvious that you have an obligation to provide this information to the Homeless Committee and MICLA before they take any further action on this project

The elements of fraud in California are (a) misrepresentation (false representation, concealment, or nondisclosure); (b) knowledge of falsity (or "scienter"); (c) intent to defraud, i.e., to induce reliance; (d) justifiable reliance; and (e) resulting damage. Any lease of the Lot #731 property and/or approval of a MICLA loan for the public parking garage based upon the information included in the 2022-22 Non-Departmental Request and/or the the reports to the Homeless Committee would be based upon fraudulent information included in those documents. Any DDA agreement entered into based upon the false and misleading information provided to the CAO as included in the MICLA Request and Reports to the Homeless Committee would be subject to rescission for fraud.

The mission of the CAO is to provide sound advice, oversight and recommendations to the Mayor and Council on the fiscal condition, financial status, and future needs of the City and to promote productivity, economy, and efficiency in the conduct of City government so that available resources provide the greatest benefit possible to the residents of the City of Los Angeles. In this case, you have been provided with false and misleading information and have also failed to fully disclose the financial problems and risks related to the MICLA loan and signing the DDA agreement before the other issues discussed in this email have been clarified and resolved. You have an obligation to take immediate steps to recall the false, inaccurate and misleading reports to the Homeless Committee and MICLA Request so that they can be revised to fully disclose all of the financial risks so that City leaders can make informed decisions about these matters.

I will be happy to provide any additional documentation regarding the statements made in this email that you may need to revise these documents.

Given that the hearing is on Thursday, I would ask you to confirm that you will be withdrawing or replacing the reports to the committee as soon as possible.

Respectfully,

Jeffrey Kevin

-----Original Message-----

From: Yolanda Chavez <yolanda.chavez@lacity.org>

To: Jeffrey Kevin <jeffrey.kavin@verizon.net>; Jacqueline Wagner <JACQUELINE.WAGNER@lacity.org>

Sent: Tue, Jun 7, 2022 12:59 pm

Subject: Re: : Factual Errors in your Report for Thursday Hearing CAO File No. PAGE 0220-00540-1608

Mr. Kevin,

Based on the Automobile Parking Tabulation included in Attachment D – Project Site Plan of the Key Terms and Conditions attached to the CAO Report dated June 3, 2022 (page 26 of the CAO Report No. 0220-00540-1608), the East Garage will provide 252 spaces. The 231 spaces amount referenced in the email is not included in the CAO report. The CAO report also does not include projections on the financial performance or the customer count of the new parking structure. The recommendations of the CAO report will have no impact on the General Fund. Project funding sources, including financing for the public parking structure, will be addressed through other Council actions.

Thank you!

On Tue, Jun 7, 2022 at 3:13 AM Jeffrey Kevin <jeffrey.kavin@verizon.net> wrote:

Hello Yolanda,

According to the June 3, 2022 CAO Report, the east public parking garage at the Venice Dell Housing Project will have 252 spaces. The plans included in the same CAO report are in direct conflict with this statement as they show that the parking garage will only have 231 Spaces. The CAO needs to fix this discrepancy before the hearing.

As discussed below, the CAO has issued false projections about the financial performance of the new parking structure in this report and the 2022-23 Non-Departmental Request for MICLA funding without checking them for accuracy. The CAO needs to take immediate steps to withdraw these projections before City officials rely upon them to make decisions that will cost the City millions of dollars.

The CAO report states that the project will have no impact on the General Fund. This is not true. The City will lose about \$850,000 per year in net profit that it currently receives from the existing parking lot and the new parking structure will also show huge amounts of negative cash flow every year. The CAO has an obligation to disclose accurate information about the lost profits and negative cash flow in the report before this week's hearing and the MICLA Request.

In response to my email raising these issues, Ken Husting at LADOT wrote back: "LADOT maybe listed as the lead but LADOT didn't design the parking garage and didn't write the MICLA request." If LADOT didn't prepare the financial projections in the MICLA request, who did?

The highest grossing beach parking lot managed by the County outside of Venice generates around \$3000.00 in gross revenue per space annually. The Venice Beach and Washington Blvd lots on the beach managed for the City by the County generate about \$5000.000 per year per space. A beach parking structure hidden behind a housing development 1 1/2 blocks from the beach should generate much less revenue than the lots at the beach, not more.

If the new parking structure can match these numbers for revenue per space, which is very unlikely, the maximum gross revenue potential would be about \$1,260,000 with 252 spaces. This is less than the \$1,368,517 in annual debt payments for the garage, leaving no cash left to pay for the operational expenses. With the 231 spaces shown in the plans, the maximum potential revenue would be even less, at about \$1,255,000. This assumes that the Coastal Commission does not make the City reduce the prices charged for parking.

The existing parking lot generates about 1 million dollars a year in gross revenue according to the Tierra West Parking Study prepared for LADOT. Tierra West concluded that overall there was no unmet demand for parking in this location except for on Holiday afternoons. The CAO projection that customer counts would be almost three times as high at the new parking structure is in direct conflict with the Tierra West Study.

The only projection released for the operating cost at the new garage is \$929,000. Using this number, the garage would have to generate \$2,297,000 just to pay the operating costs and debt service. Even if you assume that the operating costs would be half of this number, the garage would have \$1,037,000 in negative cash flow with the \$1,260,000 in gross revenue discussed above. Adding the \$850,000 in lost profits would bring the cost to the General Fund up to \$1,887,000 per year and over 35 million dollars over the first 19 years of the lease. Again, the CAO needs

to take immediate steps to withdraw its false and unsubstantiated claims that the parking garage would not impact the General Fund.

It is impossible to predict the financial performance of the new parking garage without knowing what pricing will be approved by the Coastal Commission. The statement that the project will have no impact on the general fund assumes that the Coastal Commission will not impose conditions on the project such as pricing limits. Signing an agreement with the developers without knowing these conditions would be an unacceptable risk to the City's finances. The CAO has an obligation to explain this risk in detail and advise the committee to postpone any decision on entering into additional agreements with the developers until the decision of the Coastal Commission is known.

I will be asking the Coastal Commission to roll back the maximum pricing for parking to the prices in effect when the Coastal Act was passed, which would be about \$5.00 during the peak season after adjusting for inflation. The existing parking lot would still be very profitable at this price. Even if they reject this level of price reduction, the Coastal Commission is almost certain to include a condition requiring the City to drastically reduce the current level of pricing to bring it in line with the market, adding to the City's losses from the new parking garage. The City's prices at lot #731 are often twice as high or more than the prices on the beach. As the maximum rate in the Southern Beach Lot in Santa Monica is \$12.00 compared to \$45.00 at Lot #731, a price cap by the commission would have a very significant impact on the finances of the new parking structure.

After the CAO prepared the 2022-23 Non-Departmental Request for MICLA funding, I submitted public records requests to the CAO and LADOT seeking the documents used to prepare the financial projections. As I expected, the documents produced did not include any calculations or information supporting the inflated customer counts used in projections. Making these claims in support of a bond issue without doing an analysis of the projected customer counts would be a violation of the the anti-fraud provisions Federal Securities laws.

I would appreciate the opportunity to talk to you about this and to provide supporting documents. I also have more information about serious financial improprieties related to this project that I would like to talk about.

Jeffrey Kevin

Emails with LADOT:

From: Jeffrey Kevin <jeffrey.kavin@verizon.net>  
To: ken.husting@lacity.org <ken.husting@lacity.org>  
Sent: Thu, Mar 31, 2022 2:38 am  
Subject: Fwd: Immediate Attention Required: "Reese Davidson" Document Production

Hi Ken,

I did not receive a response to my last email and I am still waiting for the documents. What are you doing about the issues raised in my emails?

I submitted the request for the production of documents to LADOT on March 1, followed by 3 written requests to expedite the production. I shouldn't have to wait this long, especially since you and LADOT know about the importance of the documents, why I want them and the time sensitive nature of the request.

As you know, these documents contain important information relating to an attempt to deceive MICLA, City officials, bond purchasers and the public in violation of the anti-fraud provisions of the Federal Securities Laws. The operating losses and lost profits from these misrepresentations could cost LADOT 45 Million Dollars or more in the first 19 years of operation, with additional losses thereafter.

Any further delay in the production of the documents or any attempt to withhold any document(s), would make it look like you and LADOT are active participants in the illegal scheme to deceive MICLA, City Officials, Bond Buyers and the Public by misrepresenting facts and hiding the information that would expose those misrepresentations. I need all of these documents today.

Respectfully,

Jeff

### **Emails to and from LADOT**

-----Original Message-----

From: Jeffrey Kevin <jeffrey.kavin@verizon.net>

To: ken.husting@lacity.org <ken.husting@lacity.org>

Sent: Tue, Mar 29, 2022 3:06 am

Subject: Re: Immediate Attention Required: "Reese Davidson" Document Production

Hi Ken,

I spent some time today reading about you and what your job is at LADOT. Your credentials and the scope of your responsibility at LADOT are truly impressive.

Your emails imply that you and LADOT should not be held responsible for the false statements and material omissions in the Departmental Request for MICLA bond financing and the fatal defects in the plans for the Public Garage because it is "their project" at the Housing Department. The Housing Department has made it clear in the MICLA Request that they have been relying upon your expertise with regard to the public parking structure, as they must. LADOT is responsible for the operation of all of the City's parking lots, not the Housing Department. LADOT is also the only City department with the expertise needed to oversee the design, financial oversight and planning for a public beach parking garage, especially one using car lifts involving a totally unique design and location.

The fact that you "didn't design the parking garage" is not entirely accurate and totally irrelevant to your responsibility to review the design and operational plans to make sure that LADOT will be able to fully implement them for beach access and that the design is safe and fully functional for that purpose. You and David Cataldo have both been actively involved in discussions about all aspects relating to the east parking garage throughout the process, including design decisions, regularly attending meetings and exchanging emails. You have been the person overseeing the design for the LADOT throughout the entire design process. You also know that the Housing Department does not have anyone involved with in this project who has your expertise, which is needed to oversee and review the plans and financial projections for the "hybrid" public beach parking structure. Because LADOT will be 100% responsible for achieving the operational and financial results at the new parking structure, it is essential that you thoroughly review the design and operational plans along with the financial performance projections so that you can make sure that the garage will operate properly and produce the financial results in the projections.

The MICLA Request relating to the bond issue contains more fraudulent misrepresentations of fact and material omissions than I have ever seen in any document related to a financial offering. This is not a small matter as these misrepresentations and omissions are likely to cost the City a lot more than the construction cost of the garage and a

single misrepresentation or material omission relating to a municipal bond offering would be a violation of the antifraud provisions of the Federal Securities Laws by LADOT. As a senior Manager for the City and as the person in charge at the lead agency, you would have an obligation to make sure that all of the material misrepresentations and material omissions in this document get fixed.

You and your department also have an obligation to review the financial representations and supporting documents in the MICLA Request. The Housing Department does not have the expertise to do this and the developers and their vendors have conflicts of interest that makes it inappropriate for the City to rely on them. The biggest single dollar issue with regard to the finances appears to be the projected customer count. It looks like someone just made up a number to reach the level of profitability that they needed. Based upon my research and visits to the property, my best rough estimate for the customer count would reduce the anticipated revenue by more than 2 million dollars a year, leading to an annual loss for LADOT of 1.5 million dollars a year which would be almost 30 million dollars over the first 19 years. This compares to an \$800,000 annual profit totaling more than 15 million dollar profit over the 19 years with the existing lot. The operating losses and lost profits would be 45 million dollars based upon this projection. The reduced of revenue for the remaining life of the project would be more than \$700,000 per year less than the existing parking lot because of the higher costs. If I factored in my expectations for how the design would not function, the results would be much worse.

To comply with the Federal Securities Laws, LADOT has to make sure that the financial projections are accurate, comply and that all of the risks related to financial losses and lost profit are fully disclosed. Given the potential magnitude of these losses, the analysis of the financial risks related to this parking garage require the highest level of attention from you and your department. As the lead agency, operator and only City department with the ability to understand the issues, LADOT will be 100% responsible for the operational success and financial performance of this parking structure.

This is only a partial list of the false statements in the Non-Departmental Request that you need to address:

1. The Request contains multiple fraudulent statements about the number of parking spaces in the new garage including the claim that it would be a "246 space public parking lot." These statements are not true. According to the October 2021 plans, the parking structure would have only about 96 conventional parking spaces and 54 tandem spaces, which add up to 150. Adding 88 car stackers does not increase the number of "parking spaces." and does not get the potential capacity up to 246.
2. The Request contains a fraudulent statement that it would add "50 net new parking spaces" As discussed above, this is not true.
3. The request claims that the new parking structure would be more profitable than the existing parking lot. Assuming that it is competently managed by LADOT, Lot #731 would be much more profitable than the existing parking lot under any conceivable circumstances. The cost of operating the new parking structure is five times as much as at Lot #731. Lot #731 has five double wide driveways which can be configured to accommodate well over 10 times the number vehicles compared to the new parking structure. The new parking structure would only have two driveways, both of which would be severely constricted by congestion in the traffic lanes. Lot #731 is much bigger with a lot more parking spaces and room for a lot more vehicles. In side-by-side comparisons with or without the use of valet parking attendants, Lot #731 would have room to park a lot more vehicles. Lot #731 would also generate a lot more customer traffic because it is closer to the beach, has self-parking, would cost much less (especially with tip), has much better visibility and would offer a much better customer experience.
4. The Request claims that the parking garage would be a revenue generating project. For the reasons discussed above, it would generate a lot less revenue than the existing lot and probably run huge financial losses, possibly for the entire life of the project. It is a revenue losing project, not a revenue generating project.

The MICLA request is an obvious attempt to defraud the City, MICLA and bond investors. As a senior manager and head of the department listed as the lead agency on this document, you need to take immediate steps to recall this document or replace it with one that corrects all of the misstatements of facts and material omissions in compliance with the



Federal Securities Laws on full and accurate disclosure. You also have an obligation to make sure that all of the City departments involved in this project and MICLA know about the misstatements of fact and material omissions in this document so that they do not rely on them.

The developers of this project have a big problem because they had to eliminate 3 levels of parking planned for the project and they cannot provide the number of spaces required for them to proceed. Their own experts at Parking Design Group "engaged in a thorough conceptual design process where we carefully study any and all reasonable potential options for this site" concluded that the "maximum capacity the garage envelope can feasibly accommodate" is 209 with an unworkable option that might have gotten the number up to 220, substantially less than they amount that they are required to provide in the public parking garage. (August 14, 2020 PDG Parking Partner Proposal, Page 4.)

In an unsuccessful attempt to show that the parking structure would have the required parking, the plans for the parking garage would have almost all of the area surrounding the traffic lanes in the east garage packed with tandem spaces, lift spaces and tandem lift spaces. Vehicles in the traffic lanes would be blocked repeatedly throughout the entire 3 story structure by attendants trying to retrieve cars, starting right at the entrance.

A design comment produced by LADOT states: "tandem and lift spaces should all be relocated as far away as possible from the ground level and the garage entrance." The design does everything conceivable to ignore this recommendation, putting a row of tandem stackers right at the entrance with stackers starting nearby on the opposite wall. Because there is no safe valet zone, families going to the beach would have to unload children, strollers, bikes, beach gear, sports equipment and more in the middle of the traffic lanes surrounded by attendants trying to get cars out of lifts with a long line of cars honking their horns behind them. The whole parking garage will be gridlocked.

The financial projection that I reviewed would require LADOT to pay a 5% technology fee of \$140,000 a year and \$288,000 management fee. This makes no sense given the fact that the total for all costs to operate the existing parking lot is less than \$200,000. LADOT needs to take a close look at these costs.

The parking lot attendant at Lot #731 was robbed while I was taking pictures and videos on Saturday. I might have a picture of the robbery and/or the license plate of a vehicle used. You should have the police contact me.

I still have not received the electronic documents that I requested on March 1. As I explained in my email to you last week, this request is time sensitive. I would like to have everything that you have collected so far by the end of the day on Tuesday and I need all of them by noon on Wednesday.

I spent time this summer observing and documenting the operations at the beach parking lots in Venice. At a time when the crowds at the beach were at record lows because of covid, travel bans and international publicity telling people to stay away because of crime and homeless camps on the sand, visitors were turned away from the City owned parking lot on the beach on at least 14 out of 15 weekends in a row. I have a lot of ideas for major improvements in beach access for low-income and other disadvantaged groups, but you cannot implement them without preserving both of the Venice Beach Parking Lots because the prices at the new parking garage would be too high and there isn't enough parking.

Respectfully,

Jeff

-----Original Message-----

From: Ken Husting <ken.husting@lacity.org>

To: Jeffrey Kevin <jeffrey.kavin@verizon.net>

Sent: Fri, Mar 25, 2022 8:55 pm

Subject: Re: Immediate Attention Required: "Reese Davidson" Document Production

Hi Jeffrey,

LADOT maybe listed as the lead, but LADOT didn't design the parking garage and didn't write the MICLA request.

Take care,  
Ken

Ken Husting, P.E. Principal Transportation Engineer  
Parking Management

Los Angeles Department of Transportation  
213.972.8430

\*\*\*\*\*Confidentiality Notice\*\*\*\*\*

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On Fri, Mar 25, 2022 at 2:46 AM Jeffrey Kevin <jeffrey.kavin@verizon.net> wrote:

Hi Ken,

Thank you very much for your prompt response and your suggestion about the Housing Department. I sent them a request for documents tonight.

I have been studying the 2022-23 Non-Departmental Request for MICLA bond funding of the parking structure. This proposal explicitly states that DOT is the lead agency, not the Housing Department. As the lead agency, LADOT needs to take a much closer look at the information in this request and act to avoid a financial and operational disaster.

The financial projection in the MICLA request is based upon the claim that the customer counts at the new parking structure would be 2.6 times as much as at the existing parking lot. This projection is in direct conflict with the Tierra West Parking Study which found that there was no unmet demand for parking at this location except for Holiday Weekends.

The LADOT financial projection for the new parking structure projects that the annual revenue per space will be \$11,382.00. Most parking lots on the beach managed by the County do less than \$2000.00 per space and none of them come close to the revenue you are projecting. The revenue of a parking structure 1 1/2 blocks from the beach should be substantially less than an open air parking lot on the beach.

The LADOT financial projection also claims that the parking structure will average more than 2 full turns, 365 days a year. This projection is absurd for an all day beach parking lot located a block and a half from the beach that is competing with lots on the beach charging

half as much. Beach traffic is totally dependent on the weather and most people will only park in the new parking structure on peak days when there is no other option available.

Instead of the increase that you are projecting, the new parking structure should see a significant drop in customer counts compared to the existing lot because (1) it would be much further from the beach (2) the parking would not be visible from the street (3) it would force people to use valet attendants instead of self-parking (4) it would be much more expensive, (5) people would have long waits to get in and to when they leave (6) the experience would be very stressful, unpleasant and dangerous and (7) the maximum capacity of the entrance would be insufficient to keep up with demand during peak hours.

The existing parking lot grosses about a million dollars a year with operational costs of less than \$200,000, while the operational cost and the debt service for the new parking structure would be almost 2.3 million dollars. Even if the customer counts stay the same, the new parking structure would lose almost 1.3 million dollars every year compared to about \$800,000 in profit with the existing lot and the \$500,000 profit promised by LADOT at the new parking structure. The operating losses over the first 19 of the 75 years will be more than the cost of construction.

LADOT's design for the parking structure would be an operational trainwreck. The City owns 1000 parking spaces on the beach that gets 200,000 visitors a day. Lot #731 gets inundated with cars in the afternoons when those lots fill up. A lot of people are leaving at the same time. It is obvious that it would take forever to get in and out of the valet parking structure because LADOT's design could not handle the volume on peak summer days.

Almost all of the path of travel in the three story structure starting at the entrance is surrounded by parking lifts, tandem spaces with lifts and regular tandem spaces that would block the flow of traffic as cars are retrieved. Because there is no dedicated valet zone, families would also be blocking traffic as they take their time to unloading their beach gear in the middle of the same traffic lanes with attendants waiting to pull cars out around them and cars lined on the street up for blocks waiting to get in.

LADOT is responsible to make sure that the City provides equitable beach access for all of its residents. It is not doing this. People are being sent away from Venice beach parking lots on weekends all summer long and the current pricing for beach parking in the Venice Median excludes half of the City's population. The Reese Davidson Development would make it impossible to fix these problems, locking in pricing and plans that exclude most City residents for the next 75 years.

Respectfully,

Jeff

-----Original Message-----

From: Ken Husting <ken.husting@lacity.org>

To: Jeffrey Kavin <jeffrey.kavin@verizon.net>

Cc: LADOT Public Records <ladot.publicrecords@lacity.org>

Sent: Thu, Mar 24, 2022 10:35 am

Subject: Re: Immediate Attention Required: "Reese Davidson" Document Production

Hello Jeff,

Adding our LADOT Records Section to alert them of the urgency of this request. The one thing I would recommend is trying to get most of these documents from the Housing Department since this is their project.

Take care,  
Ken

Ken Husting, P.E. Principal Transportation Engineer  
Parking Management

Los Angeles Department of Transportation  
213.972.8430

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On Wed, Mar 23, 2022 at 11:56 PM Jeffrey Kevin <jeffrey.kavin@verizon.net> wrote:

Hi Ken,

I made an online request for LADOT documents related to the "Reese Davidson" development on March 1, but I am still waiting to receive the documents. Nextrequest told me to contact LADOT directly to expedite my request. Please forward this email to the person handling this document production ASAP.

In October 2020, I wrote an email to the City asking for many of these same records to be released to me and the Venice Community before any public hearings. With most of the public hearings completed, the residents of Venice are still trying without success to get the City to release the same information that I asked for 17 months ago.

Given that the entitlement process for this project will be completed very soon, I need these documents immediately so that I can review them for use in the Public Comment Process. LADOT has had three weeks to gather these documents since I made my request. Please provide me with electronic copies of all documents currently available before the end of business this Friday March 25.

Under the recent Appellate Court Decision in Getz vs County of El Dorado, which was certified for publication on December 13, 2021, the City is required to produce all of the documents I am requesting.

It should be an easy task to locate all of the documents I am asking for. That said, I would be happy to talk with LADOT about rephrasing my request for any document that you have not yet been able to locate after you produce the bulk of the documents on Friday. I would like to receive all of the documents by early next week.

For your convenience, a copy of my request is pasted below.

Respectfully,

Jeff Gavin

Please provide me with electronic copies of the following documents relating to LADOT Parking Lot #731 and/or the proposed "Reese Davidson" housing project within 10 calendar days.

1. The complete MICLA request package for the east parking structure at the "Reese Davidson" Development in Venice, including the parking lot design, proforma, and draft operations plan included in the request package,
2. The final design drawings for the east and west parking structures at the "Reese Davidson" development.
3. If there is no final design drawing for the east and/or west parking structure at the "Reese Davidson" development, please provide a copy of the most recent design drawings.
4. A document confirming the number of parking spaces currently planned for the west parking lot.
5. The most recent Parking Design Group proposal for the east parking structure at the Reese Davidson development, including any exhibits and attachments.
6. The Parking Design Group contract(s) for the east parking structure at the Reese Davidson development, including any exhibits and attachments.
7. The most recent Parkplus proposal for the east parking structure at the Reese Davidson development including any exhibits and attachments.
8. The Parkplus contract(s) for the east parking structure at the Reese Davidson development including any exhibits and attachments.
9. Any other proposals and/or contracts for or relating to the east parking structure at the "Reese Davidson" development prepared by Parking Design Group from January 1, 2017 through February 27, 2022 including any exhibits and attachments.
10. A document or documents including detailed information describing all purposes and functions of the PDG Revenue Control System at the "Reese Davidson" development.
11. All documents, reports or studies showing traffic counts in and/or out of Lot #731 prepared from January 1, 2017 to the present.
12. The most recent pricing plans for parking in the east parking structure at the "Reese Davidson" Development.
13. The document entitled "See file Parking Count Results 7.3.2021, PDG analysis for attendants need" as described in the document entitled "Pro/Con Analysis Comparing Hybrid vs Robotic Systems Draft June 16, 2021 (Updated format July 13, 2021) Updated July 23, 2021"
14. Documents showing the assumptions used and calculations of the average ticket used in the proforma submitted to MICLA, including the pricing plan upon which it is based.
15. Documents showing the assumptions used and calculations of the annual car counts used in the proforma submitted to MICLA.
16. All studies and calculations for the number of vehicles that can enter the east parking structure at the "Reese Davidson" project per hour, including the assumptions used in those calculations.
17. All studies and calculations for the number of vehicles that leaving the east parking structure at the "Reese Davidson" project per hour, including the assumptions used in those calculations.
- 18.. All emails, including attachments, sent or received by Ken Hustings from January 1, 2017 to the present that refer to, mention or relate to Lot #731 and/or the "Reese Davidson" development. (This request does not include emails from or to attorneys representing the City.)
19. All feedback and comments about the design of the east parking structure at the Reese Davidson development prepared from January 1, 2017 to the present.
20. All feedback and comments about operational issues and problems at the east parking structure at the Reese Davidson development prepared from January 1, 2017 to the present, including, but not limited to, queuing of vehicles, valet attendants, traffic volume, customer wait times, employee breaks, employee parking, the number of cars that can enter and leave per hour, safety, customer confusion, vehicle congestion and vehicles being blocked by other vehicles.

21. All emails, memos, studies and reports that mention or refer to ADA Compliance at the east parking structure of the Reese Davidson Development.

22. All emails that mention or discuss withholding documents related to Lot #731 and/or the Reese Davidson Development from the public or decision makers. (This request does not include communications with attorneys representing the City.)

23. All emails, including attachments, sent or received by David Cataldo from January 1, 2017 to the present that refer to, mention or relate to Lot #731 and/or the "Reese Davidson" development. (This request does not include emails from or to attorneys representing the City.)

24. All documents that mention or relate to passenger loading areas at the east parking

# Arthur L. Reese Family Archives

Sonya Reese Greenland  
Trustee and Family Historian  
Arthur L. Reese Family Archives  
P.O Box 4371  
Culver City, CA 90231-4371

October 26, 2021

To: Becky Dennison  
Venice Community Housing Corporation  
bdennison@vchcorp.org

Sarah Letts  
Hollywood Housing Corporation  
sletts@hollywoodhousing.org

Dear Ms. Denison and Ms. Letts:

I am writing you to demand that my family name and all associations with my grandfather, Arthur Reese, including the use of his name and likeness be removed, immediately from your project with a full public apology to the community of Venice, to the City of Los Angeles and to all who have learned of this ill conceived project for the Venice Median.

As you know, my grandfather, Arthur Reese, was an esteemed Black forefather of Venice. He was a generous man, a Grand Master of the Masons, and took great pride in contributing his creativity, hard work, his land, and in bringing his relatives to the creation and betterment of this forever multi-cultural beachfront community of Venice.

I knew my grandfather well, I spent a great deal of time with him and loved him very much. I am the family historian and the Trustee of the Arthur L. Reese Family Archives. My grandfather would oppose your project for numerous reasons, some of which I will describe below.

It is disrespectful to my grandfather, my family, the Black community and all who have seen your false and misleading project descriptions, that you began using my grandfathers name years before you ever even contacted me. And when you did, in 2020, the description that you gave me was nothing like what your plans describe. I have since familiarized myself with your plans and have visited the site many times.

Your project is far too large to occupy our last large open space by the beach in Venice. No matter what you are building, nor for whom, it is unconscionable that you would combine forty (40) lots to build massive structures that occupy the full site with three stories plus a seven (7) story tower, from North to South Venice Boulevards and from Pacific Avenue to Dell, spanning the Historic Venice Canals and Historic Red Car Bridge.

Nothing on this scale exists in Venice and certainly not by the beach where it would make it more congested and less accessible for all who visit the beach and in emergencies to exit the area. My grandfather would be appalled. This is not suitable now, and is not smart planning for

the future growth of our population, particularly knowing that it is families of Color and with lesser economic means that need access to the beach to escape our ever hotter climate.

Providing 140 apartments for anyone does not justify encumbering access to the beach for hundreds of thousands of people, forever. It is families of Color and lesser economic means who use this surface parking lot.

Not everyone can afford to take their family to Disneyland but they should always be able to easily and safely bring their family to our multi-cultural beach. This is a surface parking lot and is the most accessible of all lots to Los Angeles beaches. It is at the end of Venice Boulevard - a major cross town thoroughfare that we all use to avoid traffic. This location is also preferred by my family and others because it is just before one gets caught in the extremely crowded beach-front lots.

Your representative told me that you would "honor" my grandfather by putting his name on a housing project like the small, well integrated homes you have built in Venice over the years which provide services to help its residents, who are people in need, in the Venice community.

This project is nothing like that. Your plans would tear down 4 existing low income apartments of longtime neighbors. I've met them. One family has a special needs child. You only commit to providing 3 new low income apartments and the balance would be for people earning up to \$90,000. Even if that meets some legal definition of "supportive housing," it would not help the thousands of homeless and low income people now on the streets of Venice. This is not what you represented to me, not what you and your publications have lead the community to believe, it is not suited to that site, and not something that my grandfather would support.

The cost of this project alone shows how extraordinarily ill-conceived and wrong it is for Venice. There is no responsible justification for spending nearly \$1 Million Dollars per tiny 460 square foot apartment. The cost and effort that are going into this Billion Dollar development make no sense.

Housing and services are needed immediately. Arthur Reese would want this project stopped immediately with effort instead put to house and provide services to those in need now and with sensible plans for the future in an economical and humanitarian way.

Any other site in Los Angeles - and they exist - could have 140 tiny apartments like this at 1/2 this budget or less, (and without creating environmental, historic, and tourist problems). Building on this beach parking lot requires you to build 2 buildings: one for housing and one for beach parking. How could that ever make sense?

Even though you're being given our public land for free by the City, it is unreasonable. That is not "social justice." If you care about people of every socio-economic level, of every race, you should not allow the City to do this to Venice and to all who visit our beach. Grandfather would be totally opposed to the City and you squandering of our tax dollars and our open space.

Your parking design is contrary to "social justice." Placing beach parking inside the eastern building only, using "Robotic Parking Machines," perhaps even charging "elite" rates for online reserved parking, are all unreasonable obstacles that would make access to Venice Beach frightening, dangerous, complicated, outrageously slow, congested, and, in every way, difficult for the tens of thousands of families, that come from throughout Los Angeles for relief and to enjoy of our public beach.

I would avoid bringing my granddaughter to Venice Beach if I'd have to park in this complicated structure, further away from the beach and then have to walk along narrow sidewalks with that



large, still undefined population within that huge building complex. We can park for 1/2 the cost on the beautifully landscaped safe surface parking lots in Ocean Park Santa Monica.

Your plan would further destroy what has been an important source of tourist income for the City and small business owners of Venice.

Ignoring environmental regulations is dangerous. Stand at the site and you know you are below sea level. It's a flood zone. It's a tsunami evacuation zone. And it's part of the Historic Venice Canals. It is unconscionable that you would use an exemption from environmental review, even if offered, to build in this environmentally sensitive location and on such a massive scale. Arthur Reese would insist that this site be made safe, beautiful, that it provide easy access for all people to the beach and that every environmental concern be carefully addressed.

My grandfather arrived in Venice via the the Red Car Trolley traveling over the historic bridge at this site. It is a Nationally Registered Historic Landmark, as are the beautiful Venice Canals that it spans. Your design strips our National Historic Landmark Red Car Bridge of its function - which everyone loves - and sandwiches it within your complex of oversized, over priced, under designed, dangerous and in every way inappropriate buildings. Is that even legal?

It is shameful that the City of Los Angeles has allowed this historic and tourist destination to be in disrepair. It should be a beautiful welcoming entrance to Venice Beach and the Canals. That's what my grandfather and Abbot Kinney built. Your plans would make the site much worse. You do not even bring the canal nor the sidewalks that your massive construction would encompass up to current environmental nor safety standards.

The City has not imposed the same basic requirements on this project that all other projects must meet. When I build, or when my grandfather did, we follow building and safety codes. This project is not to code and the City must even change zoning laws to make it feasible. It is not safe that you would build a new project and not even make the sidewalks wide enough for pedestrians (who are primarily families of Color with boogie boards, strollers, beach umbrella's, coolers and the like) to pass, particularly at this busy tourist location.

Not only is your project bad for Venice, your use of my grandfathers name and reputation - that of perhaps the most prominent Black forefather - is exploitation of Black Lives Matter. It seems that you have tried to create a racial and social divide in Venice, which is otherwise a proudly racially and economically integrated community. It is shameful that you have suggested otherwise.

The City has enabled housing prices to rise. That does not mean that it should now compound the problems by making it so crowded that it destroys everyones access to our wonderful beach.

Venice has more housing of every economic level and is more racially integrated than most any other part of Los Angeles, and surely more than any other beachfront community in California. We pride ourselves on that, and always have.

When I think of what Grandfather would want, I envision a simple, landscaped surface parking lot with the banks of the canal planted, in keeping with the environmental and safety standards of all of the canals. Public restrooms should be built. The boat access ramp needs to be made accessible, as the State requires. Historic plaques telling of our wonderful history should be on the Historic Bridge and Canals. Grandfather would want seating and a kiosk in what is now bare dirt, on the banks of the canal. Grandfather built the first gondola for Venice. Santa Monica's parking lots have these facilities. Los Angeles' only beach should be welcoming, safe and

beautiful for all, for generations to come. That is social justice and that is what Arthur Reese would want.

I am copying this to a few people and organizations who I know have relied on your misinformation. As Trustee of the Arthur L. Reese Family Archives, I demand that you cease and desist in the use of Arthur Reese's name and likeness in any manner in connection with this project. I further demand that you make a public statement explaining that (1) the name, reputation and likeness of Arthur Reese, the prominent forefather of Venice, is removed due to your not having received authorization for this project, (2) that on behalf of Arthur L. Reese, the Arthur L. Reese Family Archive strongly opposes this project, and (3) that you make a public apology for misleading the community and causing any racial or economic divisions as a consequence of your use of the Reese name, reputation and likeness.

I look forward to seeing your corrections and full apology disseminated to your entire audience within the next few days and before November 1, 2021.

Should you wish to reach me, please do via mail or email. This has caused me and my family tremendous grief. We do not want to speak with you nor your associates further.

Sincerely,

A handwritten signature in blue ink that reads "Sonya Reese Greenland". The signature is written in a cursive, flowing style.

Sonya Reese Greenland  
Trustee and Family Historian, Arthur L. Reese Family Archives

cc:

Los Angeles City Council  
California Coastal Commission  
Venice Neighborhood Council