

CALIFORNIA COASTAL COMMISSION
631 Howard Street, San Francisco 94105 — (415) 543-8555

REVISED FINDINGS
AMENDMENT TO PERMIT.

Permit No. 381-78
(Headland Properties)
Amendment Approved: 5/21/80
Findings Adopted: 6/4/80

AMENDMENT
APPLICANT:

Headland Properties Inc.

DEVELOPMENT
LOCATION:

Palisades Drive, Pacific Palisades, City of Los Angeles

AMENDMENT
DESCRIPTION:

(See Conditions and Findings)

COMMISSION
ACTION:

Amendment Approved: May 21, 1980; Findings Adopted June 4, 1980

I. Approval With Conditions.

The Commission hereby grants an amendment to the permit as described below, subject to the conditions below, on the grounds that, as conditioned, the amendment will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. Conditions

The permit is subject to the following conditions:

1. Scope of Approval.

a. This permit amendment authorizes subdivision of 4 tracts of Palisades Highlands, for up to 740 residential units, a two-acre commercial site and a 7-acre institutional site, grading for all streets and lots, installation of drainage and utilities and construction of residential units as described in the attached Findings and Declarations. All grading, structural development, and subdivided lots shall be located entirely within the urban limit line, as described in the surveys and maps prepared by VTN Engineers and submitted by Applicant to the Coastal Commission on March 21 and 26, 1980, and identified in the Coastal Commission files as approved Applicants Exhibits A-1, B-1 and B-2, except as provided below. (See Exhibits 4 and 5).

Upon notice to the Executive Director, the applicant may reduce the number of multiple family units and replace them with single-family units. The Executive Director shall approve such minor modifications to the project provided that there is no increase in the area graded or in the amount of traffic generated by the project, there is no interference with the provision in this permit for low and moderate income housing, and the modifications are otherwise consistent with this approval.

b. Concurrent with the development of Tract 31935, the applicant shall construct an emergency access road and pedestrian-bicycle path as generally indicated in Exhibit 4, between the southern terminus of public roadways serving Tract 31935 and the southern boundary of applicant's property. The road shall be designed and constructed so as to require the minimum amount of land form alteration and to provide/emergency entry to and exit from the Palisades Highlands development. The road shall be wide enough to accommodate two lanes of vehicles and meet the minimum specifications of the City of Los Angeles but at no point should the road width exceed 20 ft. Cuts and fills required for the construction of the road shall be the minimum required by the City of Los Angeles.

c. Subject to the review and approval of the Executive Director, in areas outside of urban limit line : minor grading may be performed to re-contour previously graded land; paved or unpaved pathways and other incidental improvements for low intensity recreation may be constructed; minor facilities to provide public or utility services which do not require significant grading may be installed if alternative locations are not feasible; vegetation within 100 ft. of any residential structure may be removed or altered for fire protection purposes.

2. Dedication. Within 10 days following the issuance of this permit, Applicant and Palisades Resources, Inc. (a co-applicant) shall record offers to dedicate to the State of California all of the property lying outside the urban limit line. Such offers shall be of a form and content approved in writing by the Executive Director. Such offers of dedication shall be irrevocable for a period of 7 years, except in the event of revocation of this permit. As final maps for the respective four tracts (noted below) are recorded, said offers shall be irrevocable as to specified parcels for 21 years thereafter and shall require dedication in fee of such specified parcels upon acceptance by the State of California or its agent. The offers of dedication shall contain the following provisions as to the parcels specified below:

a. Canyon Park. Concurrent with the recordation of a final map for Tract 14923 and prior to construction of residential units on such tract, the applicant shall record an irrevocable offer to dedicate the full fee interest in approximately 120 acres of land in Santa Ynez Canyon north of the existing City park and west of Palisades Drive (areas C and C-1 in Exhibit 2). With the exception of tax liens and the prior offer of dedication of such property to the City of Los Angeles Park Commission, the dedication shall be free of all prior liens and encumbrances. The applicant shall use best efforts to secure the waiver of the City Parks Commission to such prior offer of dedication. However to promote the most efficient and orderly operating and maintenance of these parklands, the applicant may withdraw the offer in favor of the State with regards only to the approximately 25 acres south of Avenida de la Montura (area C-1, Exhibit 4) and adjacent to the existing City park, provided that the City Park Commission accepts the dedication of area C-1 for operation as a City park.

b. Gateway. Concurrent with the recordation of a final map subdividing the Gateway Tract, Palisades Resources, Inc., shall record an irrevocable offer to dedicate the full fee interest in approximately 297 acres of land outside of the urban limit line on the Gateway tract established pursuant to Condition 1 above (generally shown as areas A and B in Exhibits 2 and 5).

c. Tract 31935. Within 30 days following the recordation of a final map subdividing Tract 31935 the applicant shall record an irrevocable offer to dedicate the full fee interest in the approximately 386 acres adjoining the portion of Tract 31935 to be developed (shown as areas D and G in Exhibit 2).

d. Tract 32184. Within 30 days following the recordation of the final map subdividing the first unit of Tract 32184 the applicant shall record an irrevocable offer to dedicate a full fee interest in the approximately 338 acres shown as area E in Exhibit 2.

e. Permit Expiration. In the event the obligation of Palisades Resources, Inc., and applicant to dedicate all of the property lying outside the urban limit line does not occur within seven(7) years after issuance of this permit, applicant shall be obligated to surrender and abandon this permit upon expiration of such seven year period and this permit shall have no further force or effect insofar as this permit pertains to any property not then subject to a final subdivision map.

f. Road Easements. Prior to recordation of any final maps for the authorized development, the applicant shall grant to the State of California all of the applicant's interests in road easements through Topanga State Park, including Palisades Drive extension to Mollholland Drive and Temescal Canyon Road towards Sunset Boulevard.

3. Restrictions. Concurrent with the recordation of final maps as noted in 2a, 2b, 2c, and 2d above, the applicant shall record an instrument covering such parcels in a form approved in writing by the Executive Director. Such instrument shall be considered a covenant running with the land in favor of the people of the State of California, shall be recorded free of prior liens and encumbrances except tax liens and shall bind the applicant and all successors in interest. Such instrument shall provide specifically as follows:

a. Prevent further division of such dedication parcels for any purposes except park purposes outside of the urban limit line.

b. Prevent development outside of the urban limit line except as permitted by this permit or for park purposes.

c. Waive all claims against the public for damages due to flood, fire or geologic instability which may arise as a consequence of approval of development within the permitted tracts.

4. Landscaping Plans. The Applicant has submitted landscaping plans and specifications for Tract 31935 and 32184, which have been reviewed and approved by the Executive Director. The final landscaping plans shall provide that slope areas exposed by grading or other construction shall be revegetated with primary endemic

drought and fire resistant vegetation. On Tracts 31935 and 32184, landscaping shall be designed to screen and soften the visual impact of the project as seen from Topanga State Park. The areas of special landscaping concern (identified in Exhibit 4) shall be screened from view by a combination of berms and extra vegetation in conformance with the preliminary landscaping plan submitted by the applicant. No further review of landscaping plans for Tracts 31935 and 32184 is required. Landscaping plans for the Gateway shall be submitted for review and approval by the Executive Director prior to the start of construction of any units on the Gateway.

5. Archaeological Site. Prior to the development of Tract 32184, the applicant shall undertake or fund a thorough examination and test excavation of Archaeological Site LAn - 666 as recommended in the archaeological investigation performed by Roberts S. Greenwood in June of 1976. The examination and test excavation shall be performed under the direction of a qualified Archaeologist. Development of Tract 32184 shall not proceed until excavation of all significant features of site LAn - 666 is complete. The Archaeologist shall be notified of and allowed to observe all brush clearing and grading operations within the permitted development. All contractors and construction personnel shall be advised of the potential existence of other archaeological resources; all work shall be halted and professional consultation be obtained promptly if prehistoric materials are encountered or suspected in the process of development.

6. Housing. Prior to issuance of the permit, the applicant shall enter into an agreement with the Coastal Commission to provide for affordable housing as stated below. The agreement shall bind the applicant and any successors in interest and shall be recorded as a covenant to run with the land, with no prior liens other than tax liens. The agreement shall be recorded as a covenant on the 75 unit residential site on the Gateway (as shown in Exhibit 5) and Lot 193, Tract 32184 as shown on Exhibit 4. The agreement shall provide:

a. The applicant shall either provide 60 units of affordable dwelling units, subject to resale controls, at prices which are affordable to low and moderate income persons earning from 50-120% of median income on Lot 193, Tract 32184, or 100 units of affordable housing in the same manner on the Gateway site if and when that site is rezoned to allow such development.

b. When and if the Gateway tract is rezoned to allow for the provision of the 100 affordable units described above, the restriction on Lot 193, Tract 32184 shall terminate.

c. Upon issuance of a certificate of occupancy as to 60 affordable housing units on Lot 193, Tract 32184 or 100 affordable housing units on the affordable housing site in the Gateway the agreement shall terminate as to the 75 unit residential site in the Gateway.

d. If five (5) years after the date of the rezoning of the affordable housing site in the Gateway no construction has commenced for affordable housing thereon and if applicant thereafter dedicates the fee interest in the affordable housing site to a public housing agency the agreement to construct such affordable units shall terminate as of the date of recordation of such dedication.

e. Prior to the applicant commencing construction of the affordable housing or prior to the dedication referred to in paragraph d, applicant shall enter into an agreement, approved by the Executive Director, with a public housing authority or other agency acceptable to the Executive Director, providing that such agency agrees to construct if necessary and administer the affordability (resale) controls provided for in the Commission agreement.

f. The units shall be priced to be affordable to the range from 50-120% of median income so that an equal number of units is available in each of the following price ranges: 50%, 60%, 70%, 80%, 90%, 100%, 110%, and 120%. At least one third of the units in each range shall be three bedroom units of at least 1000 square feet. All other units, if any, shall be at least 600 square feet. Up to two thirds of all the units may be designated for elderly, and at least one third shall be designated for families.

g. The sales price in each range shall be determined by the following formula:

$$\text{Sales Price} = \frac{(1/3)(\text{median income})(\text{family size adjustment})(\text{income range}) - (\text{Homeowners Association Dues} + \text{Insurance Premiums})}{(\text{Debt Service Constant Percent})(\text{Loan to Value Ratio}) + 1\%}$$

The family size adjustment shall be as follows: for a one bedroom unit, 80% (.8); for a two bedroom unit, 95% (.95); for a three bedroom unit, 108.5% (1.085). Median income shall be the median income for a family of four as last calculated by HUD prior to the issuance by the Department of Real Estate of the Public Report for the units.

h. The affordable units shall be offered for sale subject to controls on resale, substantially as provided in the Commission's guidelines, subject to the approval of the Executive Director, in order to assure continued affordability.

i. No residential development shall take place on the 75 unit residential site in the Gateway until such site shall have been released from the agreement in accordance with either 6c or 6d above.

7. **Park Facilities.** Concurrent with the grading of Lots 86 and 87 of Tract 32184, the applicant shall construct trailhead facilities (including a 6-10 car parking lot, gates and signs) in vicinity of said Lots 86 and 87 substantially as shown in Applicant's Exhibit A-1, so as to provide foot trail access to an existing trail on Temescal Ridge. The applicant shall also construct a restroom facility in the vicinity of Palisades Highlands at a location designated by the State Department of Parks and Recreation in Topanga State Park or on the dedicated lands. If the applicant is unable to construct the restroom prior to completion of Tract 32184, the applicant may post a bond in an amount sufficient to fund construction by the State if such facilities are determined to be necessary by the Department of Parks and Recreation. All facilities shall be constructed to the usual specifications of the Department of Parks and Recreation, and shall be turned over to the Department for operation and maintenance.

III. FINDINGS AND DECLARATIONS:

The Commission finds and declares as follows:

1. Amendment Description. The proposed amendment to this development permit consists of expanding its scope to authorize: (a) the division of acres on Tract 31935 into 137 lots for 133 single-family dwellings, 2 lots for a total of 50 condominiums (the condominiums may require a local government rezoning at a later date), one recreation lot and a 30-acre open space lot; (b) the division of 115 acres on the remaining undeveloped portion of the Palisades Highlands (Tract 32184) into 260 lots for 257 single-family dwellings, 1 site for 60 condominiums, a recreation lot and an approximately 8-acre open-space lot; (c) the division of approximately 322 acres in the "Gateway" area (immediately northerly of the intersection of Sunset Boulevard and Palisades Drive) into six separate parcels: a 10 acre site for 75 market price residential units; about 7.5 acres for church, school, or similar public serving institutional use; a commercial and parking site of approximately 2.5 acres; a site of approximately 5 acres for 100 units of affordable housing; and 2 parcels for permanent open space totalling 297 acres to be dedicated to the public; (d) the development of a 6 acre graded site into 64 condominium units on Tract 34923. The project would include approximately 3.5 million cubic yards of grading in the Palisades Highlands, and additional, comparatively minor, grading in the Gateway, for streets and building pads, and installation of drainage facilities, utilities, streets, landscaping, and improvement of the active recreational site in Tract 31935 (Exhibit 4); (e) a 1 acre recreation site adjacent to the westerly boundary of Tract 31935; and, (f) construction of single family dwellings and condominium units on each of the permitted tracts consistent with applicable City zoning standards.

The Palisades Highlands portion of the project site is vacant and in a natural state except for a small area on the north end of Tract 31935 where some grading and slope work was performed in connection with off-site improvements for another tract. The site is within Palisades Highlands which is 2 to 3 miles north of the shoreline on the southern slopes of the Santa Monica Mountains in the City of Los Angeles. Existing development in Palisades Highlands is set into a bowl graded out of Santa Ynez Canyon; the proposed tracts would be above and to the east of the existing development and along, below, and northerly of the ridge separating Santa Ynez Canyon from Pulga and Temescal Canyons.

The Gateway project site is located on both sides of Palisades Drive, immediately north of its intersection with Sunset Boulevard in the Pacific Palisades area of the City of Los Angeles. It is approximately one mile from the shoreline, and is not between the first public road and the sea. The site is adjacent to existing developed areas, and lies south of Palisades Highlands, at the southerly terminus of the Santa Monica Mountains in this part of Los Angeles. Except for Palisades Drive and a small frame structure on Parcel 1 used by applicant's employees, the site is vacant. The areas proposed for development were previously graded in conjunction with the construction of Palisades Drive and related facilities. About 35 acres of the site proposed for development are essentially level so that minimal additional grading will be required, and no alteration of significant landforms will occur. About 297 acres of the Gateway are in a natural state and would not be graded or otherwise developed.

The Palisades Highlands portion of the project authorized in this amendment is the ninth and tenth of 10 major tracts approved or proposed in Palisades Highlands. The first eight tracts, containing 1018 dwelling units on 417 acres, ("Phase I" of the overall Headland project), are nearly complete. Included in this action is the approval of 64 condominium units on a 6 acre tract (Tract 34923), which is the last vacant site in Phase I. This site was once designated for commercial use. Because the Gateway will include about 2 acres of neighborhood commercial uses, the Commission can approve residential development on all of Tract 34923.

This action of the Commission authorizes 500 units in the Phase II area of Palisades Highlands, to be concentrated on about 185 acres in two separate tracts. The permit includes development of up to 183 dwelling units on Tract 31935, grading of roads and building pads and installation of necessary subdivision improvements (streets, sewers, drains, utilities, and recreational facilities) for up to 50 high density condominiums on about 6 acres and 133 single-family dwellings (RE-15 zoning). The Commission also approves, subject to conditions, development of 317 dwelling units on Tract 32184, grading of roads and building pads and installation of necessary subdivision improvements (streets, sewers, drains and utilities) for 60 high density condominiums on about 6 acres and 257 single-family dwellings (R-1 and RE-15 zoning) on the remainder of the tract. As proposed, this project -- 500 dwelling units on 185 acres -- would have a net density of 2.71 d.u./acre. Conditions requiring dedication of substantially more than 800 acres for State park purposes will reduce the effective density to significantly less than 1 d.u. per 2 acres. Current City zoning would allow 2.93 d.u./acre. This project was specifically exempted from application of the slope-density formula applied by the City to most other hillside projects within the area. However if the slope-density formula had been applied, development would have been limited to approximately 300 units in Phase II.

Finally, this action authorized all subdivision, minor grading, installation of subdivision improvements and construction of up to 175 multiple family residential units on 15 acres of the Gateway tract. The Gateway is also to be prepared for the development of about 25,000 square feet of neighborhood commercial uses and parking on a 3 acre site and community-institutional uses on a 7 acre site. Construction of institutional and commercial structures is not authorized by this permit, as sufficient detail of design has not yet been specified. As permitted, the residential components of the Gateway project, involving a total of 175 dwelling units on 15 acres, would have a net density of 11.66 d.u./acre. Conditions requiring dedication of 297 acres for open space park purposes reduce the effective density to 1 d.u./1.8 acres.

The Gateway portion of the project is not compatible with existing City zoning. Rezoning will be necessary to implement this portion of the project, and the conditions of this permit require the applicant to use best efforts to obtain it. While rezoning should be obtainable within 2 years, if the City of Los Angeles is willing to take such action, the need for rezoning will necessarily delay implementation of the project. For this reason, the Commission has allowed 7 years for the commencement of construction under this permit. The Commission finds that the departures from existing City zoning required by this action are reasonable and necessary to bring the project into conformity with the policies of the Coastal

Act. Without them, the project could not be approved. The City's slop-density formula would have limited development on this site to about 50 residential units. However all 175 units approved in this action can be sited within already graded areas. The Commission has approved this higher density in order to reduce the amount of development in the Phase II area of Palisades Highlands, thereby reducing the total amount of landform alteration. In addition, the higher density allows the applicant to provide 100 units of low and moderate cost housing at this site which is more convenient to bus lines, commercial uses and other community services, than would be sites in Palisades Highlands.

Conditions on this approval require the applicant to construct an emergency access road south from Tract 31935 to the southerly boundary of the applicant's property (adjoining the AMH project site), provide 100 units of low and moderate cost housing (especially for the elderly and families), to dedicate title to between 1067 and 1180 acres (depending on the final grading and tract boundaries) for public park purposes, and to vacate easements for road extensions through Topanga State Park. The Commission recognized that the four tracts are proposed for development in an integrated development plan. Thus the Commission has issued a single permit authoring all development (except as specified) necessary to complete these four tracts and does not intend that the applicant or his successor return for further permits, except for construction the commercial and institutional structures or the gateway. Minor changes in design or unit which have no adverse affect on Coastal resources and which do not conflict with this approval, will be approved administratively by the Executive Director. Like all major land development projects, the project authorized by this permit will proceed in at least four major stages (one for each of the noted tracts). The conditions require permanence of stated obligations (dedications, construction of facilities) phased with the development of associated tracts. However it is the intent of this Commission that this permit be considered a comprehensive and final approval, and not be voidable once any portion of the approved development is undertaken unless the applicant fails to comply with the conditions. As the development plan is integrated, so are the dedications required by the conditions. For it is only with the dedication of these lands for permanent preservation of visual and landform resources and for public recreational use that the Commission can find the development of the four tracts on balance most protective of significant coastal resources. The dedication of these lands also provides a conclusion to the issue of continuing development in the area. With the approval of this amendment with the dedication of open space areas outside the last four tracts, the Commission and the applicant have achieved a compromise beneficial both to the public and to the developer, resolving once and for all the major Coastal Act issues of location and intensity of development, traffic impacts, amount of grading and provision of low and moderate cost housing. Therefore it is intended that once any portion of the permit is exercised or any offer dedication made, that the entire development and dedication plan proceed to completion as expeditiously as possible.

2. Coastal Resources. The major issue in the Commission's July, 1979 action were: the density of the project as it affected the traffic impact on access to the coast, the extent of grading and alteration of natural land forms as it affected scenic habitat and recreational resources and the provision of housing opportunities for persons of low and moderate incomes. Approvals of this amendment authorizes an increase in the number of units in the total project from about 600 to about 740 units, with proportionately greater impacts on the local traffic network, substantial increase in the area to be graded in the Phase II (i.e., Tract 31935 and 32184) area of Palisades Highlands from about 100 acres to about 185 acres. However, the projects originally proposed and authorized by the City's District Plan for this area would have contained 1850 units on 445 acres. In all cases the balance of the 968-acre Phase II site would be either dedicated as open space or dedicated for park purposes. Both the July, 1979 permit and this amendment provide for 100 units of affordable housing to be located on the Gateway Tract.

a. Traffic. By limiting approval of units in the Highlands and by further finding that only 500 other units in addition to the 64 townhomes on Tract 34923 and 1 residential estate can be approved in the area, the Commission can find that the ultimate direct and cumulative traffic impacts would be substantially reduced to less than about 5000 vehicle trips per day.

As conditioned by the Commission to limit the total number of dwelling units to 175, the Gateway portion of the project will have an adverse impact on local and regional traffic circulation. If all 175 residential units were market price, the project might be expected to generate about 1650 vehicle trips per day. However, since 100 units will be for persons of low and moderate income, this estimate can be reduced substantially, since such persons generally own fewer cars and use those they own less frequently. Vehicle trip generation will be further mitigated by the provision of a 2.5-acre commercial and parking site which will reduce the need for residents to travel elsewhere to secure needed goods and services. Since the commercial site will serve the Palisades Highlands as well, it will also reduce to some extent vehicle trips over Sunset Boulevard and Pacific Coast Highway by residents in developments there. The total traffic generated by the 4 tracts will amount to about 6500 vehicle trips per day. The traffic impacts from development permitted as a result of this action is significant. Because of these impacts, these projects could not be approved but for the fact that the projects as conditioned will provide beneficial impacts by preserving natural landforms, habitats, scenic vistas, granting free of charge to the public substantial lands with significant recreational potential, and providing needed affordable housing in this area of the coastal zone.

b. Alteration of Natural Landforms. The 183-unit Tract 31935 development is designed to require about 1.5 million cubic yards (mcy) of grading, most of which is a cut to remove a hillside required in order to extend Palisades Drive, the only access to the proposed new tracts. The 317-unit Tract 32184 development is designed to require about 2 million cubic yards (mcy) of grading. The developed portions of the Gateway property under the project approved here would be limited to relatively flat areas adjacent to Palisades Drive; Grading will be minimized and no material alteration of natural landforms will occur. There are no views to or along the ocean from anywhere in the area to be developed on the Gateway tract; and hillside areas will be left virtually untouched.

The project EIR for the entire project originally proposed in Phase II notes that an additional 8.0 mcy of grading would be performed to build roadways and pads for an additional 1850 units. The presently revised plan for an additional 317 DU's in the

remainder of Palisades Highlands would require only about 3.5 -
my, a reduction of more than 50%. Although grading for Tract 31935 averages about
1875 cubic yards of cut and fill for each dwelling unit, a large portion of this grading
is necessary in order to satisfy the Secondary Access Road connection. Because of the
need to make the road connection, the overall reduction of grading in the total project
area and the fact that grading and lot placement has been sensitively designed to protect
landforms (including the "Split Rock" formation in Tract 31935) and views of particular
significance, it is determined by the Commission that this landform alteration is con-
sistent with Section 30251 of the Coastal Act. Visual impact of the grading will be
mitigated by revegetation of exposed slopes and lots consistent with Coastal Act policies,
and in conformity with approved landscaping plans.

The project would result in permanent alteration of approximately 145 acres of the
185 acres in Tracts 31935 and 32184. A firm Urban Limit Line is to be established with
permanently preserved buffer areas designed to project the integrity of the local
wildlife systems from both construction and residential impacts.

The project will result in alteration of only approximately 25 acres out of the total
322 acre Gateway property. The substantial acreage left intact will protect the integrity
of local wildlife systems from construction and residential/commercial impacts. Based
upon this fact the Commission finds this project does not involve any significant dis-
ruption of habitat values and is compatible with the continuance of surrounding habitat
areas, so that it is consistent with the policies of Section 30240 of the Coastal Act.

The project is visually compatible with both the surrounding areas adjacent to
Sunset Boulevard, which contain existing residential and commercial development, and with
the Palisades Highlands to the north. The Commission finds that the minimal landform
alterations involved are mitigated by the permanent preservation of far larger areas in a
natural state. Within these conditions, the Commission finds that development on the
Gateway would be consistent with the policies of the Coastal Act.

Although the amended permit allows for a significantly greater graded area, it is
more protective of the undeveloped areas as they will be dedicated to park purposes.
Thus, on balance the Commission finds that the project is protective of natural landforms,
and, as conditioned, is consistent with Sections 30240 and 30251 of the Coastal Act.

c. Affordable Housing. Section 30213 of the Coastal Act provides that:

...housing opportunities for persons of low and moderate income
shall be protected, encouraged, and where feasible, provided...

The Commission's Interpretive Guideline on New Construction of Housing, adopted
on 22 January 1980, generally requires that 25 percent of the units in new residential
developments be set aside for persons of low and moderate income. The Gateway development
being approved in this action, considered by itself, significantly exceeds this minimum
requirement by providing affordable housing which is 133 percent of the market price
units proposed (100 vs. 75).

However, this Gateway project is being approved as part of a series of actions
by the Commission intended to provide for the coordinated development, consistent with
Coastal Act policies, of the Gateway and the remaining undeveloped portions of the

Palisades Highlands. This combined development adds a total of 640 new market rate residential units to the housing supply in the Pacific Palisades area. (183 units on Tract 31935 (Appeal No. 381-78); 64 units on Tract 34923; 317 units in the remainder of the Phase II area of the Highlands; and 75 in the Gateway). The 100 units of affordable housing are only 15.6 percent of this total; and, were it not for the other significant public benefits provided by the project, the Commission could not find that the Coastal Act's affordable housing requirement had been met.

Section 30007.5 specifically contemplates balancing of competing Coastal Act policies, and requires that conflicts be resolved in a manner which is most protective of coastal resources. With respect to affordable housing, the Interpretive Guideline on New Construction of Housing specifically provides that the Commission may require a smaller percentage of affordable housing where a project includes significant other public benefits such as "extraordinary public access or parkland dedications". The Commission finds that the Gateway and Palisades Highlands projects being approved together clearly provide such extraordinary public benefits of open space park dedication and habitat and landform preservation that reduction of the general 25 percent requirement is appropriate.

The Interpretive Guideline on New Construction of Housing also requires the Commission to consider community need for lower cost housing. The Commission notes that Pacific Palisades has a relatively high proportion of demand for housing for elderly persons. Consequently the Commission has required that up to 2/3 of the units be reserved for this group. The Commission finds that the Gateway Tract is an appropriate location to provide the project's inclusionary units as it is located on the Sunset Blvd. bus line, across the street from a neighborhood commercial center, and within 1/4 mile of both a large food store and the beach.

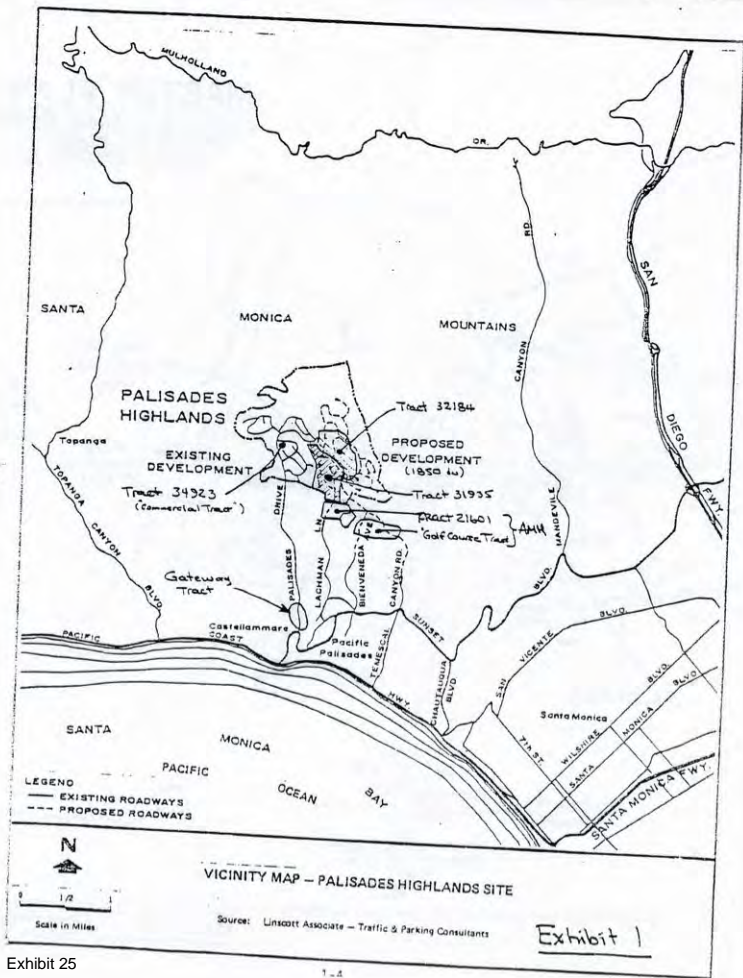
Because the Gateway Tract is not zoned for multiple unit development, however, there is some potential that the affordable housing would not be allowed. Therefore, the Commission has required that a 6-acre condominium site in Tract 32184, large enough for about 60 units, be held available to provide an alternative location for inclusionary housing units. If the Gateway Tract is not rezoned for higher densities (RD-1.5 or RD-2) the condominium site in Tract 32184 would be used as the site for 60 units of affordable housing. It is the intent of this condition to provide assurance that low and moderate cost housing units be constructed by the applicant and provided for purchase by qualified members of the public within a resale control program administered by a local housing agency. Although the Commission prefers that affordable units be sited in the Gateway, if such location is not allowed, a lesser number (60 units) must be provided in the Palisades Highlands Phase II area. In the event that the applicant is either unable or unwilling to construct the units, within 5 years, securing City rezoning for the higher density affordable units (i.e. to RD-2), the applicant may dedicate the site to a local housing agency provided that the applicant receives housing agency agreement to construct and maintain the units and the Executive Director of the Commission approves such agreement. The Commission recognizes that agreement of the housing agency may depend upon the applicant providing sufficient funds to enable the agency to complete the project expeditiously and actually provide the housing opportunities such a provision is entirely within the intent of this condition. Without this condition, the Commission could not find that the development of the four tracts subject to this action would be consistent with the mandate of Section 30213 which states "...housing opportunities for persons of low and moderate income shall be protected, encouraged and where feasible, provided."

d. Archaeological Resources. The archaeological survey performed for the EIR on the Phase II area, noted that there are two significant pre-historical sites in the area. One of these, site LAN-666 is located within the area to be totally altered during grading for Tract 32184. The other site is outside the area to be developed. The EIR survey noted:

The milling stone site LAN-666 is a highly significant cultural resource with the potential for contributing important data for research into the cultural history of the Santa Monica Mountains and the broader sequence of development in Southern California.

The report recommended that the site be excavated and analyzed prior to grading, as a mitigation for its destruction. Conditions on this approval incorporate the recommendations of this report in conformance with Section 30244 of the Coastal Act. Only with these conditions can the Commission find the project consistent with the policies of the Coastal Act. The report also notes the potential existence of other archeological resources. Therefore the Commission's conditions require that the applicant notify a qualified archeologist before starting any grading or brush clearing in the Phase II area (Tracts 31935 and 32184), allow the archeologist to be present to observe such operations, and to require that work stop if new archeological sites are found, while appropriate mitigation is undertaken. Only with these conditions can the Commission find the proposed development of Tracts 31935 and 32184 consistent with the policies of the Coastal Act.

4. Precedent. As the Commission noted in its findings in July of 1978, these tracts may be approved only because the significant impacts of buildout have been identified and mitigated to the maximum extent feasible, in a comprehensive review of all potential large scale development in Pacific Palisades. The Commission is fully aware that the scope of these approvals is one which is generally more appropriate to a Local Coastal Program. However, because of the already extensive planning and permit reviews of this project by the City of Los Angeles the City's reluctance to further review this area in its Local Coastal Program and the extent of mitigation as offered by the applicant and confirmed by the conditions, the Commission finds these projects may be approved prior to certification of the City's LCP. In conformance with Section 30625 of the Coastal Act, this decision shall guide preparation of the Local Coastal Program for this area.



MASTER PLAN

REVISED OPEN SPACE DEDICATION

MODIFIED MAY 31, 1980

HEADLAND PROPERTIES, INC.

A FUTURE OPEN SPACE DEDICATION

TR 34923

Gateway
Tract

1000' W

SUNSET
BLVD

7500

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

1000' W

E

1000' W

TR 32184

TR 31935

TEHACHA

G-361 AC.

July 79
Urban Limit
Line

NEW
Urban Limit
Line

1000' W



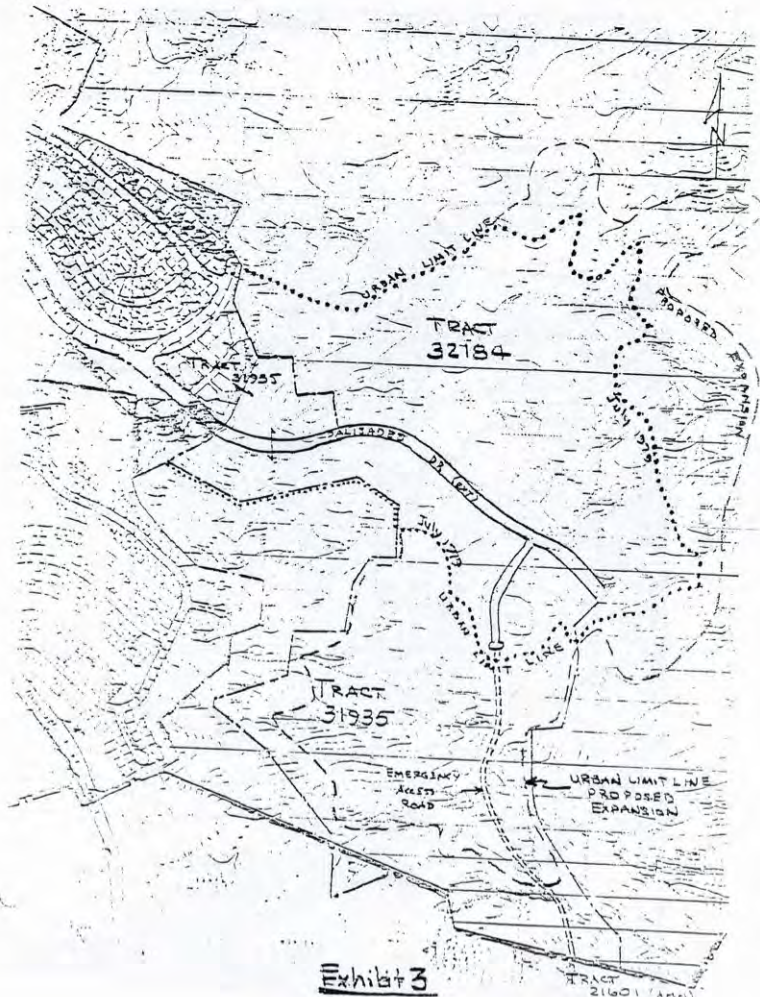
Areas of Special
Land Use Planning Concern.

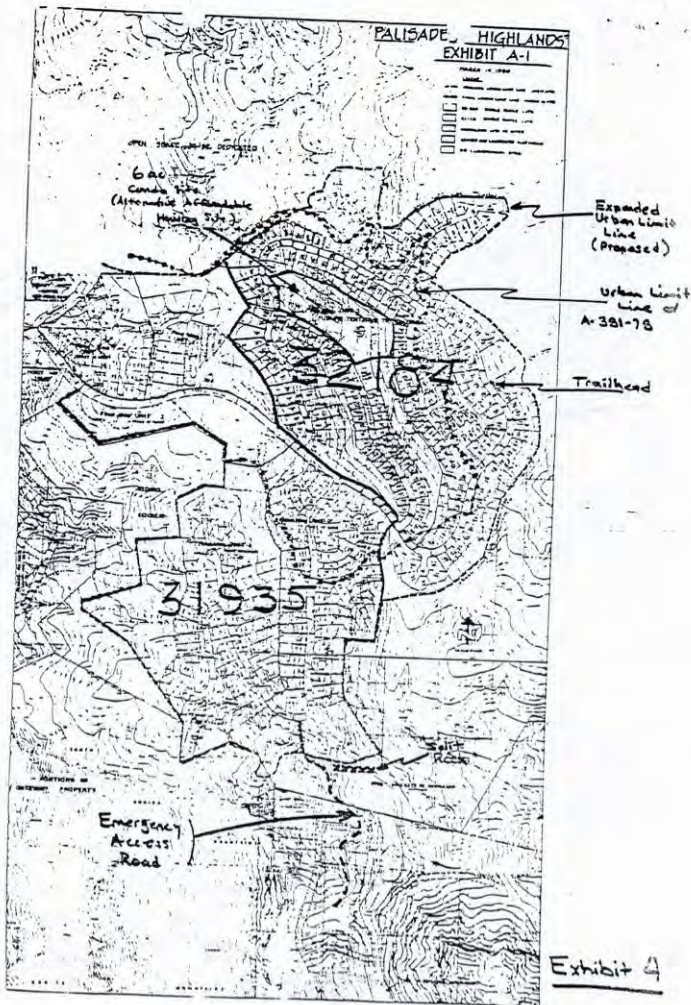


SEE PLANNING
PAGE 10, 11, 12

Exhibit 2 (MODIFIED)

6/4/8





PALISADES HIGHLANDS
GATEWAY PLOT PLAN
EXHIBIT B-2

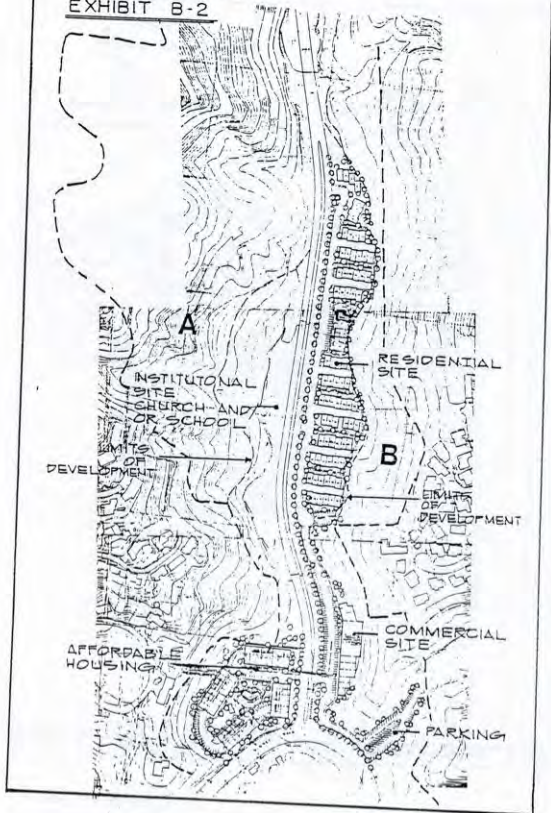


Exhibit 5

EXHIBIT D
TRACT NO. 34923

Formerly Tr 31070
"Commercial Tract"

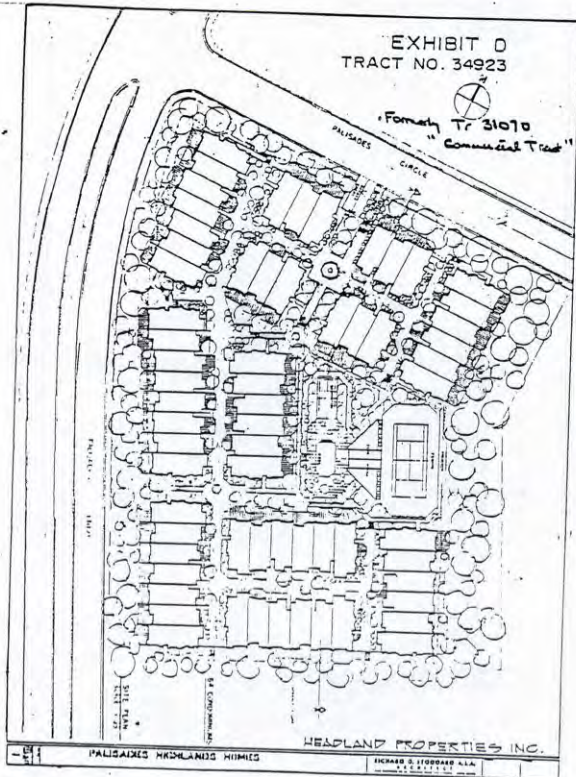


Exhibit 6

CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA

245 WEST BROADWAY, SUITE 380

LONG BEACH, CA 90802

(213) 590-5071

FILED: 9/29/87
49th DAY: 11/4/87
180th DAY: 3/14/87
STAFF: Emerson *AS*
STAFF REPORT: 11/23/87
HEARING DATE: 12/9/87



AMENDMENT

REGULAR CALENDARSTAFF REPORT AND RECOMMENDATION

Application: Appeal Number 381-78A9 (Headland Properties, Inc.)

Applicant: Headland Properties/Palisades Resources

Agent: C Yelverton

PO Box 705

Pacific Palisades, CA

Los Angeles County

Description: Amend permit for 740 unit subdivision, including construction of condominiums and creation of single family lots, construction of low and moderate income housing, open space dedications, commercial center, church and school. In 144.3 acre tract known as 32184: amend the urban limit line and grading plan, increase the number of dwelling units permitted in Tract 32184 to compensate for loss of lots in other tracts and to reach the total build-out of 740 units permitted in 381-78 and modify condition 7, conveying trailhead facilities to the City of Los Angeles instead of State Parks. In tract 31935, merge open space lot known as parcel D with an internal recreation site.

Site: Approximately 1300 acres in Santa Ynez Canyon, west of Temescal ridge and east of Topanga State Park, and north of Sunset Boulevard in the Pacific Palisades District of the City of Los Angeles.

Substantive File Documents:

- 1) Pacific Palisades Community Plan, City of Los Angeles
- 2) A-381-78; Amendments 1-7

- 3) Geo-Soils, "1-40 scale grading plan, geotechnical report for new tract number 32184," Aug 18, 1976
- 4) Slosson, James, "Geological Report, Tract 32184, Palisades Highlands," 13 October, 1980
- 5) Appeal number 380-78 (AMH)
- 6) England & Nelson Summary of Significant Ecological Areas Report (1976)
- 7) "Significant Ecological Areas of the Santa Monica Mountains, report," Richard Dean Friesen, LA County Museum of Natural History Foundation
- 8) National Park Service, Santa Monica Mountains National Recreation Area, Draft Land Protection Plan; Acquisition Plan.
- 9) Cumulative Impacts of Potential Development in the Santa Monica Mountains Coastal Zone (November 1978).
- 10) Radtke, Klaus, "A Homeowner's Guide to Fire and Watershed Management at the Chaparral/Urban Interface," County of Los Angeles, 1982
- 11) Santa Monica Mountains Comprehensive Planning Commission, "Santa Monica Mountains National Recreation Area Recreation Transportation System Element," Aug. 1979

STAFF RECOMMENDATION

The staff recommends the Commission adopt the following resolution:

I. Approval with Conditions

The Commission hereby grants, subject to the conditions below, an amendment to the permit for the proposed development on the grounds that the development, as conditioned, will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act

II. STANDARD CONDITIONS: See Appendix I (Standard Amendment Conditions)

III. SPECIAL CONDITIONS:

1) Limits of amendment

This amendment pertains to the items specified below only, and does not affect the remainder of the approval or the remainder of the adopted conditions of the Commission. Changes in the permit will be made in the Conditions identified in brackets and contradictory information deleted.

a) The urban limit line and tract boundary and dedication areas shall be as shown in the "Modification Exhibit" by VTN Inc shown on PH 87-4 and "Master Plan" PH 87-14. [1(a)]

b) The applicant shall be authorized to construct up to 324 units in tract 32184, including as many as 129 condominium units. The Executive Director may approve minor reallocation among the types of units and minor changes of design of the subdivision within the revised urban limit line. [1(a)]

c) Parcel D may be combined with the private recreation site of parcel map 5164 as private open space. [2(c)]

d) The applicant shall demonstrate to the Executive Director that adequate legal instruments exist to maintain the slope and open space areas identified in map PH87-4. The applicant has agreed to maintain the slope areas adjacent to the development, and upon completion of development to transfer this obligation to the Homeowners' association(s) in accordance with City conditions 13j, 21 22, and 23. Some of this land is subject to landscaping conditions and fire control setbacks.

The applicant or the successor in interest shall maintain the slope areas shown on PH 87-4, and areas identified for special planting using native, fire-resistant vegetation of the Oak Savannah, Coastal sage scrub and chaparral communities, and fuel modification and erosion control techniques approved by the Executive Director.

Within the areas designated as slope areas on the PH87-4 plan there shall be no structures with the exception of park and maintenance facilities such as trails, drainage channels, park furniture and vehicle entry gates. The grading shall be limited to that approved in this amendment.

To protect State Park lands from conflict with the fire control needs of the community, Headlands Properties or its successor in interest shall either

redesign the lot lines so that no private lot lies closer than 200 feet from the land dedicated to the State Park system

or shall develop and record on the final tract map, an easement that retains the right of entry and maintenance of privately held slope areas within 200 feet of the State Park for the homeowners association. The restriction shall prevent future homeowners from construction of combustible structures within the area identified as slope area. The easement or restrictions shall be subject to the review and approval of the Executive Director be binding on heirs an assigns, and be recorded free of prior liens, and shall be valid for the duration of the subdivision [new condition in response to private maintenance of open space]

2) Completion of Trail Access Improvements [Clarification of condition 7]

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence of the completion of the following improvements to the accessibility of the dedicated open space areas. The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency :

- a) Split Rock. In the area known as Split Rock south of tract 31935, the applicant shall complete the approved trail and access and landscaping plans approved during the 1981 amendment process. The applicant shall include landscaping with native plants to screen tract 32184 from the Split Rock Access area, and shall construct appropriate signs to identify the trailhead, at the emergency access road and at the place the trail departs the access road.
- b) Trailer Canyon. The applicant shall provide a trailhead area, including signs and designated parallel parking area for the Trailer Canyon trail, along Michael Drive
- c) Upper Santa Ynez Canyon. The applicant shall provide, subject to the review and approval of the Executive Director, appropriate trail head signs identifying the street side entrance to Santa Ynez Canyon unit of Topanga State Park along Vereda de La Montura. The applicant shall also construct in cooperation with State Parks, minor trail improvements, including non-slip rock surfacing where the trail crosses the concrete lined channel
- d) Temescal Ridge Trailhead. The applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, parking facility and bathroom concurrent with the construction of streets and utilities approved in this tract. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle de Nancy as part of the other open space maintenance agreed to in this permit

- e) Topanga State Park Trail information signs. The applicant shall enter into an agreement with the Department of Parks and Recreation or the City of Los Angeles and shall fund the construction of a trailhead information display at the Gateway Commercial site, consistent with that proposed on permit 5-87-836 (Palisades Highlands Plaza).

2) landslides

In the even of unexpected landslides or mass wasting, that would either damage resources previously believed to be protected or require redesign of the project, the applicant shall submit a list of changes and corrective measures as an amendment to the permit. It is understood that immediate corrective measures may be authorized by the Executive Director as an Emergency Permit.

3) Archaeology site

Prior to transmittal of the amended permit, the applicant shall comply with the archaeology condition [5] which now states:

Prior to the development of Tract 32184, the applicant shall undertake or fund a thorough examination and test excavation of Archaeological Site LAN-666 as recommended in the archaeological investigation performed by Robert S. Greenwood in June of 1976. The examination and test excavation shall be performed under the direction of a qualified archaeologist. Development of Tract 32184 shall not proceed until excavation of all significant features of site LAN-666 is complete. The archaeologist shall be notified of and allowed to observe all brush clearing and grading operations within the permitted development. All contractors and construction personnel shall be advised of the potential existence of other archaeological resources; all work shall be halted and professional consultation be obtained promptly if prehistoric materials are encountered or suspected in the process of development.

Consistent with the archaeology condition, the applicant shall submit for the review and approval of the Executive Director an archaeological excavation plan. The plan shall be prepared with the review and approval of professionally qualified archaeologists who work in the Santa Monica Mountains and by the Native American Heritage Commission and by Native American group(s) identified by the Native American Heritage Commission as having review and monitoring responsibility for this area. The plan shall include:

- a) Pre-excavation assessment of the remainder of LAN 666, the site identified on 32184. The assessment shall include three test pits. The location of the test pits and their excavation shall be decided by all parties.

- b) Excavation with review and approval of archaeologist peers, the Native American Heritage Commission and appropriate Native American groups, filing of appropriate records in accordance with the rules and procedures of the Native American Heritage Commission and established professional practice.
- c) Continued notification of the archaeologist and concerned Native American groups before brushing, and monitoring of the grading operations by the archaeologist and concerned Native Americans. If there is an additional discovery of archaeological resources, work will stop and an additional mitigation plan will be prepared, following the steps of identification, assessment, peer review and execution.

IV. FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

A. Project Description and History

This amendment is a request to amend the urban limit line and make other, more technical changes to an approved subdivision involving four tracts and approximately 1300 acres in the Santa Monica Mountains directly north of the developed portion of Pacific Palisades. This action is the eighth amendment of a series of amendments. The first amendment, 381-78A amended a permit allowing 200 units to allow 740 units on approximately 1300 acres in the Santa Monica Mountains. This action established an urban limit line, and included parks, open space dedications over approximately 1077 acres of mountainous terrain, streets, a trailhead, a commercial development and a church, and other improvements.

In order to approve these 740 units consistent with Coastal Act requirements, the Commission imposed conditions to reduce grading, landform alteration, removal of cover, traffic impacts, visual impacts and conflict with adjacent recreational resources. The basic strategy of approval was to reduce the number of units to 740 and cluster these units in a natural bowl and along the access road, Palisades Drive. In the conditions, the Commission drew an urban limit line around the developed area and required the developer to dedicate the land outside the urban limit line to the State of California.

This amendment would change the urban limit line on the last tract, tract 32184, consisting of 144 acres of developable land on which the applicant has an approval to construct 317 units. The amendment would increase the area within it by about ten acres. Principally the line would be extended on the northwest corner of the tract, just under Temescal Ridge, to allow the inclusion of a water tank approved in the original approval and to allow the nose of a hill above the tank to be trimmed back for stability. This trimming will extend about thirty feet up and 220 feet laterally. In addition, the applicant proposes trimmed slopes and buttress fills below the tank and a trimmed slope to the south of this cut, on the next hill, which would extend

about 130 feet above a cul de sac known as Calle de Nancy vertically, doubling a previously approved cut, and extending 60 feet vertically above the previous urban limit line. The applicant has submitted information that shows that the cut is necessary to remove breccia and poorly consolidated material on a dip slope above planned condominiums. Thirteen estate lots are protected by the cut, but the cut would have been necessary to protect previously approved development.

The applicant points out that grading in other parts of the project will be eliminated, creating open space areas within the tract and that the net increase of land within the urban limit line is minimal.

In addition the applicant proposes to add seven units to the total of this tract to make up for units lost on other tracts, raise the proportion of condominiums to allow 129, and modify the trailhead condition so that the City of Los Angeles can accept the trailhead proposed below Temescal Ridge at Calle de Nancy. Another proposal, to combine lot D with an open space lot approved in the previous tract, was authorized by A-78-378 A7.

As part of this amendment, staff recommends improvement of the access to the dedicated areas within the tracts by the placement of trailhead signs, and completion of landscaping and trail improvement projects that have been started. As a condition of acceptance of open space areas, State Parks required a 200 foot setback from other development. This approval includes in condition one a requirement that this set back be maintained with native, fire-resistant vegetation, and that no structures be permitted within it. This condition is necessary because at some locations the newly created lots have boundaries that lie slightly within the 200 foot buffer area.

Finally, in 378-A7 the Commission approved dedication of areas outside of the urban limit line to private associations approved by the Executive Director. This was a result of public agencies' reluctance to accept hazardous slope areas. When the area was dedicated to public agencies, this retains control over this land. With this approval, the Commission is approving several "open space" lots and slope areas near the periphery of development that will not be dedicated, and may include engineered slopes or unstable areas left in natural condition. The applicant states that these lots will be maintained by the homeowners association, and the City approval includes conditions to record covenants over these lots to maintain them. In order to reduce the visual impact of cut slopes, fuel modification areas and berms, the Commission is requiring them to be planted with native, fire-resistant vegetation. The Commission is requiring that the applicant demonstrate that this land will be maintained and restricted by the home owners association.

The applicant has completed dedications outside the urban limit line to State Parks and to the City of Los Angeles. This amendment reflects changes in the tract boundary that were the result of discussions on the fire protection and geologic and maintenance requirements of the tract. The conditions imposed on this amendment will extend development and maintenance controls to lands that cannot be accepted by public agencies. It will not reduce the lands available for public recreation.

This permit has been activated by the applicant. The permit issued in May of 1980 before the final offers to dedicate were recorded and the final grading plans were drawn up. This was possible because some of the development would have no direct effect on the dedicated areas and because of the financial uncertainties of such a large project. During in these last seven years, the applicant has constructed and subdivided the condominiums on tract 34923 and recorded maps subdividing two of the other tracts, the Gateway tract and the 183 unit tract, tract 31935. Grading and construction has begun both in the Gateway and on tract 31935. The Gateway tract was divided into four parcels, including two parcels approved for condominium tracts, one of which is a market rate tract and one of which will be a low and moderate income development. In the Gateway, grading on the two condominium developments and the commercial and institutional sites has begun and construction on the low income units on tract 41661 has begun. On March 31, 1982 the applicant recorded the first of three portions of the second tract, tract 31935. This was tract 41709. Two other portions of this tract were subsequently recorded as tracts 41710 and 31935. Construction has begun on single family houses and on multiple units on interior tracts that are part of 31935. The Commission staff also approved the grading plan for the first unit in 32184, tract 32185.

B. Amendment procedures.

Under Section 13166 of the Regulations the Executive Director must reject the application for an amendment if it would lessen or avoid the intended effect of a partially approved or conditioned permit.

The intended effect of the urban limit line is to lessen disruption of the hillsides of the Santa Monica mountains, and to contain the damage of urbanization within one portion of th property. In addition to reducing traffic impacts on PCH, this limitation will preserve the views to and of Temescal Ridge, an important recreational destination, now in the hands of State parks. The original permit states in its scope of approval:

1. Scope of Approval.

- a. This permit amendment authorizes subdivision of four tracts of Palisades Highlands, for up to 740 residential units, a two-acre commercial site and a seven-acre institutional site, grading for all streets and lots, installation of drainage and utilities and construction of residential units as described in the attached Findings and Declarations. All grading, structural development, and subdivided lots shall be located entirely within the urban limit line, as described in the surveys and maps prepared by VTN Engineers and submitted by applicant to the Coastal Commission on March 21 and 26, 1980, and identified in the Coastal Commission files as approved applicant's Exhibits A-1, B-1, and B-2, except as provided below (see Exhibits 4 and 5).

Upon notice to the Executive Director, the applicant may reduce the number of multiple family units and replace them with single family units. The Executive Director shall approve such minor modifications to the project provided that there is no increase in the area graded or in the amount of traffic generated by the project, there is no interference with the provision in this permit for low and moderate income housing, and the modifications are otherwise consistent with this approval.

This amendment is material because it changes the scope of approval of the project. The applicant contends that this change in the urban limit line does not lessen or avoid the intent of the conditions, because the applicant is not proposing a large change—ten acres out of 144 acres—and new information on geologic safety that requires some of the changes.

The applicant states that this information had not been prepared at the time of the original approval and was not available to the applicant or the Commission. Therefore the Executive Director has accepted this amendment, but has recommended conditions so that the changes will not lessen or avoid the intent of the conditions.

C. Hazards.

The reasons the applicant gives for the proposed changes are based on geological hazards. Since the original approval, the applicant has been forced to abandon nine lots on the western end of the bowl, and has discovered that the stability of of the tank and the eastern lots can only be gained by trimming back slopes above development to prevent landslides from coming down from above.

The geology reports state that the hills are made of Monterey formation limestones and breccias and that the bedding planes dip in the same direction as the slope, only a little steeper A(see exhibit 6). The applicant proposes to trim these slopes back, extending the cut up the hills.

Section 30253 requires:

New development shall:

(1) Minimize risks to life and property in areas of high geologic, flood, and fire hazard

(2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs

(3) Be consistent with requirements imposed by an air pollution control district or the State Air Resources Control Board as to each particular development

(4) Minimize energy consumption and vehicle miles traveled

(5) Where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses

Based on these sections of the Coastal Act, the applicant proposes to amend his project. The Commission notes that there was a slide during construction of the adjacent tract, and that extensive geological information has confirmed the applicant's position. The tank was approved with the original approval. The Commission examined an alternative, which would be to eliminate Calle de Nancy below the 130 foot cut, but there is development downslope of the road and the thirteen lots, approved development that would still require either the trimmed slope or a massive retaining wall.

Therefore the Commission approves this amendment in order to assure the safety of the site and imposes other access and landscaping conditions to minimize the recreational and visual impacts of the landform alteration. The Commission notes that this development was already partially constructed at the time of the original approval on the basis of a total reconstruction of the hillsides; and that the original approval allowed 3.5 million cubic yards grading.

Finally the Commission notes that the allocation of hazards in the future has caused some of the other changes in the project. Changes in dedication patterns have occurred because State parks could not accept the responsibility of a landslide above houses. As a result the homeowners association and the applicant will assume this responsibility and the method chosen to reduce this hazard is to reconstruct certain slopes, buttress others and trim back others. In addition the Commission notes that within the tract boundary, lots 201 and 207 have been removed from development and conveyed to the homeowners association because of hazards. These lots still lie within the urban limit line, but because of geologic hazard will be owned and maintained as open space lots by the applicant, and the successor in interest, the homeowners association. As conditioned by the City and in condition one, these lots will be maintained to enhance views and to reduce fire impacts and will not be subject to development. They are among the areas designated slope areas.

As conditioned the development is consistent with Section 30253.

D Habitat

In its original approval the Commission took note of the habitat value of the site, and the designation of Temescal Canyon as an SFA. Upper Santa Ynez Canyon was dedicated to State parks because of its sycamore woodland, and landscaping was required to use "endemic" vegetation. Section 30240 requires the protection of habitat and under the terms and conditions of the permit, habitat was preserved outside of the urban limit lines.

This amendment results in a greater area, being disturbed. The final grading plans show the removal of 117-144 acres of native vegetation, 2,069,700 cubic yards cut and an equal amount of fill. Fire control practices will require clearance or fuel modification in a 150 foot wide band.

The Commission finds that the choice of vegetation for screening and replanting slope areas can significantly increase the compatibility of the development with the surrounding natural areas. The Commission also finds that setting back structures 200 feet from the State Parks dedicated lands, can reduce conflict between the fire department and the maintenance of the dedicated land to maintain current wildlife and visual resources. As conditioned in condition one, to maintain fire resistant native vegetation in the 200 foot buffer from state parks and on the visible slope areas, the amendment is consistent with the objectives of the original approval in terms of habitat preservation and consistent with Section 30240.

E. Visual Impacts.

The visual impacts of the project were a major concern during initial discussions and subsequent the to construction. Section 30251 states:

Section 30251:

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

This development has involved major alterations of landforms. The present 144 acre unit, with 324 units, will involve 3.5 million cubic yards of earth movement, or ten thousand cubic yards per unit. This amount will be moved with or without the amendment.

The project is visible from Saddle Peak, Topanga State Park, Temescal Ridge and Trippet ranch. The purpose of the urban limit line is to confine the landform alteration into a bowl and limit the damage.

With this approval two cuts reach much higher, and are that much more visible from recreation areas. The cut above the tank will reach to 1690, below Temescal ridge at 1774, but sixty feet above the tank. The cut above Calle de Nancy reaches to 1690—above the tank height. These both will be visible from Trippet Ranch, the main unit of Topanga State Park.

The Commission notes below in the hazards section that the applicant has produced information justifying these cuts in terms of the protection of

development approved in the original permit from hazards. The Commission finds, however, that these more extensive cuts will have a visual impact on the landscape of the mountains and on the view from recreation areas. Part of this impact will be mitigated by using native plants in the landscaping and by using a mixture of heights in the landscaping as required by the City of Los Angeles. Native plants are the same color as the surrounding vegetation, and once established can obscure, but not eliminate the geometric lines of the cuts. This is required in Condition 1. In addition, the Commission finds that the impact on publicly owned lands is severe enough that only increased accessibility to other parts of the project, such as Trailer Canyon, Santa Ynez Canyon and Split Rock can mitigate the reduction in recreational value of those lands. These improvements are required in Condition 2.

As conditioned the visual impacts on public recreational areas is partially mitigated.

F. Recreation

The applicant was required in the original permit to mitigate the conversion of lands with recreation potential to housing by the dedication of lands with recreational value to the State. As amended in 381-78-A7 so that the recreation lands go to the State, the lands with visual backdrop value and trailheads go to the City, and lands within the development or immediately adjacent to subdivided lots go to the Homeowners, the project has had recreational benefits for the residents and for the residents of the state.

The trails in the project area link up with trails in the Santa Monica Mountains, and are part of a trail system envisioned to increase access to the mountains. Within the project there are four places where trails through dedicated areas cross new city streets. The original permit required improvements on two of them Split Rock and Temescal Ridge, and the applicant has prepared plans to provide trails and trailhead improvements at these locations. The applicant proposes an excellent parking lot and trailhead below the water tank at Temescal Ridge trailhead to be constructed as part of the subdivision, and to be conveyed to the City of Los Angeles.

At two others, recently accepted by the State of California, there is no clear indication that there is a trail. These are at Santa Ynez Canyon and at Trailer canyon. Finally, flood control improvements have made one small section of the trail up Santa Ynez Canyon slick and difficult.

The change in the ratio of the development to permit more condominiums increases the need for public and common open space to benefit the residents of the development. With the development of the tract, with its large houses and winding roads, the way from outside the tract to the trailheads is difficult to find for anyone not a resident of the immediate area. Finally, there is some reduction in the visual value of other lands reserved for recreation under 10221 as a result of the extension of grading.

The Commission finds that a proper signing program at trailheads and at the Gateway at the major arterial will improve the accessibility of the trails and lessen confusion about the location of trail entrances. As conditioned the project will enhance recreational access to the trail system of the Santa Monica Mountains, and will reserve lands suitable for recreation, dedicated trails.

G. Archaeology

Section 30244 of the Coastal Act requires the Commission to preserve historic and archaeological resources. There are two archaeological sites within the area of the project, one of them LAN 666 will be obliterated as part of the grading of this tract. Three quarters of it was already destroyed by a landslide created by off-site grading. The applicant has agreed to pay mitigation money for the damage as part of the city permit.

As part of both the Coastal permit and the City permit, the applicant was required to excavate LAN 666 and to notify an archaeologist before brushing or grading.

There is some debate about the value of the remaining site, but all agree that because of the grading planned, it will be destroyed. The Commission finds that in order to continue to authorize grading on the site it must add to the archaeology condition, conditions to clarify the methods and procedures of archaeological excavation and mitigation approved as part of this permit. As conditioned with an additional archaeology condition, the project will preserve historical and archaeological resources as much as is now possible consistent with Section 30244 of the Coastal Act.

H. Access

In order reduce impact on access on coastal roads, the total number of units in the development was reduced. This proposed change in the project will not change the number of units in the project.

This amendment will not change any of the traffic paradigms of the project. It will have a marginal effect upon public use and enjoyment of the area of the mountains in which the subdivision is located because traffic from the approved units, and overflow parking will compete with members of the public who are using the trailheads for access to Trippet ranch and other parts of the Santa Monica Mountains NRA trail system. This competition can be reduced by reserving and clarifying the role of the internal subdivision streets as part of the recreational access system as required in the original permit.

Approval of the homeowners association as managers of the open space areas raises questions of Access. The reason that public agencies were originally approved as managers of these areas is that only public agencies have an obligation to allow continued public use of the areas. Homeowners association do not have a charter obligation to manage areas for the general public. Two areas subject to this amendment have open space value and will be conveyed to

homeowners. Area D has been found both by Parks and Recreation and by the City of Los Angeles to have no recreational value, except for a visual one. Its visual value will be preserved by the application of condition one.

The Temescal trail crosses a cut slope that will be maintained by the Homeowners' association. Condition 1 and 2 require the applicant to maintain this trail and the native vegetation on the slope. As conditioned to improve trail access, the management of the slope areas and open space areas by the Homeowners' Association will not reduce access and recreational use of the area.

4295A

Appendix I Existing permit

September 16, 1987:PE/do

AMENDMENT TO COASTAL DEVELOPMENT PERMIT NO. A-381-78A7Page 1 of 4

On February 25, 1987, by a vote of 9 to 0 with 1 abstention, the California Coastal Commission granted to Palisades Resources, Inc and Headland Properties, Inc

an amendment to Permit A-381-78, subject to the conditions set forth below, for changes to the development or conditions imposed on the existing permit granted on July 17, 1979, and further amended, including an amendment granted on May 21, 1980. Changes approved by this amendment consist of authorization of subdivision of four tracts of Palisades Highlands, for up to 740 residential units, a two-acre commercial site and a seven-acre institutional site, grading for all streets and lots, installation of drainage utilities and construction of residential units, extension of time limit to May 21, 1994, more specifically described in the application file in the Commission offices.

DESCRIPTION AND SITE:

The development is within the Coastal Zone in Los Angeles County at Palisades Drive, Pacific Palisades, City of Los Angeles

After public hearing held on February 25, 1987, the Commission found that, as conditioned, the proposed amendment is in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976; will not prejudice the ability of the local government having jurisdiction over the area to prepare a local Coastal Program that is in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976; if between the sea and the public road nearest the sea, is in conformity with the public access and public recreation policies of Chapter 3 of the California Coastal Act of 1976; either (1) will not have any significant adverse impact on the environment or (2) there are no feasible alternatives or feasible mitigation measures available that would substantially lessen any significant adverse impact that the development as approved may have on the environment

APPENDIX ONE PERMIT 381-78A

STANDARD CONDITIONS:

1. Notice of Receipt and Acknowledgement. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the development during construction, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. Scope of Approval.
 - a. This permit amendment authorizes subdivision of four tracts of Palisades Highlands, for up to 740 residential units, a two-acre commercial site and a seven-acre institutional site, grading for all streets and lots, installation of drainage and utilities and construction of residential units as described in the attached Findings and Declarations. All grading, structural development, and subdivided lots shall be located entirely within the urban limit line, as described in the surveys and maps prepared by VTN Engineers and submitted by applicant to the Coastal Commission on March 21 and 26, 1980, and identified in the Coastal Commission files as approved applicant's Exhibits A-1, B-1, and B-2, except as provided below (see Exhibits 4 and 5)

Upon notice to the Executive Director, the applicant may reduce the number of multiple family units and replace them with single family units. The Executive Director shall approve such minor modifications to the project provided that there is no increase in the area graded or in the amount of traffic generated by the project, there is no interference with the provision in this permit for low and moderate income housing, and the modifications are otherwise consistent with this approval.

- b. Concurrent with the development of Tract 31935, the applicant shall construct an emergency access road and pedestrian bicycle path as generally indicated in Exhibit 4, between the southern terminus of public roadways serving Tract 31935 and the southern boundary of applicant's property. The road shall be designed and constructed so as to require the minimum amount of landform alteration and to provide emergency entry to and exit from the Palisades Highlands development. The road shall be wide enough to accommodate two lanes of vehicles and meet the minimum specifications of the City of Los Angeles but at no point should the road width exceed 20 feet. Cuts and fills required for the construction of the road shall be the minimum required by the City of Los Angeles.
- c. Subject to the review and approval of the Executive Director, in areas outside of urban limit line: minor grading may be performed to re-contour previously graded land; paved or unpaved pathways and other incidental improvements for low intensity recreation may be constructed; minor facilities to provide public or utility services which do not require significant grading may be installed if alternative locations are not feasible; vegetation within 100 feet of any residential structure may be removed or altered for fire protection purposes.

2. Dedication.

Prior to the extension of the date of surrender and abandonment (expiration date), the applicant shall record offers to dedicate open space lands specified in Condition 2. In each of the offers, the accepting agency shall include the City of Los Angeles or a private non-profit association acceptable to the Executive Director as specified in the revised condition. The expiration date of the interim offer to dedicate that applies to area E shall be extended an additional seven years, until May 21, 1994. Consistent with Condition 2, the applicant shall record offers to dedicate the areas where tracts have already been recorded, that is, offers pertaining to areas A, B, C, C-1, D, and G. The offers shall be irrevocable for a period of 21 years from the date of recordation of the offers. These offers shall also reflect the change in possible accepting agencies in the revised Condition 2.

After the applicant records these changes in the offers to dedicate in a manner acceptable to the Executive Director, the expiration date of the permit (date of surrender and abandonment) shall be extended to May 21, 1994. If the process of dedication is not complete by that time, the applicant shall abandon the permit.

Dedication Within 10 days following the issuance of this permit, applicant and Palisades Resources, Inc. (a co-applicant) shall record offers to dedicate to the State of California, the City of Los Angeles, and/or a private, non-profit corporation acceptable to the Executive Director all of the property lying outside the urban limit line. Such offers shall be of a form and content approved in writing by the Executive Director. Such offers of dedication shall be irrevocable ~~for a period of 7 years~~ until May 21 1994 except in event of revocation of this permit. As final maps for the respective four tracts (noted below) are recorded, said offers shall be irrevocable as to specified parcels for 21 years thereafter and shall require dedication in fee of such specified parcels upon acceptance by the State of California or its agent. The offers of dedication shall contain the following provisions as to the parcels specified below:

- a. Canyon Park. Concurrent with the recordation of a final map for Tract 34923 and prior to construction of residential units on such tract, the applicant shall record an irrevocable offer to dedicate the full fee interest in approximately 120 acres of land in Santa Ynez Canyon north of the existing City park and west of Palisades Drive (Areas C and C-1 in Exhibit 2). With the exception of tax liens and the prior offer of dedication of such property to the City of Los Angeles Park Commission, the dedication shall be free of all prior liens and encumbrances. The applicant shall use best efforts to secure the waiver of the City Parks Commission to such prior offer of dedication. However to promote the most efficient and orderly operation and maintenance of these parklands, the applicant may withdraw the offer in favor of the State with regards only to the approximately 25 acres south of Avenida de la Montura (area C-1, Exhibit 4) and adjacent to the existing City park, provided that the City Park Commission accepts the dedication of area C-1 for operation as a City park.
- b. Gateway. Concurrent with the recordation of a final map subdividing the Gateway Tract, Palisades Resources, Inc., shall record an irrevocable offer to dedicate the full fee interest in approximately 297 acres of land outside of the urban limit line on the Gateway tract established pursuant to condition 1 above (generally shown as areas A and B in Exhibits 2 and 5).
- c. Tract 31935. Within 30 days following the recordation of a final map subdividing tract 31935, the applicant shall record an irrevocable offer to dedicate the full fee interest in the approximately 386 acres adjoining the portion of Tract 31935 to be developed (shown as areas D and G in Exhibit 2).
- d. Tract 32184. Within 30 days following the recordation of the final map subdividing the final unit of Tract 32184 the applicant shall record an irrevocable offer to dedicate a full fee interest in the approximately 338 acres shown as area F in Exhibit 2.

- e. Permit Expiration. In the event the obligation of Palisades Resources, Inc., and applicant to dedicate all of the property lying outside the urban limit lines does not occur before May 21, 1994, applicant shall be obligated to surrender and abandon this permit on May 22, 1994, and this permit shall have no further force or effect insofar as this permit pertains to any property not then subject to a final subdivision map.
- f. Road Easements. Prior to recordation of any final maps for the authorized development, the applicant shall grant to the State of California all of the applicant's interests in road easements through Topanga State Park, including Palisades Drive extension to Mulholland Drive and Temescal Canyon Road towards Sunset Boulevard.

3. Restrictions.

Concurrent with the recordation of final maps as noted in 2a, 2b, 2c, and 2d above, the applicant shall record an instrument covering such parcels in a form approved in writing by the Executive Director. Such instrument shall be considered a covenant running with the land in favor of the People of the State of California, shall be recorded free of prior liens and encumbrances except tax liens and shall bind the applicant and all successors in interest. Such instrument shall provide specifically as follows:

- a. Prevent further division of such dedication parcels for any purposes except park purposes outside of the urban limit line.
- b. Prevent development outside of the urban limit line except as permitted by this permit or for park purposes.
- c. Waive all claims against the public for damages due to flood, fire or geologic instability which may arise as a consequence of approval of development within the permitted tracts.

4. Landscaping Plans.

The applicant has submitted landscaping plans and specifications for Tract 31935 and 32184, which have been reviewed and approved by the Executive Director. The final landscaping plans shall provide that slope areas exposed by grading or other construction shall be revegetated with primary endemic drought and fire resistant vegetation. On Tracts 31935 and 32184, landscaping shall be designed to screen and soften the visual impacts of the project as seen from Topanga State Park. The areas of special landscaping concern (identified in Exhibit 4) shall be screened from view by a combination of berms and extra vegetation in conformance with the preliminary landscaping plan submitted by the applicant. No further review of landscaping plans for Tracts 31935 and 32184 is required. Landscaping plans for the Gateway shall be submitted for review and approval by the Executive Director prior to the start of construction of any units on the Gateway.

5. Archaeological Site

Prior to the development of Tract 32184, the applicant shall undertake or fund a thorough examination and test excavation or Archaeological Site (AN-666 as recommended in the archaeological investigation performed by Robert S. Greenwood in June of 1976. The examination and test excavation shall be performed under the direction of a qualified archaeologist. Development of Tract 32184 shall not proceed until excavation of all significant features of site (AN-666 is complete. The archaeologist shall be notified of and allowed to observe all brush clearing and grading operations within the permitted development. All contractors and construction personnel shall be advised of the potential existence of other archaeological resources; all work shall be halted and professional consultation be obtained promptly if prehistoric materials are encountered or suspected in the process of development.

6. Housing

Prior to issuance of the permit, the applicant shall enter into an agreement with the Coastal Commission to provide for affordable housing as stated below. The agreement shall bind the applicant and any successors in interest and shall be recorded as a covenant to run with the land, with no prior liens other than tax liens. The agreement shall be recorded as a covenant on the 75-unit residential site on the Gateway (as shown in Exhibit 5) and lot 193, Tract 32184 as shown on Exhibit 4. The agreement shall provide:

- a. The applicant shall either provide 60 units of affordable dwelling units, subject to resale controls, at prices which are affordable to low and moderate income persons earning from 50 - 120 percent of median income on lot 193, Tract 32184, or 100 units of affordable housing in the same manner on the Gateway site if and when that site is rezoned to allow such development.
- b. When and if the Gateway tract is rezoned to allow for the provision of the 100 affordable units described above, the restriction on lot 193, Tract 32184 shall terminate.
- c. Upon issuance of a certificate of occupancy as to 60 affordable housing units on lot 193, Tract 32184 or 100 affordable housing units on the affordable housing site in the Gateway, the agreement shall terminate as to the 75-unit residential site in the Gateway.
- d. If five (5) years after the date of the rezoning of the affordable housing site in the Gateway no construction has commenced for affordable housing thereon and if the applicant thereafter dedicates the fee interest in the affordable housing site to a public housing agency, the agreement to construct such affordable units shall terminate as of the date of recordation of such dedication.

- e. Prior to the applicant's commencing construction of the affordable housing or prior to the dedication referred to in Paragraph d, applicant shall enter into an agreement, approved by the Executive Director, with a public housing authority or other agency acceptable to the Executive Director, providing that such agency agrees to construct, if necessary, and administer the affordability (resale) controls provided for in the Commission agreement.
- f. The units shall be priced to be affordable to the range from 50 - 120 percent of median income so that an equal number of units is available in each of the following price ranges: 50%, 60%, 70%, 80%, 90%, 100%, 110%, and 120%. At least one-third of the units in each range shall be three bedroom units of at least 1,000 square feet. All other units, if any, shall be at least 60 square feet. Up to two-thirds of all the units may be designated for elderly and at least one-third shall be designated for families.
- g. The sales price in each range shall be determined by the following formula:

$$\text{Sales Price} = \frac{(1/3) (\text{Median Income})(\text{Family Size Adjustment})(\text{Income Range}) - (\text{Homeowners Association Dues} + \text{Insurance Premiums})}{(\text{Debt Service Constant Percent}) (\text{Loan to Value Ratio}) + 1\%}$$

The family size adjustment shall be as follows: for a one bedroom unit, 80% (.8); for a two bedroom unit, 95% (.95); for a three bedroom unit, 108.5% (1.085). Median income shall be the median income for a family of four as last calculated by HUD prior to the issuance by the Department of Real Estate of the Public Report for the units.

- h. The affordable units shall be offered for sale subject to controls on resale, substantially as provided in the Commission's guidelines, subject to the approval of the Executive Director, in order to assure continued affordability.
- i. No residential development shall take place on the 75-unit residential site in the Gateway until such site shall have been released from the agreement in accordance with either 6c or 6d above.

7. Park Facilities

Concurrent with the grading of lots 86 and 87 of Tract 32184, the applicant shall construct trailhead facilities (including a 6 - 10 car parking lot, gates and signs) in vicinity of said lots 86 and 87 substantially as shown in applicant's Exhibit A-1, so as to provide foot trail access to an existing trail on Temescal Ridge. The applicant shall also construct a restroom facility in the vicinity of Palisades Highlands at a location designated by the State Department of Parks and Recreation in Topanga State Park or on the dedicated lands. If the applicant is unable to construct the restroom prior to completion of Tract 32184, the

applicant may post a bond in an amount sufficient to fund construction by the State if such facilities are determined to be necessary by the Department of Parks and Recreation. All facilities shall be constructed to the usual specifications of the Department of Parks and Recreation, and shall be turned over to the Department for operation and maintenance.

4295A

APPENDIX ONE PERMIT 381-78A

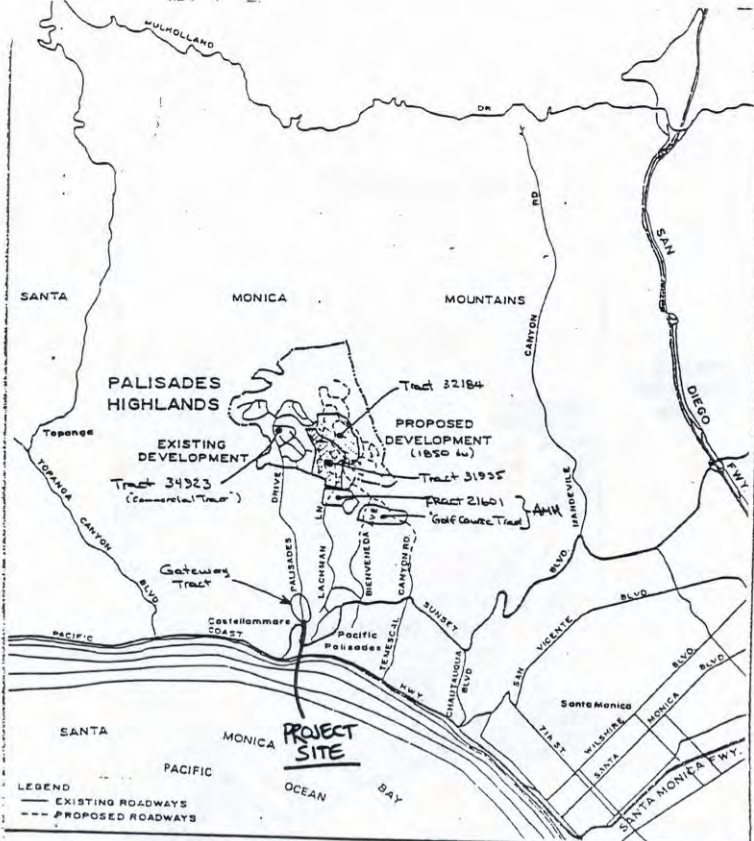


Exhibit 1a

AMENDMENT REQUEST FORM

RECEIVED
SEP 22 1987

1. Permit Number 381-78
2. Applicant's Name HEADLAND PROPERTIES, INC.
Address 1950 Palisades Drive, P. O. Box 705
Pacific Palisades, CA 90272 (213) 459-2351
(area code) (Telephone No.)
3. Project Address
1950 Palisades Drive
Pacific Palisades, California 90272
4. Items necessary to file an Amendment Request (attach to this form):
- A. Two sets of plans stamped with Approval in Concept (if construction is involved).
 - B. Approval in Concept Form (if construction is involved).
 - C. Notification of Owners and Occupants (as in original application, updated if necessary).
Stamped envelopes addressed for each. The envelopes must be plain, business size (9 1/2 x 4 1/8), with first class postage. METERED STAMPED ENVELOPES CANNOT BE ACCEPTED.
 - D. Estimated Cost of Amended Project \$ _____.
 - E. Filing fee of \$25.00.

5. Describe Proposed Amendment:

This application for amendment is made for the purpose of:

- (1) Adjustment and relocation of a portion of the Urban Limit Line established by Permit 381-78 on May 21, 1980 and as shown on Exhibit A-1 of the permit;
(2) Authorization for grading, construction of improvements, drainage and related utility systems and construction of residential dwelling units, recreation facilities within the relocated Urban Limit Line; (3) Authorization to merge open space Dedication Parcel "D" with recorded Parcel Map 5164 Recreation Site;
(4) Authorization to increase the number of dwelling units permitted in Tract 32184 in order that the total build out of 740 dwelling units permitted by 381-78 can be accomplished, and (5) modify condition 7 of 381-78 trailhead facilities by authorizing conveyance of the constructed improvements to the City of Los Angeles for its operation and maintenance.

SEE ATTACHED DESCRIPTION

Charles A. Yelverton
Applicant's Signature
Charles A. Yelverton

September 18, 1987
Date



1/23/85 mr
SCD: 4/12/84
SWS

Exhibit 4 application

ATTACHMENT

Application for Coastal Permit Amendment
A-381-78-A9 - Palisades Highlands

APPLICATION REQUESTS

A. ADJUSTMENT AND RELOCATION OF "URBAN LIMIT LINE"

It is requested that the Coastal Commission authorize adjustment and relocation of the "Urban Limit Line" in Palisades Highlands as established by its actions for Permit A-381-78 adopted on May 21, 1980 and shown on Exhibit A-1 enclosed herewith as Exhibit PH87-16 to this application.

The adjusted and relocated "Urban Limit Line" to be established by this request is depicted on Exhibit PH87-1 (A-1-A) included herewith. The limit of development defined by the proposed "Urban Limit Line" (shown in green on the exhibit) encompasses lands designated as portions of Open Space Dedication Parcel "G" as defined in the May 21, 1980 Coastal Permit along the easterly boundary of Tentative Tract 32184. The relocated "Urban Limit Line" along the northerly boundary of approved Tentative Tract 32184 encompasses lands that were approved for development in the 1980 permit authorization by the Commission.

Bases of Change in Urban Limit Line

Permit A-381-78, authorized on May 21, 1980, included all of Tracts 31935 and 32184 and approved a total of 500 dwelling units (183 and 317 respectively) for the two tracts in Palisades Highlands. Exhibit A-1 of that permit depicted the proposed development of the two tracts based upon design parameters and constraints known at that time. Tract 31935 had been extensively analyzed and comprehensive geological, soils, drainage and stability of slopes studies had been made by consultant geologists, soil engineers, engineers and others engaged in data accumulation for preparation of grading and improvement plans for the subdivision.

In addition, critical evaluation of Tract 31935 had been made by agencies of the City of Los Angeles prior to approval of the Tentative Tract Map in 1977 and the Commission's final action in 1980.

Tract 32184, however, had been similarly analyzed only to the extent to ascertain that its feasibility of development was reasonably determined. Detailed, large scale, subsurface geological and soil engineering investigative studies and calculations had not been performed for the proposed graded slopes nor had detailed slope stability analyses been performed for the steep, natural slopes ascending easterly above the tract or the slopes descending northwesterly below the proposed subdivision development.

Compliance with A-381-78

Following the Commission's May 21, 1980 authorization for Permit A-381-78 revised Tentative Tract Maps for Tracts 31935 and 32184 were prepared in accordance with conditions of the Commission's action and re-submitted to the City of Los Angeles for subdivision design review. Revised Tract 31935 was expeditiously reviewed, approved, permits were issued by the City, and grading and construction of improvements commenced. The tract was completed in 1984.

Tentative Tract 32184, revised to incorporate conditions of A-381-78, was submitted to the City of Los Angeles in 1982. On March 8, 1983, the Tentative Tract Map (Exhibit PH87-13) was conditionally approved by the City Deputy Advisory Agency. The City Planning Commission confirmed the Tentative Tract Map approval on April 28, 1983 with the City Council concurrence on July 3, 1983 (Exhibit PH87-12). A zone change for the subdivision was approved by the City Council on July 23, 1983. The change of Zone Map and Ordinance No. 158.063 are enclosed as Exhibit PH87-11.

Required Design Changes - Tract 32184

Conditions of approval for Tentative Tract 32184 required that additional, detailed geological and soil engineering studies be performed for the graded and natural slopes particularly on the east, northeast and northwest perimeters of the tract prior to permit issuance and final map unit recordation.

The City Departments of Building and Safety, Public Works, and Water and Power required extensive surface and subsurface exploratory studies and analyses to be performed on the natural slopes ascending easterly above the tract boundary and underlying the Department of Water and Power water storage tank and access road located at 1620 feet elevation east of the tract.

Similarly, the Departments of Building and Safety and Public Works and the project consultants determined that steep topographic relief of the descending slopes located below the northwesterly portion of the tract required further study to more adequately ascertain future stability of that area.

During the period 1983-1985 extensive geological and soil engineering exploratory work and engineering analyses were performed by the project geologists and soil engineers for the two areas described. As a result of the additional investigative evaluation it was determined that modifications in the proposed tract grading were necessary.

C. DWELLING UNIT ADJUSTMENT

Coastal Permit A-381-78 authorized on May 21, 1980 permits a dwelling unit buildout on two new tracts in Palisades Highlands of 500 dwelling units as follows:

Tract 31935 - 183 DU
(133 SF and 50 Condos)

Tract 32184 - 317 DU
(Discretionary Mix SF and Multiple residential)

In addition 64 condominium units were authorized for Tract 34923 and one single family unit was approved for the "High Site" located northerly of Tracts 31075 and 32200.

A total of 565 dwelling units were therefore approved for the ultimate completion of the Palisades Highlands properties.

Tract 34923

As a result of the necessity to conform to various requirements of the City of Los Angeles to provide fire access driveways, recreational facilities, and related common areas, the actual buildout on Tract 34923 consisted of only 60 of the authorized 64 dwelling units.

Tract 31935

As a consequence of grading and improvements of the residential estate lots in Tract 31935, the building areas on 6 of the lots were greatly reduced in size. Because of the severely reduced building site areas, the lot yield was reduced by a total of three by merger of the 6 lots into three building sites. A net loss of three (3) dwelling units therefore occurred (Exhibits PH87-19 a,b).

Inasmuch as Permit A-381-78 authorizes 565 dwelling units, the seven (7) DU lost in the buildout on Tracts 34923 and 31935 are to be added into the total buildout in Tract 32184, provided that the Coastal Commission grants this request, concurs with actions of the City of Los Angeles, and authorizes a total of 324 dwelling units for Tract 32184.

PRIOR ACTIONS OF THE COASTAL COMMISSION

Vested Rights (1977)

Following legislative adoption of the California Coastal Act in late 1976, Headland Properties, Inc. filed an application for vestment of development rights on the Palisades Highlands property. The vested rights application filed in early 1977 was based upon approvals for development obtained from the City of Los Angeles prior to enactment of the Coastal Act. Approval of a Master Plan of Development consisting of 1,856 dwelling units in addition to those already completed, construction of major road systems, drainage systems and other infrastructure and completion of approximately 50 percent of the project as a whole were interpreted to be adequate for the vesting interests.

Upon review of the application, it was determined by the Coastal Commission that sufficient development work had not been accomplished to exempt the remaining portion of the undeveloped project from requirements of the Coastal Act and that Coastal Permits would be necessary for continued project development.

Application 381-78 (Tract 31935) (1979)

In accordance with the Coastal Commission determination concerning the vested rights issue and based upon approvals made by the City of Los Angeles, Headland Properties, Inc. prepared and filed Coastal Permit Application 381-78 for Tract 31935 in 1978. The tract as proposed consisted of 150 single family residential building lots, two lots for construction of 50 condominium units, a recreation lot and an open space lot and the necessary grading and installation of streets, drainage and related utility systems.

After public hearings were conducted by the South Coast Regional Commission, the project was approved. Appeals of the Regional Commission action were made, and on November 14, 1978, the State Commission opened hearings on the appeals.

At the public hearing on July 17, 1979, the Commission authorized Permit 381-78, which substantially modified the development project, changed the dwelling unit mix to 150 multiple dwelling units (condominiums) and 30 single family residential building sites, and established a very restrictive "Urban Limit Line". This "Urban Limit Line" effectively eliminated all further development on the remaining 968 acres of the ownership (Exhibit PH 87-15(h)).

The severely limited permit was rejected by Headland Properties, Inc., and negotiations ensued in efforts to modify the Commission's action.

Amendment 381-78-A2 (1980)

During the period 1979-80 a series of meetings and discussions were held between representatives of Headland Properties, Inc., the Coastal Commission staff, and elected officials of the State of California in attempts to negotiate a total development plan for all of the property in the Palisades Highlands and Gateway areas under control of Land Resources, Inc., parent company of the applicant.

4d

The described activities culminated at the May 21, 1980 hearing of the Coastal Commission with authorization of Coastal Permit No. A-381-78 issued to Headland Properties, Inc.-Palisades Resources, Inc., as co-applicants (Exhibit PH 87-15 (g)).

The amended permit authorized the subdivision of four (4) additional tracts in Palisades Highlands and the Gateway. A total of 740 residential units, a two (2) acre commercial site and a seven (7) acre institutional site, grading for all streets and lots, installation of drainage, utilities and construction of residential units were approved. Exhibits A-1, B-1 (Exhibit PH-16) depict the authorized development Master Plan and the relocated Urban Limit Line.

In addition to the above, the Commission approved Landscape and Irrigation Plans for Tracts 31935 and 32184 as shown on Exhibit PH 87-17 (Exhibit A-2).

Special conditions of the amended permit included: Construction of an emergency access road and pedestrian/bicycle path southerly of Tract 31935; preparation and recordation of offers to dedicate to the State of California all property outside the Urban Limit Line; relinquishment of existing cross-mountain road easements; investigation of an identified archaeological site within proposed Tract 32184; provide 100 units of affordable housing in the Gateway; and construction of trailhead facilities adjacent to Tract 32184 and the to be dedicated open space lands.

The amended permit was accepted by the applicants on August 8, 1980.

Further Amendments to A-381-78 (1980-1987)

An amendment dated June 18, 1980 authorized construction of a 25,000 square foot commercial building with 175 parking spaces on Parcel Map 5371. The amendment also authorized construction of a single family dwelling unit on Parcel Map 3947 located northerly of Tract 32200 in Palisades Highlands.

This amendment (A-381-78-A3) was based upon preliminary architectural plans prepared for the site subsequent to the May 21, 1980 authorization that were not available at that time (Exhibit PH 87-15(f)).

Amendment A-381-78-A4 was authorized by the Commission on July 22, 1980, based upon preliminary architectural plans, for construction of a church and school with 158-car parking lot on Parcel Map 5372 (Exhibit PH 87-15(e)).

On August 27, 1985, the Commission denied an amendment request to A-381-78 which was filed for the purpose of modifying the affordable housing condition included in the May 21, 1980 amendment (Exhibit PH 87-15(d)).

Amendment A-381-78-A5, authorized on May 15, 1986, approved: Minor adjustment in the "Limit of Development Boundary" in the Gateway; additional grading within the new limit of development; reduced the area of Dedication Parcels "A" and "B" by approximately seven (7) acres; and approved the conveyance of Dedication Parcels "A" and "B" to the City of Los Angeles in lieu of the State Department of Parks and Recreation (Exhibit PH 87-15(c)).

Amendment A-381-78-A6 authorized changes in construction of the church/school facilities previously authorized on Parcel Map 5372 on December 11, 1986 (Exhibit PH87-15(b)).

Conditions of A-381-78-A6 limits the amendment to the institutional site only. Special condition 2 requires: An agreement to provide a total of 302 parking spaces for the facilities prior to completion of the church; construction of a parking structure for a minimum of 80 parking spaces prior to occupancy of the sanctuary; and agreement to permit parking use in the southerly parking lot to recreational visitors except during church services or special events.

Acknowledgement and acceptance of the amendment conditions was made by the applicant on February 26, 1987.

Amendment A-381-78-A7 application was filed by Headland Properties, Inc.-Palisades Resources, Inc. (co-applicants) on December 3, 1986 for the purpose of extending the date of permit expiration from May 21, 1987 to May 21, 1994 (condition 2 of 381-78-A) (Exhibit PH87-15(a)).

Following public hearing of the Commission on February 25, 1987, the amendment was approved with authorization of the permit to be extended to May 21, 1994. Condition 2 was amended to require recordation of offers to dedicate open space lands specified in the original permit. The Commission's action in approving the time extension for the permit further modified Condition 2 to permit the Offers of Dedication to include the City of Los Angeles or non-profit associations as recipients of the open space lands as acceptable to the Executive Director of the Commission.

This modification of Condition 2 authorizes the permittees to convey portions of the open space to the California Department of Parks and Recreation in accordance with the State's proposed acquisition to Topanga State Park (Exhibit PH87-10) and the remainder with exception of Parcel "D" to the City of Los Angeles. With approval of the Executive Director, Parcel "D" will be merged with Parcel Map 5164 for conveyance as a permanent recreation site for Palisades Highlands Homeowners. All other conditions of A-381-78-A remain in effect except where specifically modified by A-381-78-A7.

44

OPEN SPACE DEDICATIONS

Condition No. 2 imposed by the Coastal Commission in its action authorizing Permit 381-78A on May 21, 1980 required that the applicants (Headland Properties, Inc.-Palisades Resources, Inc.) dedicate open space lands to the State of California. The open space to be conveyed to the State was identified in the exhibits attached to the Commission Findings adopted on June 4, 1980 (Exhibit PH87-2) consisting of approximately 1100 acres contained in Dedication Parcels A, B, C, D, E and G. The open space parcels were to be conveyed concurrent with Final Subdivision Map recordations as the project was sequentially completed.

Permit 381-78A authorized conveyance of Parcel C-1 (25 acres) to the City of Los Angeles for addition to Santa Ynez Canyon Park. That conveyance was made to the City in September, 1981 by Grant Deed and accepted by the City by Ordinance No. 155.203. The City Ordinance accepting the park dedication further provides that in the event the State of California fails to accept the designated open space lands the lands shall be conveyed to the City of Los Angeles in the manner and sequence stipulated in Coastal Permit 381-78A.

Offers of Dedication - Negotiations

Offers of Dedication, for the dedication parcels defined in Permit 381-78A, were executed by the applicants, approved by the Commission Executive Director as provided by the permit, and recorded in the Office of the Los Angeles County Recorder in January, 1981. These recorded instruments are on file in the Commission's offices.

Following the Coastal Commission's authorization of Permit 381-78A on May 21, 1980 to Headland Properties, Inc. and Palisades Resources, Inc. (co-applicants/permittees), efforts were made by the permittees to convey the designated open space lands to the State of California Department of Parks and Recreation in accordance with the permit. Dedication Parcel "C" located in Upper Santa Ynez Canyon and contiguous to existing Topanga State Park and connected to the City's Santa Ynez Canyon Park was offered to the California Department of Parks and Recreation at the time of Final Map recordation for Tract 34923 in May, 1981.

For various reasons, the State Department of Parks and Recreation chose not to accept dedication of any of the designated open space parcels as defined in Permit 381-78A.

Because of the reluctance of State Parks and Recreation to accept conveyance of the open space lands, a series of meetings, conferences, and discussions was initiated in 1982 by the permittees in an effort to determine how the open space lands could be conveyed to the State as required by Permit 381-78A or to ascertain other options or alternatives that might be available to the permittees to fulfill conditions of the permit.

Participants in the described meetings and discussions included: Representatives of the Coastal Commission staff; the Department of Parks and Recreation;

City Council of the City of Los Angeles; Pacific Palisades Residents Association; Temescal Canyon Association; Sierra Club; Friends of the Santa Monica Mountains; Santa Monica Mountains Conservancy; representatives of members of the State Legislature; and other interested individuals and organizations.

Proposed Grant Deed Conveyances to the State

Negotiations culminated in late 1985 with determination by the State Department of Parks and Recreation that that Agency would accept conveyance of a portion of the designated open space. The Department issued a map entitled TOPANGA STATE PARK - PROPOSED ACQUISITION - PALISADES HEIGHTS (HIGHLANDS) AREA (Drawing No. PA-1239) dated November, 1985. Accompanying the map are legal descriptions which define the area of open space to be accepted in Palisades Highlands (Portions of Dedication Parcels "G" and "E" and all of Parcel "C"). A total of approximately 568 acres have been accepted by State Parks and Recreation for addition to Topanga State Park (Exhibit PH87-10).

Proposed Grant Deed Conveyances to City of Los Angeles

In accordance with the aforementioned negotiated agreement, the remainder portions of Dedication Parcels "G" and "E", consisting of 52.0 acres and 72.96 acres respectively, and all of Dedication Parcels "A" and "B" would be deeded to the City of Los Angeles (Department of Recreation and Parks). A total of about 420 acres would thus be conveyed to the City of Los Angeles with the actual grant deeds being executed in sequence with recordation of Final Tract Maps of lands contiguous to the recorded maps.

Merger of Parcel "D" and Parcel Map 5164

Because Dedication Parcel "D", consisting of about 37 acres of steep, undevelopable natural hillside land, is surrounded on the east, west and north by fully developed residential properties, the State and City have both determined that Parcel "D" is unacceptable for acquisition as public open space. Therefore, Parcel "D" is to be merged with recorded Parcel Map 5164 (Recreation Site). The merger would be accomplished as a Lot Merger procedure under the Division of Land Regulations of the City of Los Angeles.

Other Open Space Areas

Tentative Tract 32184 contains lots that are designated as "open space" (Lots 208, 209, 210) which, in part, consist of graded slopes. These lots are located in the northeast portion of the subdivision and along its perimeter contiguous to lands to be conveyed to the City of Los Angeles for open space. The water storage tank, pump station facilities and access road for maintenance of the water system lies within the open space lot area. Because maintenance of the graded slopes, drainage

systems and landscaping are required to be performed by the property owners within the subdivisions, these "open space" lots are to be retained in the tracts as shown on the Tentative Tract Map and Phasing Plan for Tract 32184 (Exhibits PH87-4 and PH87-5).

Trailhead Facilities

Construction of trailhead facilities (including a 6-10 car parking lot, gates, signs, and restroom facilities) so as to provide foot trail access to Temescal Ridge is required under Condition 7 of Permit 381-78A (May 21, 1980). All facilities are to be constructed to specifications of the State Department of Parks and Recreation and turned over to the Department for operation and maintenance.

Inasmuch as the Trailhead facilities cannot be located on lands contiguous to the proposed Topanga State Park Acquisition (Exhibit PH87-10) and is separated therefrom by several hundred feet of open space to be conveyed to the City of Los Angeles, it is apparent that Condition 7 should be amended to substitute the City of Los Angeles as the recipient of the Trailhead area along with responsibility for its maintenance.

The proposed site and improvements is located easterly of the original site shown on Exhibit A-1 approved on May 21, 1980 (Exhibit PH87-16). Facilities, particularly parking and access, are greatly improved with a greater capacity for parking on-site. The Trailhead is removed entirely from the residential properties in the subdivision along the north side of the access road to the Department of Water and Power water system and storage reservoir (See Exhibits PH87-4 and PH87-5).

CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA

245 W. BROADWAY, STE. 380

P.O. BOX 1450

LONG BEACH, CA 90802-4416

(310) 590-5071



Filed: July 13, 1993
49th Day: Aug. 31, 1993
180th Day: Jan. 09, 1994
Staff: JLR/LB
Staff Report: July 27, 1993
Hearing Date: Aug. 11-13, 1993
Commission Action:

STAFF REPORT: PERMIT AMENDMENT

APPLICATION NO.: A-381-78-A11

APPLICANT: Headland Properties Associates
1950 Palisades Drive
P.O. Box 705
Pacific Palisades, Ca. 90272

AGENT:

PROJECT LOCATION: Vicinity of the intersection of Chastain Parkway West and Calle Deborah, Pacific Palisades

DESCRIPTION OF PROJECT PREVIOUSLY APPROVED: Amend Permit No. A-381-78 for a 740 unit residential 1300 acre subdivision including construction of condominiums and creation of single-family lots, open space dedications, commercial center, church and school.

DESCRIPTION OF AMENDMENT: The applicant proposes to construct six security gates, a guardhouse and the removal of one security gate. The proposed amendment is located within the last phase of a proposed 74-unit single-family development.

LOCAL APPROVALS RECEIVED: Approval in Concept-City of Los Angeles

SUMMARY OF STAFF RECOMMENDATION:

The staff recommends that the Commission determine that the proposed development with the proposed amendment, subject to the conditions below, is consistent with the requirements of the Coastal Act. A Special Condition requires the applicant to install adequate signs, conspicuously posted, to identify the location of the Temescal Ridge Trailhead, a public accessway, which was conditionally required in the original coastal permit. Additionally, the proposed amendment is conditioned to require a time limit for the applicant to complete the trailhead improvements and to remove one security gate.

PROCEDURAL NOTE: The Commission's regulations provide for referral of permit amendment requests to the Commission if:

- 1) The Executive Director determines that the proposed amendment is a material change,
- 2) Objection is made to the Executive Director's determination of immateriality, or
- 3) the proposed amendment affects conditions required for the purpose of protecting a coastal resource or coastal access.

If the applicant or objector so requests, the Commission shall make an independent determination as to whether the proposed amendment is material. 14 Cal. Admin. Code 13166.

SUBSTANTIVE FILE DOCUMENTS:

- 1) Pacific Palisades Community Plan, City of Los Angeles
- 2) A-381-78; Amendments 1-10.
- 3) Appeal number 380-78 (AMH)
- 4) England & Nelson Summary of Significant Ecological Areas Report (1976).
- 5) "Significant Ecological Areas of the Santa Monica Mountains, report," Richard Dean Friesen, LA County Museum of Natural History Foundation.
- 6) National Park Service. Santa Monica Mountains National Recreation Area, Draft Land Protection Plan; Acquisition Plan.
- 7) Cumulative Impacts of Potential Development in the Santa Monica Mountains Coastal Zone (November 1978).
- 8) Radtke, Klaus, "A Homeowner's Guide to Fire and Watershed Management at the Chaparral/Urban Interface," County of Los Angeles, 1982.
- 9) Santa Monica Mountains Comprehensive Planning Commission, "Santa Monica Mountains National Recreation Area Recreation Transportation System Element," Aug. 1979.

STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

I. Approval with Conditions.

The Commission hereby grants a permit, subject to the conditions below, an amendment to the permit for the proposed development on the grounds that the

development will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. Standard Conditions.

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit amendment permitting gates will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. SPECIAL CONDITIONS

1. Limits of Amendment

This amendment pertains to the items specified below only, and does not affect the remainder of the approval or the remainder of the adopted conditions of the Commission. Changes in the permit will be made in the Conditions identified.

2. Completion of Trail Access Improvements

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence that the following improvements to the accessibility of a dedicated open space area will be completed according to the time schedule indicated below, but in all events, before construction of residential units authorized by this amendment in Tract 32184 begins.

The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency.:

Temescal Ridge Trailhead. Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trailhead, including signs, a ten car parking facility and public restroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle de Nancy as part of the other open space maintenance agreed to in this permit.

More specifically, the applicant shall provide a public access/recreation signage program, subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead. The program shall include, as a minimum, posted signs located on both sides of Chastain Parkway West at the intersection of Calle Deborah. Signs shall also be posted at the intersections of Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Alicante.

3. Compliance with Approval

Development approved or required by the above stated conditions of approval for the trailhead improvements and placement of the signs must be completed by the applicant within 180 days of Commission action on this Coastal Permit Amendment application and the removal of the gate and pilasters at Chastain Parkway West and Calle Deborah must be completed within 60 days. Failure to comply with this requirement within the time period specified, or with such additional time as may be granted by the Executive Director for good cause, will result in the termination of this Coastal Permit Amendment.

IV. Findings and Declarations

The Commission hereby finds and declares as follows:

A. Project Description, Location and Background

The applicant is requesting an amendment to Permit No. A-381-78 which permitted a 1300 acre subdivision to create 740 residential units, open space dedications, a commercial center, church and school. The applicant proposes to construct six security gates, a guardhouse and to remove one security gate (See Exhibit C). The proposed gates are located within the last phase of a proposed 74-unit single-family development.

The proposed amendment is located north of Sunset Boulevard, approximately three miles inland of the ocean in the Brentwood/Pacific Palisades district of the City of Los Angeles. The site is located in Tract 32184, the last phase of the Palisades Highlands development. The applicant is presently completing the grading and street/utility improvements. The applicant will build 76 single-family homes, and dedicate 4 open space lots and a public trailhead lot. Following is a more detailed description of the amendment request as submitted by the applicant:

Specifically, it is requested that the Coastal Commission authorize Amendment A-381-78 (A-11) which would approve the construction and maintenance seven (7) security gates and main entry guardhouse to be located as follows:

- Double paired main entry/exit gates and guardhouse on Calle de Cielo at Chastain Parkway.
- Card key operated exit gates at the intersection of Calle de Sarah and Chastain Parkway.
- Entry/exit gates at the intersections of Calle de Nancy at Calle Deborah.
- Entry/exit gates at the intersections of Calle Alicante at Calle Deborah.

Upon completion of grading and construction of improvements within Tract 32184 "The Enclave" the existing security gate located on Calle Deborah at Chastain Parkway will be permanently removed so as to provide free and unrestricted vehicular and pedestrian access to the public Trailhead Facility and Trail to be located on Lot 77, Tract 32184.

The entire underlying permit is for 740 residential units on 1300 acres with major grading and public dedications. The permit, which was activated in 1980, includes four tracts located within the Santa Monica Mountains directly north of the developed portion of Pacific Palisades, a planning subarea of the City of Los Angeles. The previously approved permit includes an urban limit line, parks, open space dedications over approximately 1077 acres of mountainous terrain, streets, a trailhead, a commercial development and a church, and other improvements. The most recent amendment adjusted the urban

limit line for the 144.3 acre tract known as tract 32184, the last tract to develop, which would provide for 324 units, enlarging the boundary of the area that could be graded by ten acres. Grading on this tract has commenced because the conditions of a previous amendment were met (See Exhibit D).

In order to approve 740 units consistent with Coastal Act requirements, the Commission originally imposed conditions in 1980 to reduce grading, landform alteration, removal of cover, traffic impacts, visual impacts and conflict with adjacent recreational resources. The basic strategy of approval was to reduce the number of units to 740 and cluster these units in a natural bowl and along the access road, Palisades Drive. In the conditions, the Commission drew an urban limit line around the developed area and required the developer to dedicate the land outside the urban limit line to the State of California.

B. Requirements for a Coastal Development Permit.

The applicant inadvertently constructed three of the subject six security gates (See Exhibit C) on the basis that a coastal development permit was not necessary. However, after various discussions with staff, the applicant agreed to file an amendment request.

Section 30106 of the Coastal Act defines development and Section 30600 requires that all development in the coastal zone receive a coastal development permit, in addition to all permits received from other governmental agencies. Gates and guard houses are development and require permits.

When the Commission approved permit A-381-78A and as further amended in A-381-78-A10, it imposed Standard Condition No. 3, regarding compliance, which stated:

3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval. (Emphasis added)

Also, in permit A-380-78A, Special Condition No. 1 established the Scope of Approval. This condition applied to and was not removed in all subsequent amendments, up to and including amendment A-380-78A-10. The Scope of Approval authorized the following:

... the subdivision of up to 740 residential units, a two-acre commercial site and a seven-acre institutional site, grading for all streets and lots, installation of drainage and utilities and construction of residential units as described in the Findings and Declarations.

Staff reviewed all tract plans and landscaping plans and found no entry controlled guard gates and guard houses indicated or described on project vehicular streets on the VTN engineers plan noted as Exhibits A-1, B-1, and B-2. Based on all of the above, it was concluded that a permit amendment was

necessary in order to construct gates or guardhouses on the above noted streets.

C. Public Recreation/Access

The applicant was required in the original permit to mitigate the conversion of lands with recreation potential to housing by the dedication of lands with recreational value to the State. As amended in 381-78-A7 so that the recreation lands go to the State, the lands with visual backdrop value and trail-heads go to the City, and lands within the development or immediately adjacent to subdivided lots go to the homeowners, the project has had recreational benefits for both the residents and the general public.

The trails in the project area link up with trails in the Santa Monica Mountains, and are part of a trail system envisioned to increase access to the mountains. Within the total project there are four places where trails through dedicated areas cross new City streets. Additionally, the original permit required improvements on two of them, Split Rock and Temescal Ridge, and the applicant has prepared plans to provide trails and trailhead improvements at these locations. The applicant has now completed most of the improvements required in that condition, with the exception of the signs, and of the trailheads that depend on the grading and roads to be completed first. In February, 1988 the applicant completed the Split Rock improvements. Because flood control improvements have made one small section of the trail up Santa Ynez Canyon slick and difficult, the applicant has installed stepping stones to improve access up Santa Ynez Canyon. Regarding the Temescal Ridge trailhead, the applicant proposes a 10-car parking lot and trailhead located below the water tank at Temescal Ridge to be constructed as part of this subdivision, and to be conveyed to the City of Los Angeles.

As previously discussed, the security gates have been inadvertently constructed without a coastal permit. The existing three guardhouse/security gates, as presently located and designed will significantly restrict and discourage public access to a trailhead that was previously required by the Commission. When the public's right of entrance is not clear and explicit, the public will not be encouraged to enter what appears to be a private locked-gate community. During previous discussions with the applicant, the staff and applicant agreed that if the security gate at Chastain Parkway West and Calle Deborah was removed, the public would have an unrestricted and unimpeded vehicular access along Calle Deborah to the trailhead. With the removal of that gate, the other nearby proposed security gates (two existing) will not adversely impact public access, provided that the amendment is conditioned to include an adequate public information signage program. The location of those six gates provides local internal traffic circulation within the subdivision and will not impact public access.

The proposed security gates, along with the removal of one gate, have been designed and located so as to provide an unimpeded accessway along Calle Deborah to the Temescal Ridge Trailhead (See Exhibit C). However, the street pattern of the subdivision is complex and circuitous, which could lead to

visitors driving in circles, trying to find the entranceway to the public trail located at Temescal Ridge. Without an adequate signage program, the proposed subdivision security gates will intimidate rather than encourage use of the public trailhead. Therefore the Commission finds that the applicant shall be required to provide an adequate signage program identifying the access way/trailhead located at Temescal Ridge. The Commission further finds that a proper signage program located near the trail head will improve assessability of the trails and lessen confusion about the location of the trail entrance. Finally, as conditioned, the Commission finds that the placement of the signs, prior to construction of the residential units, will not unduly delay recreational access to the trail system of the Santa Monica Mountains.

D. Public Views and Habitat

The visual impacts of the project were a major concern during initial discussions and subsequent to construction. The visual impact was removal of watershed areas, which was also an impact on habitat. The previous amendment A-381-78-A9, which was conditioned to preserve access to habitat areas, results in a greater area being disturbed. The final grading plans show the removal of 117-144 acres of native vegetation, 2,069,700 cubic yards cut and an equal amount of fill. Fire control practices also required clearance or fuel modification in a 150 foot wide band.

In granting a previous amendment, the Commission found that trail improvements and other refinements to the access component of the project would balance the grading requirements. The previous approval required dedications, trails and trailhead improvements in order to give the public back some view areas in areas previously inaccessible while allowing the urbanization and grading of mountain landscape. The building pads, which are presently graded, will not provide public views from the streets once the houses are constructed. As conditioned, to maintain control of the signs but allow the development to proceed, the amended permit still carries out the purpose of preserving access to a viewing area i.e., the Temescal Ridge trailhead area.

E. Local Coastal Program

Section 30604(a) of the Coastal Act provides that the Commission shall issue a Coastal Permit only if the project will not prejudice the ability of the local government having jurisdiction to prepare a Local Coastal Program which conforms with Chapter 3 policies of the Coastal Act:

- (a) Prior to certification of the Local Coastal Program, a Coastal Development Permit shall be issued if the issuing agency, or the Commission on appeal, finds that the proposed development is in conformity with the provisions of Chapter 3 (commencing with Section 30200) of this division and that the permitted development will not prejudice the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200). A denial of a Coastal Development

Permit on grounds it would prejudice the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200) shall be accompanied by a specific finding which sets forth the basis for such conclusion.

The City of Los Angeles has not yet developed a Local Coastal Program or a Land Use Plan for the Pacific Palisades area that has been certified by the Commission. The proposed security gates has been conditioned to mitigate its impacts on coastal access. Therefore, the Commission finds that approval of the proposed development, as conditioned, will not prejudice the ability of the City of Los Angeles to prepare a Local Coastal Program consistent with the policies of Chapter 3 of the Coastal Act, as required by Section 30604(a).

F. California Environmental Quality Act

Section 13096(a) of the Commission's regulations requires Commission approval of a Coastal Development Permit application to be supported by a finding showing the application as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. The approval of the proposed security gates, as conditioned to provide a public access signage program, will not cause any significant adverse impacts on the environment or coastal access. There are no negative impacts that have not been adequately mitigated by special conditions of approval. Therefore, the Commission finds that approval of the proposed amendment, as conditioned, is the least environmentally damaging feasible alternative and can be found consistent with the requirements of the Coastal Act to conform to CEQA.

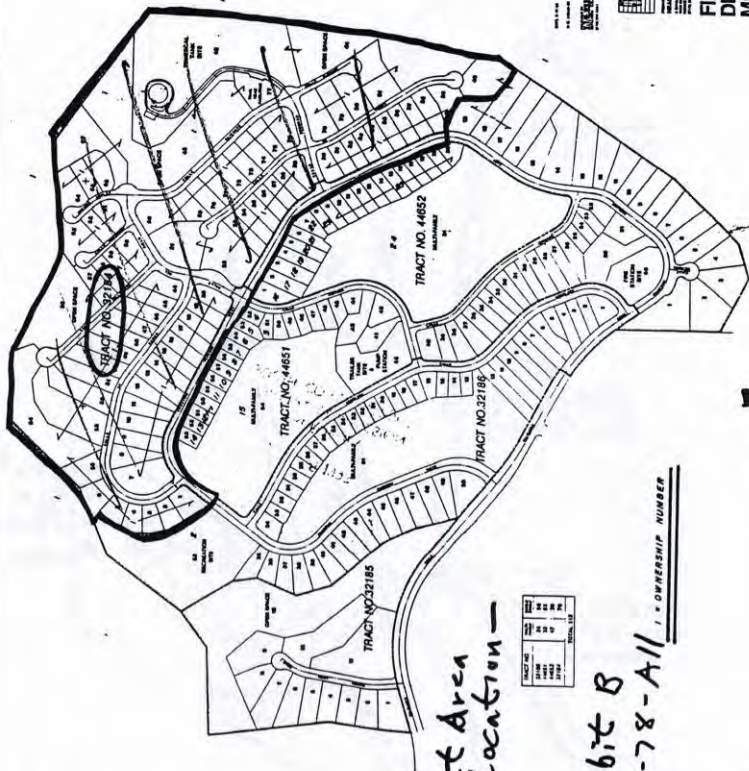
G. Unpermitted Development

Although some of the development has taken place prior to submission of this amendment request, consideration of the application by the Commission has been based solely upon the Chapter 3 policies of the Coastal Act. Review of this permit does not constitute a waiver of any legal action with regard to any violation of the Coastal Act that may have occurred. The Commission will act on this application without prejudice and will act on it as if none of the existing development had previously occurred.

Currently, three of the proposed six security gates have been constructed without a valid coastal. As previously discussed, the existing three gates, because of their location and design, create significant adverse impacts on public access to the trailhead. However, the proposed amendment, as conditioned, is consistent with the public access provisions of the Coastal Act.

JR:tn

9213E



- Tract Area Location -

TRACT NO.	OWNER	DATE	REMARKS
32186
32185
44651
44652

Exhibit B

A382-78-A11

OWNERSHIP NUMBER

SCALE 1" = 40' 0"

TRACT NO.	OWNER	DATE	REMARKS
32186
32185
44651
44652

FINAL UNIT DISTRIBUTION MAP

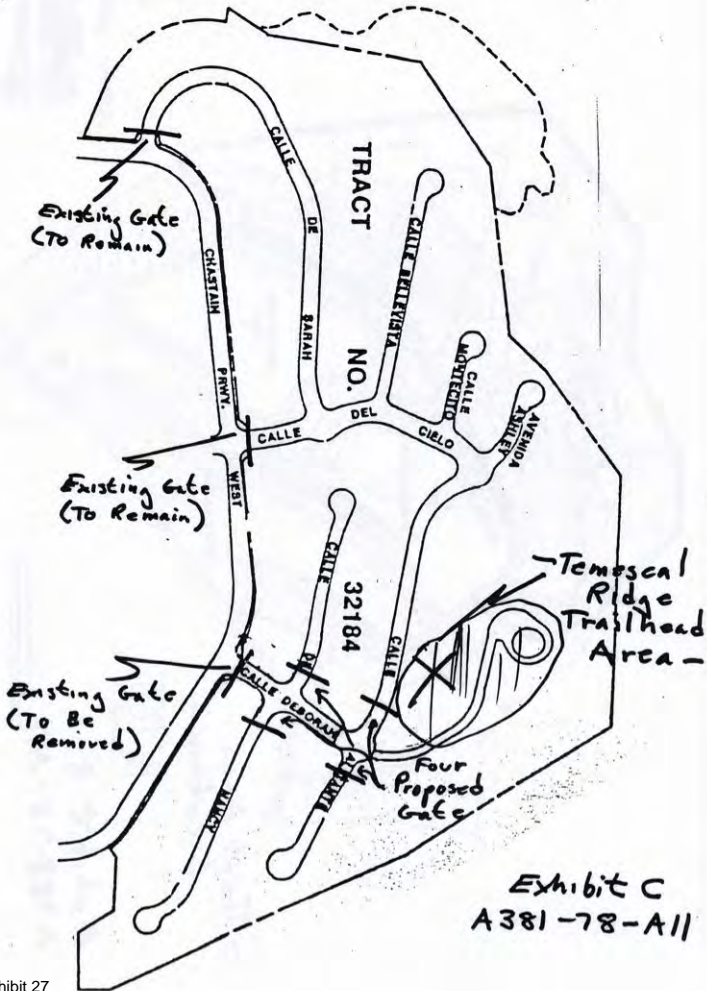


Exhibit C
A381-78-A11

III. SPECIAL CONDITIONS:

1) Limits of amendment

This amendment pertains to the items specified below only, and does not affect the remainder of the approval or the remainder of the adopted conditions of the Commission. Changes in the permit will be made in the Conditions identified.

2) Completion of Trail Access Improvements [Clarification of condition 7]

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence that the following improvements to the accessibility of the dedicated open space areas will be completed according to the time schedule indicated below, but in all events, before construction of condominium units authorized by this amendment in Tract 32184 begins.

The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency.:

- a) Split Rock. Prior to transmittal of the amendment, in the area known as Split Rock south of tract 31935, the applicant shall complete the approved trail and access and landscaping plans approved during the 1981 amendment process. The applicant shall include landscaping with native plants to screen tract 32184 from the Split Rock Access area, and shall construct appropriate signs to identify the trailhead, at the emergency access road and at the place the trail departs the access road.
- b) Trailer Canyon. During the construction of the approved roads the applicant shall provide a trailhead area, including signs and designated parallel parking area for the Trailer Canyon trail, along Michael Drive.
- c) Upper Santa Ynez Canyon. Prior to transmittal of the authorized amendment, the applicant shall agree to provide, subject to the review and approval of the Executive Director, appropriate trail head signs identifying the street side entrance to Santa Ynez Canyon unit of Topanga State Park along Vereda de La Montura. Prior to construction of the roads and utilities the applicant shall either enter into a contract with a private contractor approved by the Department of Parks and Recreation or with a public agency to manufacture and install permanent signs. In cooperation with State Parks, the applicant shall also construct minor trail improvements, including non-slip rock surfacing where the trail crosses the concrete lined channel.

- Previous Conditions
on Amendment
A-381-78-A10

A381-78-A11
Exhibit D
2 of 2

- d) Temescal Ridge Trailhead. Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, parking facility and bathroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle de Nancy as part of the other open space maintenance agreed to in this permit.
- e) Topanga State Park Trail information signs. Prior to construction of residential units authorized by this amendment the applicant shall enter into an agreement with the Department of Parks and Recreation or the City of Los Angeles and shall deposit with a public agency or into an escrow account approved by the Executive Director funds sufficient to provide for the construction of a trailhead information display at the Gateway Commercial site, consistent with that proposed on permit 5-87-836 (Palisades Highlands Plaza).

AB81-78-A11
Exhibit D
20f2

Exhibit A
A-381-78-All
Vicinity Map



February 16, 1994

RECEIVED

California Coastal Commission
South Coast Area
245 West Broadway, Suite 380
P.O. Box 1450
Long Beach, California 90802-4416

FEB 22 1994

CALIFORNIA
COASTAL COMMISSION
SOUTH COAST HIGHLANDS

Attention: Mr. Charles Damm
Deputy Executive Director
Mr. James T. Ryan
Staff Analyst

Subject: COASTAL DEVELOPMENT PERMIT A-381-78 (All)
PALISADES HIGHLANDS TEMESCAL RIDGE TRAILHEAD
AND TRAIL EASEMENTS CONVEYANCES - TRACT 32184

Gentlemen:

In accordance with the conditions of approval by the California Coastal Commission in authorizing Coastal Development Permit A-381-78 (All) Headland Properties Associates hereby transmits copies of an executed Partnership Grant Deed with accompanying documents which convey to the City of Los Angeles the referenced Trailhead Facility and Trail Easements, as required.

The Temescal Ridge Trailhead Facility has been constructed in compliance with the City Recreation and Parks Department approved plans and a Temporary Certificate of Occupancy has been issued by the City Department of Building and Safety.

Maintenance of the Trailhead Facility will be provided by the City, however, security of this site during off hours will be maintained by the Palisades Highlands Homeowners Association Security Patrol. The Trail and easement will be maintained as an on-going activity of the Homeowners Association Maintenance Program as provided in the Tract 32184 Covenants, Conditions and Restrictions.

The public access/recreation signage system is to be installed at the locations designated in Special Condition No. 2 (August 12, 1993 Commission Action). However, the City Recreation and Parks Department will construct the signs and provide for their installation in accordance with the Department's standards for design.

Headland Properties Associates will continue to maintain the Temescal Ridge Trailhead Facility and Trail until such time as the City Recreation and Parks Commission Department and City Council have officially recorded the Grant Deed and accepted the conveyances.


Page 2
California Coastal Commission
South Coast Area
February 16, 1994

I trust that the enclosed documents will be of sufficient detail to meet your needs at this time.

If you have any questions concerning this matter, please call me at your convenience.

Very truly yours,

HEADLAND PROPERTIES ASSOCIATES


Charles A. Yelverton
Vice President

CAY/ldf


Recording Requested By

COUNTY OF LOS ANGELES
DEPARTMENT OF TREASURER
AND TAX COLLECTOR

05 1795291

2-

And When Recorded Mail to

TREASURER AND TAX COLLECTOR
SECURED PROPERTY TAX DIVISION
TAX-DEFAULTED LANDS
225 N. HILL STREET, RM 126
LOS ANGELES, CA 90012

NOTICE OF POWER TO SELL TAX-DEFAULTED PROPERTY

which, pursuant to law was declared to be Tax-Defaulted on JUNE 30, 2000

for the nonpayment of delinquent taxes in the amount of \$ 464.14

for the fiscal year 1999-2000. Default Number 4431 039 029

Notice is hereby given by the Treasurer and Tax Collector of Los Angeles County that five or more years have elapsed since the duty assessed and legally levied taxes on the property described herein were declared in default and that the property is subject to sale for nonpayment of taxes and will be sold unless the amount required to redeem the property is paid to the Treasurer and Tax Collector of said County before sale. The real property subject to this notice is assessed to HEADLAND PROPERTIES ASSOC

and is situated in said county, State of California,
described as follows. 4431 039 029
(Assessor's Parcel Number)

TR-32184A LOT 77

MARK J. SALADINO,
TREASURER AND TAX COLLECTOR
of the County of Los Angeles,
State of California

By John McKinney
Deputy Tax Collector

STATE OF CALIFORNIA } ss.
County of Los Angeles

On JULY 29, 2005, before me personally appeared JOHN MCKINNEY
personally known to me (or proved to me on the basis of satisfactory evidence) to be the perso (s)
whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.
IN WITNESS WHEREOF, I have here set my hand

Sale No. 2006A

CONNY B. McCORMACK
REGISTRAR-RECORDER/COUNTY CLERK
of the County of Los Angeles,
State of California

By Cynthia Hopam
Deputy County Clerk



Description: Los Angeles, CA Document-Year.DocID 2005.1795291 Page: 2 of 2
Order: 996 Comment:

SEQ. 980

OFFICE OF THE ASSESSOR

TO: Robert Lardge
Acting Senior Property Assessment Specialist
Legal Services Section

FROM: Alex Reyes
Property Assessment Specialist
Legal Services Section

DATE: MARCH 16, 2006

SUBJECT: APN 4431-039-029

It was found, upon review of the documentation provided, that the above parcel was a trailhead that was dedicated and accepted by the City of Los Angeles based on Instrument Numbers 81-631478 and 81-631479 recorded on June 24, 1981. This finding was stated in a memorandum dated April 14, 1989 by Mr. Kenneth C. Topping, Director of Planning Department to Joel Breitbart, Assistant General Manager, Department of Recreation and Parks regarding the offer of Dedication and Grant Deed for a Trailhead Facility Site and Trail Easement from Headland Properties. These two deeds entitled Offer of Dedication had been verified by Mapping Services and described the above parcel as a trailhead site that was accepted by the City of Los Angeles under Ordinance No. 155,203 adopted by the City Council of City of Los Angeles on May 7, 1981 and finalized by the City Attorney and Headland Properties, Inc. representative.

On the basis of the above findings, it is recommended that the above parcel be converted to a 900 parcel and auction sale be rescinded by the Tax Collector.

From: Deondria Barajas
Sent: Thursday, November 21, 2019 10:35 AM
To: Johnston, Heather@Coastal
Subject: RE: Headlands Trailhead Property

Hello Heather,

In your email you requested the following:

1. What sort of documentation you have that the requisite legal notices were sent to Headlands Properties Associates prior to the tax sale?
2. Any further information on the date and person(s)/entities that purchased the property at the prior sale and then annulled the purchase.

Legal Notices

Due to the age of the sale, we no longer have a complete tax sale file for 2013 or the sale that we cancelled in 2006. However, we were able to retrieve our 2013 Parties of Interest list identifying the name of the parties with interest in the property AIN 4431-039-029 (highlighted on the attach) which also includes the mailing address where we sent notice. In addition, a copy of a certified mail receipt we retrieved as part of our notice for the 2010 sale, we included confirming receipt of our tax sale notice at an address that we also sent notice in 2013.

Rescinded Sale

As it pertains to the rescission of the 2006 tax sale, the Tax Collector rescinded the sale based on information provided by the Office of the Assessor in a memo dated March 20, 2006 (see attached). The purchaser at the February 13, 2006 tax sale was Entrust Admin Custodian FBO.

Please let me know if you need further assistance. Although we have limited documents related to this period, we will assist in any matter we can.

Deondria Barajas
Operations Chief
Secured Property Tax Division
Los Angeles County Treasurer and Tax Collector
225 N. Hill Street, Room 130
Los Angeles, California 90012

Telephone: (213) 974-0070 / Fax: (213) 680-3648 /
Email: dbarajas@ttc.lacounty.gov

Pay Online at <http://lacountypropertytax.com/> Safe. Secure. Convenient.

Heather,

With the exception of our Excess Proceeds notices which we process in-house, prior to 2016, we did not maintain record of our computer generated tax sale notices. Attached is a copy of our Subject to Power to Sale recorded in 2005 and our Excess Proceeds notices.

The tax sale history shows that we sold the property at our 2006A Public Auction, but subsequently cancelled the sale after learning that the Office of the Assessor planned to change the parcel status to a "900" parcel. Communications with the City of Los Angeles it had planned to record Offer of Dedication deeds showing that the City of Los Angeles owned the property. Based on the same communications with the City of Los Angeles and the Office of the Assessor, we excluded the property from our 2007A, 2009A and 2010A Public Auctions.

The City of Los Angeles failed to record the deed, thus preventing the Assessor from moving forward with changing the parcel status. This failure to act meant that the property continued to be eligible for tax sale, and that the TTC could be out of compliance with State law. Pursuant to Revenue and Taxation Code Section 3692, the Tax Collector shall attempt to sell property within four years of the time that the property becomes subject to sale for nonpayment of taxes and if there are no acceptable bids at the attempted sale, then attempt to sell the property at intervals of no more than six years until the property is sold. Therefore, to make sure we were in compliance, we offered the property at our 2012A and 2013A Public Auctions; we received not bids at the 2012A, and sold the property at the 2013A.

After selling the property in 2013 for more than the minimum bid amount, we received a claim for excess proceeds and approved \$333,114.65 for Headland Properties Assoc. LLC. We issued the excess proceeds in June 2016.

Please let me know if we can be of further assistance.

Deondria Barajas
Operations Chief
Secured Property Tax Division
Los Angeles County Treasurer and Tax Collector
225 N. Hill Street, Room 130
Los Angeles, California 90012

Telephone: (213) 974-0070 / Fax: (213) 680-3648 /
Email: dbarajas@ttc.lacounty.gov

Pay Online at <http://lacountypropertytax.com/> *Safe. Secure. Convenient.*

2. Article Number

7178 2701 9737 1572 6099

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

D. Is delivery address different from item 1? If YES, enter delivery address below:

☒ Agent
☐ Addressee

☐ Yes
☐ No

3. Service Type CERTIFIED MAIL

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

2010A 4366 4431 039 029 NOA
HEADLAND PROPERTIES ASSOCIATES
LLC
11726 SAN VICENTE BLVD STE 235
LOS ANGELES CA 90049-5045

WOOSTER LLC

810 Cord Circle .Beverly Hills CA 90048
(310) 774-1628

January 9, 2019

Ms. Heather Johnston
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

RE: 16701 Via La Costa, Pacific Palisades
APN # 4431039029
County Auction Purchase 10/22/2013 - \$351,000

Dear Ms. Johnston:

On behalf of Wooster LLC, thank you for your willingness to discuss a resolution to the matter of this property.

If we are going to discuss Coastal Act violations with respect to this property, we need to begin from the issue of ownership. At the time of auction, the only documentation we had among several bureaucracies was that the City stated it was a "legal lot." We have a letter from the City of Los Angeles, City Planning and Building & Safety dated 1/10/2014, in response to Ben Kalaf's letter of inquiry (11/27/2013) regarding the site's zoning, which states the property is a "buildable lot." Coastal Commission should have copies of these documents and they should be in the Commission file.

Government agencies sell property all the time, so the fact that there were bathrooms and a parking lot on the property was not meaningful. The only limitation noted a standard slope restriction. No funds were ever provided for maintenance and no keys to the property ever made available. It was only some time later that "ownership" became questionable, which when the City quit cleaning the property and there were public complaints, that the Coastal Commission took an interest in the property. The first point of discussion then should be some type of admittance by the bureaucracies that clearly an error has been made and that Henry and I, as the wronged party, should be compensated in some fashion, and not vice versa. (See attached Statement of Facts.)

With that in mind, we are no longer represented by Mr. Rossman, and we are presently searching for a new attorney with greater familiarity with California property law to protect our rights. We made this decision in conjunction with Mr. Rossman when the Coastal Commission began its threats of \$11,000 daily fines. Needless to say, we were distraught over the apparent inability of any bureaucracy to understand our plight of spending \$350,000 to become embroiled in this disastrous situation... over which we had no control and no governmental body was apparently willing to listen.

To outline more specifically our contacts:

- In October of 2013 we contacted Barbara at the City of Ventura Coastal Commission (805-585-1800) who was very helpful in indicating we should be speaking with the Long Beach office. Ben Kalaf contacted her again last week and she remembered the conversation.
- Following the 2013 call, we immediately contacted an individual at the Long Beach Commission office who stated we would need to submit the standard procedure building "package" prepared by an architect for Commission review. Nothing else was said regarding any Coastal Commission interest in the property. Again, just last week Ben contacted this office and spoke with Sherry or Sheryl regarding the property at 16701 Via La Costa. She stated nobody has submitted any package, which is the first thing you have to do. Again, there was no mention of any complications regarding building on the property.
- Late in 2014, Sergio Marquez at the County Tax Collector's office specifically told us an error had been made because there had been no communication between County and State regarding the property. As a result a discussion took place between those two parties, and they have changed the rules and regulations as to how they sell these properties... specifically due to this situation over this property. Consequently, the Tax Collector will now inquire with all governmental agencies prior to placing a property for sale. He told me there had been a discussion regarding this very property such that the Tax Collector will no longer sell anything until ask all agencies concerned if they have any interest in the property. Perhaps you personally aren't aware of this discussion and change, but someone at the Coastal Commission should know of this and should have taken the appropriate steps regarding this property.

If you, as a representative of the Coastal Commission, are unaware of this change, please let us know of this in writing so we can let the Tax Collector know an effort needs to be made to clarify matters between the agencies. If the changes did take place, that should serve as notice that the Commission was aware of the error regarding our purchase of the property.

Mr. Marquez was always open to a resolution of some type.

- As with the other agencies, if you contact the City of Los Angeles, City Planning, they will still tell you this is a legal vacant lot, no special restrictions beyond the slope limitation.

To complicate matters further, we approached the tax collector's office in 2014. Sergio Marquez dug into the file and explained the original owner, Edward Miller of Headland LLC, stated he had given up on the property and quit claimed it back to the City of Los Angeles. Initially unaware of this fact, and also unaware the Coastal Commission was claiming the property, the tax collector sold the parcel for unpaid taxes.

Marquez is open to resolving the matter, but it's even more complicated in that the tax collector's office was scammed in some fashion by someone purporting to be Edward Miller of Headland LLC, the previous owner, and returned the funds to some unknown party acting as Edward Miller – who totally claims no knowledge of the situation. He did provide me with his contact information, which is 310-990-6589, emiller@cal-coast.com.

Much of this was explained to Ben by the City Manager of Los Angeles who stated it wasn't his business and referred Ben to Sid at Parks & Recreation.

Regarding the bathroom situation, once again, who actually owns the property? The City of Los Angeles knows nothing about it apparently. In fact, we spoke with Sid and Mike of Parks & Recreation who indicated they had not had a cleaning detail officially assigned to the property for years, but had failed to notify the actual teams doing the cleaning to stop and hence it just kept getting cleaned. It was not until we brought it to their attention that they actually stopped cleaning.

We did have the property cleaned on one or two occasions, but we certainly haven't been reimbursed by anyone and if we're not the true owners it's difficult to justify. Even more true when we're being threatened with violations and fines. In fact, both bathrooms were open when the property was auctioned. We also posted a sign for the neighborhood with Ben Kalaf's contact information. To this point, any number of text messages have been received we would be happy to share with you should you want to see them. We have opened the gate for parking as requested.

In closing Ben Kalaf will be happy to speak with you prior to any meeting. But beyond your threats of fines and violations, is it possible to discuss means of actually resolving the issue? And as we both seem to be aware of the other's position, is not a meeting of all involved parties more direct? Still, you may feel free to contact Ben at your convenience, his number is 818-646-3030.

As noted in my earlier letter, you may want to consider inviting to the meeting these additional parties who have had an involvement with the property:

Mr. Richard Llewellyn, Jr.
City Administrative Officer
200 N. Main St. Suite 1500
Los Angeles, CA 90012-4137

Sergio Marquez
L.A. County Treasurer & Tax Collector
225 N Hill Street
Los Angeles, CA 90012
213-974-1680, fax 213-680-3648
smarquez@ttc.lacounty.gov

California Coastal Commission, et al.
January 9, 2019
Page 4

Department of Building & Safety
City of Los Angeles
201/221 North Figueroa Street
Los Angeles, CA 90012

L.A. City Parks & Recreation Dept.
201 N Figueroa, 4th Floor
Mike, 213-202-2633
Sid, 213-202-2608

And perhaps also someone from the local South Coast District Office in Long Beach. Meanwhile, it might perhaps be easier for you to set things up, but we will be happy to do so, if you prefer.

Sincerely,

Henri Levy
Managing Partner, Wooster LLC

Ben Kalaf
Partner in Property Ownership

STATEMENT OF FACTS

- 1) Henry Levy purchased the property (then transferred it to Wooster LLC) at auction from a government agency, as such, we believed we were not going to be misled or cheated.
- 2) Various government agencies made the mistake, not us, by selling property.
- 3) We are the party that spent \$350,000, not the government, and that money has been held hostage to government error for five years.
- 4) Even until today various government agencies are telling us we need to chase them and beg them for our money, and all still refusing to admit their joint errors and, if you call them regarding the property, have not corrected their records on the property and give out erroneous information.
- 5) As far closing the facility, we did that for only one day, and only AFTER the city stopped cleaning it and neighbors complained, which is why we closed it in the first place.
- 6) The fact that the Coastal Commission and the County changed their way of doing business after this specific incident clearly indicates that internally government agencies realize a mistake has been made but they are doing nothing to correct it apparently to avoid admitting the error.
- 7) The Coastal Commission and the County made the same exact error of selling the property and returning the funds to the buyers, TWICE before this. We were the third party where the same mistake as, which the County has admitted.
- 8) The government agencies knew the mistake had been made for the third time with us, but went ahead and gave our money to someone who had nothing to do with the property and now various agencies are telling us we need to hire attorneys and spend additional funds to get our money back.
- 9) We welcome the government taking us to court to see how a judge can be convinced the government is the wrong party and why you have been holding our funds hostage without return.
- 10) Wooster LLC is now searching for an attorney with expertise in property law.

Unmaintained Trailhead Property (2022)



LAW OFFICES OF
ADAM S. ROSSMAN
449 S. BEVERLY DRIVE
SUITE 210
BEVERLY HILLS, CALIFORNIA 90212

TEL: (310) 592-4837
FACSIMILE: (310) 623-1941
EMAIL: adamrossman66@gmail.com

August 18, 2016

Via Email & US Mail –Certified/Return Receipt
Jordan.Sanchez@coastal.ca.gov

California Coastal Commission
South Coast District Office
Attn: Jordan Sanchez
200 Oceangate
Suite 1000
Long Beach CA 90802-4302

RE: 16701 Via La Costa, Pacific Palisades, CA 90272
APN: 4431-039-029

Dear Mr. Sanchez:

This office is legal counsel for 1205-1207 Wooster Street, LLC, A California limited liability company ("Wooster"), the owner of the real property located at 16701 Via La Costa, Pacific Palisades, CA 90272 (the "Property")

Reference is made to (a) your and your supervisor, Aaron's telephone discussion approximately two (2) weeks ago with Ben Kalaf, a licensed California general contractor assisting the ownership with the development of the Property and (b) your letter of August 3, 2016.

Confirming your telephone discussion with Ben Kalaf, on behalf of the California Coastal Commission you agreed that the Coastal Commission would abate the daily fine referenced in your letter until we are able to resolve the matter of ownership of the Property. As a result and as a good faith gesture, please note that we have already removed the fence around the bathroom, opened the Property to the public and have cleaned the Property. However, you must contact the City of Los Angeles to have them open up the bathrooms. We do not have a key.

In response to your claim that the State of California owns the Property, attached please find a Tax Deed to Purchaser of Tax Defaulted Property recorded December 17, 2013 as Instrument No. 20131775032 in the Los Angeles County Recorder's Office issued by the County of Los Angeles Treasurer Tax Collector proving the Property was legally purchased by Henri Levy, a member and manager of Wooster for \$351,000.00 close to three years ago at a Los Angeles County Tax Default Auction held on October 21-22, 2013. Mr. Levy subsequently transferred ownership to 1205-1207 Wooster Street, LLC.

Prior to purchasing the Property, we verified with the City of Los Angeles and paid for their written certification that the Property is a legal lot with no obstructions to building a single family residence thereon. We also have additional material from Los Angeles City Planning and Zoning Departments authorizing us to build a house on the Property. None of this material discloses anything about the Coastal Commission or the State of California having an ownership interest in

California Coastal Commission
Attn: Jordan Sanchez
August 18, 2016
Page 2

the Property. All of this information is in sharp contrast with your statements that you had no information about the unpaid property taxes which led to the County of Los Angeles to sell the Property at the Tax Default Auction. Moreover, there does not appear to be any record on title to the Property that ownership of the Property was ever transferred to the State of California, which would have put the world on constructive notice that the State of California owned the Property, and would have stopped purchasers such as the current ownership from purchasing the Property at the Tax Default Auction.

As an additional bit of background, when we first saw the Property it had a parking lot and public toilet. Although we made numerous attempts to locate someone in the Los Angeles City or County government to learn about these improvements, we could not find anyone who could answer any questions about the Property. For some time, the City of Los Angeles was cleaning the Property, but that stopped (perhaps when the City learned the Property had a new owner). At that point the public toilet became filthy, began to stink, and essentially unusable.

We photographed the Property, cleaned a portion of it (we have been unable to locate the key to the men's room with any city maintenance yard, and we have spoken to many people about it), and put a lock on the gate to keep it clean. People began jumping the gate and using the area anyway, and this continues to be an ongoing situation. As Mr. Kalaf told you on the phone, this step apparently instigated many complaints from the public, which ultimately ended up with you, the Coastal Commission, and prompted your August 3, 2016 letter.

Please note that since Wooster reached a decision as to what to build on the Property, we have expended funds on an architect, engineers, soil surveys, and related costs. In addition, the Property was recently in escrow for close to \$1,300,000.00 and shows a value on Zillow.com of \$1,800,000.00. Moreover, Wooster has paid the property taxes for the past few years as well. Should the State of California claim it owns the Property, we will anticipate compensation commensurate with a condemnation/eminent domain proceeding.

It makes no sense why these government agencies, whether they be on the City, County or State level, would mislead the public and engage in possible fraud in an effort to bilk individuals out of \$351,000.00 plus funds to maintain and improve the Property. Accordingly, if necessary, ownership will need to pursue claims and defend itself against adverse claims.

Nevertheless, we look forward to working with to reach a solution to this dilemma. Your assistance will be greatly appreciated.

Nothing contained herein shall be waiver of any of Wooster's rights in law and equity all of which are expressly reserved hereby.

I look forward to hearing from you.

Very Truly Yours,



Adam S. Rossman

Enclosure
cc: Client

This page is part of your document - DO NOT DISCARD



20131775032



Pages:
0002

Recorded/Filed In Official Records
Recorder's Office, Los Angeles County,
California

12/17/13 AT 02:59PM

FEES:	15.00
TAXES:	1,960.00
OTHER:	0.00
PAID:	1,975.00



LEADSHEET



201312172890009

00008657575



005938691

SEQ:
79

DAR - Mail (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

E492380

Exhibit 34

COUNTY OF LOS ANGELES
DEPARTMENT OF TREASURER
AND TAX COLLECTOR

AND WHICH RECORDED MAIL TO

HENRI LEVY
810 CORD CIRCLE
BEVERLY HILLS, CA 90210



2

Document Transfer Tax - computed on full value of property conveyed \$ 385.00
City Transfer Tax \$ 1,575.00
Survey Fee \$ 0.00

Le Roba Merson
Signature of Declarant

TAX DEED TO PURCHASER OF TAX-DEFAULTED PROPERTY

On which the legally levied taxes were a lien for FISCAL YEAR 1999 - 2000
and for nonpayment were duly declared to be in default. DEFAULT NUMBER 4431-039-029

This deed, between the Treasurer and Tax Collector of Los Angeles County ("SELLER") and
HENRI LEVY - A MARRIED MAN AS HIS SOLE & SEPARATE PROPERTY

("PURCHASER"), conveys to the PURCHASER the real property described herein which the SELLER sold to the PURCHASER BY AGREEMENT on **October 22, 2013** pursuant to a statutory power of sale in accordance with the provisions of Division 1, Part 6, Chapter 7, Revenue and Taxation Code, for the sum of \$ 350,000.00
No taxing agency objected to the sale.

In accordance with the law, the SELLER hereby grants to the PURCHASER that real property situated in said county, State of California, last assessed to, **HEADLAND PROPERTIES ASSOCIATES L LC**

described as follows: ASSESSOR'S PARCEL NUMBER 4431-039-029

TR=32184A LOT 77

STATE OF CALIFORNIA } ss.
County of Los Angeles

EXECUTED ON December 5, 2013

MARK J. SALADINO
TREASURER AND TAX COLLECTOR
of the County of Los Angeles,
State of California
By *[Signature]*
Deputy Tax Collector

On **December 5, 2013**, before me personally appeared **KATHLEEN GLOSTER** who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument. I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Location: City of LOS ANGELES

Sale No. 2013A Item No. 06834

Dean C. Logan
REGISTRAR-RECORDER/COUNTY CLERK
of the County of Los Angeles,
State of California

By *Le Roba Merson*
Deputy County Clerk



Exhibit 34

This page is part of your document - DO NOT DISCARD



20140047667



Pages:
0005

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

01/15/14 AT 02:08PM

FEES:	31.00
TAXES:	0.00
OTHER:	0.00
PAID:	31.00



LEADSHEET



201401150940018

00008762358



005986998

SEQ:
01

DAR - Counter (Upfront Scan)



THIS FORM IS NOT TO BE DUPLICATED

Exhibit 34

E220504

RECORDING REQUESTED BY:

1205-1207 Wooster Street, LLC

AND WHEN RECORDED MAIL TO
& MAIL TAX STATEMENT TO:

1205-1207 Wooster Street, LLC
4936 Triggs Street
Commerce, CA 90022

APN: 4431-039-029

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

Recording Requested by:

1205-1207 Wooster Street, LLC

When Recorded Mail To:

1205-1207 Wooster Street, LLC

4936 Triggs Street

Commerce, CA 90022

Space above this line for Recorder's use

APN: 4431-039-029

GRANT DEED

THE UNDERSIGNED GRANTOR DECLARES:

DOCUMENTARY TRANSFER TAX IS \$-0-*****

(X) COMPUTED ON FULL VALUE OF PROPERTY CONVEYED, OR

() COMPUTED ON FULL VALUE, LESS VALUE OF LIENS AND ENCUMBRANCES
REMAINING AT THE TIME OF THE SALE

() UNINCORPORATED AREA: (X) CITY OF LOS ANGELES, AND

FOR VALUABLE CONSIDERTAION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED,

HENRI LEVY, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY

HEREBY GRANTS TO

1205-1207 WOOSTER STREET, LLC, a CALIFORNIA LIMITED LIABILITY COMPANY

THE FOLLOWING DESCRIBED REAL PROPERTY IN THE CITY OF BEVERLY HILLS, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT A

**** THE GRANTOR AND GRANTEE IN THIS CONVEYANCE ARE COMPRISED OF THE SAME
PARTIES WHO CONTINUE TO HOLD THE SAME PROPORTIONATE INTEREST IN THE
PROPERTY, R&T CODE § 11923(D)

DATED: January 14, 2014

GRANTOR'S SIGNATURE:


HENRI LEVY

* see attached california All-purpose Acknowledgment

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 77, OF TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGE(S) 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM, TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME.

I. ALL OIL RIGHTS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, TO ALL GEOTHERMAL HEAT AND TO ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES"); AND

II. THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND TO PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM SAID LOT, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN SAID LOT, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF SAID LOT, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF SAID LOT, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE UPPER FIVE HUNDRED FIFTY FEET (550') OF THE SUBSURFACE OF SAID LOT, AS RESERVED IN DEEDS.

PARCEL 2:

NONEXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS, DRAINAGE, MAINTENANCE, REPAIRS AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION, THE MASTER DECLARATION AND THE DRIVE DECLARATION, ANY AMENDMENTS THERETO.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of LOS ANGELES

On JANUARY 14, 2013 before me, STACY Song-Yi Han, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Henri Levy
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Grant Deed APN: 4431-039-029

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

☐ Corporate Officer — Title(s): _____ ☐ Corporate Officer — Title(s): _____

☐ Individual ☐ Individual

☐ Partner — ☐ Limited ☐ General ☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact ☐ Attorney in Fact

☐ Trustee ☐ Trustee

☐ Guardian or Conservator ☐ Guardian or Conservator

☐ Other: _____ ☐ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400
TDD (415) 597-5885

**VIA CERTIFIED AND REGULAR MAIL**

February 15, 2018

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
(Certified Receipt No. 7017 0530 0000 8132 0580)

Subject: Notice of Intent to Record Notices of Violation, and to Commence Cease and Desist Order Proceedings and Administrative Civil Penalties Proceedings

Property Location: 16701 Via La Costa, Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number 4431-039-029.

Violation Description: The placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the change in intensity of use from public park to private land, the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom, in violation of Coastal Development Permit No. A-381-78, as amended, and the resource protection and public access provisions of the Coastal Act.

Dear Mr. Rossman:

As California Coastal Commission ("Commission") staff has made you aware, multiple Coastal Act¹ violations have occurred on, and presently persist on the property located at 16701 Via La Costa, in the Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number ("APN") APN 4431-039-029. Wooster Street LLC (hereinafter "Wooster") is listed as the record owner of the aforementioned property. It is of utmost importance that this matter is resolved expeditiously given that the Temescal Ridge Trailhead, public parking lot,

¹ The Coastal Act is codified in California Public Resources Code sections 30000 to 30900. All further section references are to the Public Resources Code, and thus to the Coastal Act, except where specified that the reference is made to the Commission's regulations.

and public restrooms are situated on this nearly half acre parcel, and have all been variously subject to closure and disrepair since you took possession of this site, resulting in significant adverse impacts to public access. As my staff has expressed to you, we remain ready to work with you to resolve these impediments to public access, among other issues, amicably, and we remain open to discussing the consensual resolution of the matter through a “Consent” Cease and Desist Order and “Consent” Administrative Penalty action (“Consent Orders”), which would then be taken to the Commission for its approval in the context of a formal hearing.

Prior to bringing an order to the Commission (either as a consent or contested order), Commission regulations² provide for issuance of a notification of the decision to initiate formal order proceedings. In accordance with those regulations, this letter notifies you of my intent, as the Executive Director of the Commission, to commence these formal enforcement proceedings to address the Coastal Act violations noted above and described herein, by recording a Notice of Violation against the property at 16701 Via La Costa in the Pacific Palisades, and by issuing either a consent or regular Cease and Desist Order and Administrative Penalty action to Wooster Street LLC.

The intent of this letter is not to discourage settlement discussions; rather it is to provide formal notice of our intent to resolve these issues through the order process, which in no way precludes a consensual resolution. Resolving this matter and providing permanent restoration of access to and maintenance of the Temescal Ridge Trailhead, parking lot and restrooms by a public or non-profit agency is critical and my staff remains ready and willing to continue working with you towards finding a mutually acceptable outcome of this longstanding Coastal Act violation. However, please note that should we be unable to reach an amicable resolution in a timely manner, this letter also lays the foundation for staff to bring a proposal to the Commission unilaterally, which proposal would include the issuance of an Order, the imposition of administrative civil penalties pursuant to Section 30821, and authorizing the Executive Director of the Commission to record a Notice of Violation of the Coastal Act on title to the property.

Background and Coastal Act Violations

In 1978 the Commission granted Coastal Development Permit A-381-78 to Headland Properties Associates (hereinafter “Headlands”) for the grading of roads and the installation of utilities to accommodate a 230 unit residential tract on 1,200 acres of then undeveloped property in the Pacific Palisades. In a 1980 amendment to the permit, A-381-78A, the Commission approved the creation of four tracts, allowed a massive quantity of grading, established the total number of residential units at 740, authorized construction of commercial and instructional sites, and required the dedication of nearly 1,000 acres of land to the California Department of Parks and Recreation, the City of Los Angeles Department of Recreation and Parks and/or an acceptable private, non-profit corporation. Since this time, this permit has been amended more than a dozen times. Of particular relevance to this matter, Special Condition 7 of Amendment 1 states:

² See Sections 13181 and 13191 of Title 14 of the California Code of Regulations.

7. Park Facilities

Concurrent with the grading of Lots 86 and 87 of Tract 32184, the applicant shall construct trailhead facilities (including a 6-10 car parking lot, gates and signs) in vicinity of said Lots 86 and 87 substantially as shown in applicant's Exhibit A-1, so as to provide foot trail access to an existing trail on Temescal Ridge. The applicant shall also construct a restroom facility in the vicinity of Palisades Highlands at a location designated by the State Department of Parks and Recreation in Topanga State Park or on the dedicated lands... All facilities shall be constructed to the usual specification of the Department of Parks and Recreation, and shall be turned over to the Department for operation and maintenance.

Further, Special Condition 2 of Amendment 9 also clarified that the access amendments were actually to precede the construction of the condominiums:

2. Completion of Trail Access Improvements [Clarification of Condition 7]

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence of the completion of the following improvements to the accessibility of the dedicated open space areas. The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency.

...

d) Temescal Ridge Trailhead The applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, parking facility and bathroom concurrent with the construction of streets and utilities approved in this tract....

Finally, Amendment 11 provided more detail as to the public trailhead, signs, parking and restroom:

d) Temescal Ridge Trailhead. Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final design must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Parks and Recreation for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal from Calle Nancy as part of the other open space maintenance agreed to in this permit. More specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead....

Headlands submitted the proposed plans for the construction of the requisite public parking lot, restroom, and signage on this particular property on June 18, 1993. Once Executive Director approval was granted, construction of the aforementioned public amenities was undertaken and completed on this property pursuant to permit requirements. Even absent the requirement to dedicate this property to the City or other acceptable non-profit organization, this property was and remains the location for the public amenities. In compliance with the CDP, the applicant proposed this property for the public facility and trailhead and the Executive Director approved and authorized the public facilities to be built in this particular location, and no other. No other development, other than the public facilities, can be undertaken on this property. From the point the construction of the public facilities was completed up until the violations at issue in this letter

commenced on or about January 2014, the public had full access to these public amenities, as required by the CDP, as amended.

Commission staff was made aware of the aforementioned violations in mid-2016, at which time "Wooster Street LLC was in escrow to sell the property to another entity, upon receiving complaints from members of the public about closures of the public parking lot, trail head, and restrooms. Note once again that no transfer of the property can occur unless it is to a government entity or non-profit acceptable to the Executive Director of the Commission. Commission enforcement staff immediately contacted the owners of the property to discuss the ongoing Coastal Act violations associated with activities undertaken at the site and followed up with a notice of violation letter on August 3, 2016 to Wooster. In this letter, staff listed the various Coastal Act violations on the property, including the closure of the public restroom and public parking facilities at the Temescal Ridge Trailhead, pointed out the fact that the unpermitted development was also functioning to preclude public use of the Temescal Ridge Trailhead and associated facilities, and noted that these were directly inconsistent with the permit conditions and the public access policies of the Coastal Act. The letter also detailed the procedures by which the various issues should be addressed, and noted the potential ramifications and civil liabilities associated with the unpermitted development under the Coastal Act. Since this initial notice of violation, Commission staff has spoken with partners of and counsel for Wooster to further discuss the unpermitted development and the potential mechanisms of resolution, followed by written correspondence dated September 23, 2016 and March 15, 2017.

As my staff has explained to you, the placement of a locked gate and appurtenant structure that blocks access to the public parking lot and public restroom facility, the locking of public restrooms, and failing to maintain the public restrooms, trailhead, and parking lot, and change in intensity of use from public park to private land, are violations of CDP No. A-381-78, as amended, and have a very serious impact on public access. This trailhead provides access to the Temescal Ridge Trail-- 5.8 miles of very heavily used hiking trails that provide views of the Pacific Ocean and allow the cresting of Temescal Peak, one of the Santa Monica Mountains highest points.

Protecting public access is a major goal and priority of the Coastal Act. For example, Section 30210 of the Coastal Act provides that:

"In carrying out the requirements of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse."

The unpermitted development at issue in this matter obstructs public access by both physically blocking use of the trailhead and facilities and by failing to maintain the facilities as required by the permit, and changes the intensity of use of this public area to a private landholding. These permit requirements run with the land and survive a tax default sale - meaning any person or entity holding title is obligated to comply therewith. *See, e.g., Ojavan Investors v California Coastal Commission*, (1994) 26 Cal. App. 4th 516, 527.

The purpose of these enforcement proceedings is to address the ongoing impediments to public use of and access to the Temescal Ridge Trailhead and the Temescal Ridge Trailhead facilities located on the Property, in violation of CDP A-381-78, as amended, and the Coastal Act. These proceedings

will propose to address these matters through the recordation of a Notice of Violation against the property and issuance of an Order that will direct you to, among other things: 1) cease from performing any additional unpermitted development, 2) develop and implement a plan to remove unpermitted development, 3) mitigate for the temporal losses caused by the unpermitted development, 4) cease all activities that block or interfere with public use of Temescal Ridge Trailhead, 5) maintain the Temescal Ridge Trailhead parking lot, signage, trailhead, and restrooms in compliance with CDP A-381-78, as amended, and 6) transfer the property to the City of Los Angeles or a not-for-profit entity approved by the Commission's Executive Director. In addition to the aforementioned items, any resolution of this matter will address Wooster's civil liability. These proceedings will also include recommendations for issuance by the Commission of an Administrative Penalty pursuant to Section 30821 of the Coastal Act.

Cease and Desist Order

By way of background, the Commission's authority to issue cease and desist orders is set forth in Section 30810 of the Coastal Act, which states, in part, the following:

(a) If the commission, after public hearing, determines that any person or governmental agency has undertaken, or is threatening to undertake, any activity that (1) requires a permit from the commission without securing the permit or (2) is inconsistent with any permit previously issued by the commission, the commission may issue an order directing that person or governmental agency to cease and desist.

Section 30810(b) of the Coastal Act states that the cease and desist order may be subject to terms and conditions that the Commission determines are necessary to ensure compliance with the Coastal Act, including removal of any unpermitted development or material.

Section 30600(a) of the Coastal Act states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land...change in the intensity of use of water, or of access thereto....

The various instances of unpermitted development at issue here, including: the placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom; and the change in intensity of use of the land from public park to privately held land, clearly constitute "development" within the meaning of the above-quoted definition and therefore are subject to the permit requirement of section 30600(a). A CDP or an amendment to the underlying CDP was not issued to authorize the subject unpermitted development. Further, as noted above, the development activities subject to this action are inconsistent with CDP A-381-78, as amended. As the unpermitted development undertaken is inconsistent with the Coastal Act and a previously issued permit, the criterion for issuance of a cease and desist order under Section 30810(a) of the Coastal Act are thus satisfied.

For these reasons, I am issuing this Notice of Intent to commence cease and desist order proceedings. The procedures for the issuance of cease and desist orders are described in Sections 13180 through 13188 of the Commission's regulations. As previously mentioned, these matters may be resolved in a consensual agreement between you and the Commission.

Notice of Violation

The Commission's authority to record a Notice of Violation is set forth in Section 30812 of the Coastal Act, which states the following:

(a) Whenever the executive director of the commission has determined, based on substantial evidence, that real property has been developed in violation of this division, the executive director may cause a notification of intention to record a notice of violation to be mailed by regular and certified mail to the owner of the real property at issue, describing the real property, identifying the nature of the violation, naming the owners thereof, and stating that if the owner objects to the filing of a notice of violation, an opportunity will be given to the owner to present evidence on the issue of whether a violation has occurred.

In our letter dated August 3, 2016, in accordance with Coastal Act Section 30812(g), Commission staff notified you of the potential for the recordation of a Notice of Violation against the property. I am issuing this notice of intent to record a Notice of Violation because unpermitted development inconsistent with the Coastal Act and CDP No. A-381-78, as amended, has been undertaken at the property, and because of the ongoing failure to comply with the conditions of the CDP, as amended, and the Coastal Act.

If you object to the recordation of a Notice of Violation in this matter and wish to present evidence to the Commission at a public hearing on the issue of whether a violation has occurred, pursuant to Section 30812(b) the property owner must specifically object, in writing, within 20 days of the postmarked mailing of this notification. The objection should be sent to the attention of Heather Johnston in the Commission's Ventura office at the address listed on the letterhead by **Mach 8, 2018**. Please include the evidence you wish to present to the Commission in your written response and identify any issues you would like us to consider. We are hopeful that we can avoid such a contested matter and work together to address these issues amicably and incorporate any such notice into a consensual resolution.

Administrative Civil Penalties, Civil Liability, and Exemplary Damages

Under Section 30821 of the Coastal Act, in cases involving violations of the public access provisions of the Coastal Act, the Commission is authorized to impose administrative civil penalties by a majority vote of the Commissioners present at a public hearing. In this case, as described above, there are significant violations of the public access provisions of the Coastal Act; therefore the criteria of Section 30821 have been satisfied. The penalties imposed may be in an amount of up to \$11,250, for each violation, for each day in which each violation has persisted or is persisting, for up to five (5) years. If a person fails to pay an administrative penalty imposed by the Commission, under Section 30821(e) the Commission may record a lien on that person's property in the amount of the assessed penalty. This lien shall be equal in force, effect, and priority to a judgment lien.

Furthermore, and as has been explained in prior correspondence, please be advised that the Coastal Act additionally provides for the imposition of civil liability (variously described as fines, penalties, and damages) by the courts for violations of the Coastal Act. Section 30820(a) provides for civil liability to be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission in an amount that shall not exceed \$30,000 and shall not be less than \$500 for each violation. Section 30820(b) provides that additional civil liability may be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with a CDP previously issued by the Commission, when the person intentionally and knowingly performs or undertakes such development, in an amount not less than \$1,000 and not more than \$15,000 per day for each day in which each violation persists. Section 30821.6 provides that a violation of a cease and desist order can result in civil fines of up to \$6,000 for each day in which each violation persists. As my staff has previously explained, courts have held that property owners are liable for violations on their property even if they were not directly and actively responsible for creating the situation. Once again, with your cooperation, it is our hope that we may resolve these issues amicably.

Response Procedure

In accordance with Sections 13181(a) of the Commission's regulations, you have the opportunity to respond to the Commission staff's allegations as set forth in this notice of intent to commence Cease and Desist Order and Administrative Penalty proceedings by completing the enclosed statement of defense ("SOD") form.

The SOD form must be directed to the attention of Heather Johnston, at the address listed below, not later than **March 8, 2018**:

California Coastal Commission
South Central Coast District
89 S. California Street, Suite 200
Ventura, CA 93001

However, should this matter be resolved via a Consent Order, an SOD form would not be necessary. In any case and in the interim, staff would be happy to accept any information you wish to share regarding this matter and may extend deadlines for submittal of the SOD form to specifically allow additional time to discuss terms of a Consent Order and to resolve this matter amicably. Commission staff currently intends to schedule the hearings of the cease and desist order and administrative penalty proceeding for the Commission's **June 2018** hearing.

Resolution

It is my understanding that there has heretofore been a continued expressed desire to develop the property as a residential lot or be compensated by the State so as to forego this option. As my staff has previously iterated, this stance is not practicable given the various aforementioned constraints imposed on the property by CDP No. A-381-78, as amended, and this property cannot be developed with private development, which would lessen the clear intent of the conditionally approved CDP. However, I again note that we would like to work with you to resolve these issues amicably through the Consent Order process. While requiring compliance with the Coastal Act, a Consent Cease and Desist Order and Consent Administrative Penalty would provide you with the

opportunity to have more input into the process and timing of addressing the violations and mitigating for interim losses of access caused by the unpermitted development. The consent process could potentially allow you to negotiate a penalty amount with Commission staff in order to fully resolve the violations stipulated in the Consent Orders without further formal legal action.

Another benefit of Consent Orders is that in a Consent Order proceeding, Commission staff will be presenting and recommending approval of an agreement between you and staff rather than addressing the violations through a contested hearing. Alternatively, if we are not able to reach a consensual resolution, we will need to proceed with a unilateral order at the next available hearing and we will have to address the civil liabilities via an Administrative Penalty proceeding and possibly through litigation.

Again, should we settle this matter, you do not need to expend the time and resources to fill out and return the Statement of Defense form mentioned above.

If you have any questions regarding this letter or the enforcement case, please call Heather Johnston at (805) 585-1800.

Sincerely,



John Ainsworth
Executive Director

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel
Al Padilla, Regulatory Permit Supervisor
Andrew Willis, Southern California Enforcement Supervisor
Heather Johnston, Statewide Enforcement Analyst

Encl. Statement of Defense Form for Cease and Desist Order and Administrative Penalty Proceeding

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE AND TDD (415) 904-5200
FAX (415) 904-5400

**STATEMENT OF DEFENSE FORM**

DEPENDING ON THE OUTCOME OF FURTHER DISCUSSIONS THAT OCCUR WITH THE COMMISSION ENFORCEMENT STAFF AFTER YOU HAVE COMPLETED AND RETURNED THIS FORM, (FURTHER) ADMINISTRATIVE OR LEGAL ENFORCEMENT PROCEEDINGS MAY NEVERTHELESS BE INITIATED AGAINST YOU. IF THAT OCCURS, ANY STATEMENTS THAT YOU MAKE ON THIS FORM WILL BECOME PART OF THE ENFORCEMENT RECORD AND MAY BE USED AGAINST YOU.

YOU MAY WISH TO CONSULT WITH OR RETAIN AN ATTORNEY BEFORE YOU COMPLETE THIS FORM OR OTHERWISE CONTACT THE COMMISSION ENFORCEMENT STAFF.

This form is accompanied by a notice of intent to initiate cease and desist order and administrative civil penalties proceedings before the commission. This document indicates that you are or may be responsible for or in some way involved in either a violation of the commission's laws or a commission permit. The document summarizes what the (possible) violation involves, who is or may be responsible for it, where and when it (may have) occurred, and other pertinent information concerning the (possible) violation.

This form requires you to respond to the (alleged) facts contained in the document, to raise any affirmative defenses that you believe apply, and to inform the staff of all facts that you believe may exonerate you of any legal responsibility for the (possible) violation or may mitigate your responsibility. This form also requires you to enclose with the completed statement of defense form copies of all written documents, such as letters, photographs, maps, drawings, etc. and written declarations under penalty of perjury that you want the commission to consider as part of this enforcement hearing.

You should complete the form (please use additional pages if necessary) and return it **no later than March 8, 2018** to the Commission's enforcement staff at the following address:

**Heather Johnston
89 S. California Street
Ste 200
Ventura, CA 32001**

If you have any questions, please contact **Heather Johnston** at **(805) 585-1800**.

1. **Facts or allegations contained in the notice of intent that you admit (with specific reference to the paragraph number in such document):**

2. **Facts or allegations contained in the notice of intent that you deny (with specific reference to paragraph number in such document):**

3. **Facts or allegations contained in the notice of intent of which you have no personal knowledge (with specific reference to paragraph number in such document):**

- [illegible]

[illegible]

[illegible]

This page is part of your document - DO NOT DISCARD



20180343543



Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

04/10/18 AT 12:57PM

Pages:
0006

FEES:	0.00
TAXES:	0.00
OTHER:	0.00
<hr/>	
PAID:	0.00



LEADSHEET



201804102870018

00015028496



008975935

SEQ:
01

DAR - Mail (Intake)



THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY:
California Coastal Commission

WHEN RECORDED MAIL TO:

CALIFORNIA COASTAL COMMISSION
89 S. California Street, Suite 200
Ventura, CA 93001
Attention: Heather Johnston

Document Number: 15823496

Batch Number: 8975935

[Exempt from recording fee pursuant to Gov. Code § 27383]

DOCUMENT TITLE:

NOTICE OF VIOLATION OF THE COASTAL ACT

Re: Assessor's Parcel Nos. 4431-039-029

Property Owner: 1205-1207 Wooster Street LLC

RECORDING REQUESTED BY
And When Recorded Mail To:

CALIFORNIA COASTAL COMMISSION
89 S. California Street, Suite 200
Ventura, CA 93001
Attention: Heather Johnston

STATE OF CALIFORNIA OFFICIAL BUSINESS
Document entitled to free recordation pursuant to:
California Government Code § 27383

NOTICE OF VIOLATION OF THE COASTAL ACT
(California Public Resources Code Section 30812)

On behalf of John Ainsworth, I, Lisa Haage declare:

1. John Ainsworth is the Executive Director of the California Coastal Commission (hereinafter referred to as the "Commission"). The Commission was created by the California Coastal Act of 1976 (hereinafter, "Coastal Act"), which is codified in the California Public Resources Code (hereinafter, "PRC") at sections 30000 to 30900. PRC Section 30812 provides for the Executive Director of the Commission (hereinafter, "Executive Director") to record Notices of Violations of the Coastal Act in the County Recorder's office for the county in which all or part of a property on which a Coastal Act violation has occurred is located. John Ainsworth, as Executive Director of the Commission, has specifically delegated this authority to me to act on his behalf.
2. The real property that is the subject of this notice of violation is the property in unincorporated Los Angeles County, California that is described in Exhibit A attached hereto (the "Property").

The property where the violations of the Coastal Act have occurred is alternatively known as:

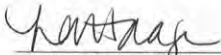
16701 Via La Costa
Pacific Palisades, CA 90272
Los Angeles County APN 4431-039-029

The record owner of the Property is 1205-1207 Wooster Street LLC. The violations consist of the undertaking of development activity without the permit authorization required by the Coastal Act and in direct violation of a previously issued coastal development permit.

3. The Property is located within the Coastal Zone as that phrase is defined in the Coastal Act (PRC Section 30103).
4. The violations of the Coastal Act referenced in this Notice of Violation include, but are not necessarily limited to, the performing of the following development, all of which is unpermitted: 1) the placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; 2) the locking of public restrooms at the Temescal Ridge Trailhead; 3) the change in intensity of use from public park to private land; 4) the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director; and 5) the failure to maintain the trailhead, parking lot, and public restroom, in violation of Coastal Development Permit No. A-381-78, as amended, and the resource protection and public access provisions of the Coastal Act.
5. The Commission retains a file on this matter under Violation File No. V-5-16-0106.
6. Commission staff notified the Property owner of record, Wooster Street LLC, of the potential for recordation of a Notice of Violation in a letter dated February 15, 2018. No objection was received by March 8, 2018, the legal deadline for such an objection to be submitted pursuant to PRC section 30812(b). Thus, the Commission has not received a timely objection to the recordation of the Notice of Violation. Therefore, the substantive and procedural requirements set forth in PRC Section 30812 as prerequisites for recordation of this Notice of Violation have been satisfied, and the recording of this notice is authorized and the Executive Director is required to record it.
7. Therefore, the Executive Director of the Commission is recording the Notice of Violation as provided for in the Coastal Act, under PRC Section 30812.

Executed in San Francisco, California, on 13 March 2018.

I declare under penalty of perjury that the foregoing is true and correct.



LISA HAAGE, Chief of Enforcement,
California Coastal Commission

Notary acknowledgement on next page.

Exhibit A

APN 4431-039-029

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 77, OF TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGE(S) 28 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM, TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME.

I. ALL OIL RIGHTS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, TO ALL GEOTHERMAL HEAT AND TO ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES"); AND

II. THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND TO PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM SAID LOT, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN SAID LOT, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF SAID LOT, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF SAID LOT, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE UPPER FIVE HUNDRED FIFTY FEET (550') OF THE SUBSURFACE OF SAID LOT, AS RESERVED IN DEEDS.

PARCEL 2:

NONEXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS, DRAINAGE, MAINTENANCE, REPAIRS AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION, THE MASTER DECLARATION AND THE DRIVE DECLARATION, ANY AMENDMENTS THERETO.

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

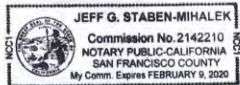
State of California
County of San Francisco

On 13 March 2018, before me, Jeff G. Staben-Mihalek, a Notary Public, personally appeared Lisa Haage who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
FAX (415) 904-5400
TDD (415) 597-5885

**VIA ELECTRONIC MAIL**

April 20, 2020

Henri Levy
1205-1207 Wooster Street LLC
Henrilevy@aol.com

Subject:

Dear Mr. Levy;

I hope that this letter finds you and your family, friends, and colleagues safe and healthy. In our last letter to you dated February 20, 2020 we notified you that we were planning to bring to our Commission recommendations for issuance of a cease and desist order and an administrative penalty against you to address the ongoing violations on property located at 16701 Via La Costa Drive, City of Los Angeles. As you may have surmised, the Commission's April meeting has been cancelled in light of the ongoing pandemic. We are looking to bring this to hearing at the next available public Commission meeting, however, given the ever changing nature of this health crisis it is not possible to predict when that may be. We will of course provide you with notice and an opportunity to respond when a date does get set for hearing. In the meanwhile, it could be beneficial to all involved to use the time in the interim to work together to resolve this matter. As Commission staff is currently working remotely through the pendency of the pandemic, please email me to let me know when you are available to speak and I will set up a conference call. Thank you in advance for your response; I look forward to working with you to resolve these Coastal Act violations.

Sincerely;

A handwritten signature in black ink, appearing to read "H. Johnston", with a stylized flourish at the end.

Heather Johnston
Statewide Enforcement Analyst

cc: Aaron McLendon, Deputy Chief of Enforcement

JAN 13 2021

RECEIVED

#1082

20011197
CLAIMANT INFORMATION

LAST NAME Levy	FIRST NAME Henri	MIDDLE INITIAL
INMATE OR PATIENT IDENTIFICATION NUMBER (if applicable)	BUSINESS NAME (if applicable)	
TELEPHONE NUMBER 310 774 1628	EMAIL ADDRESS	
MAILING ADDRESS 810 Cord Circle	CITY Beverly Hills	STATE CA
		ZIP 90210
IS THE CLAIMANT UNDER 18 YEARS OF AGE? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	INSURED NAME (Insurance Company Subrogation)	
IS THIS AN AMENDMENT TO A PREVIOUSLY EXISTING CLAIM? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	EXISTING CLAIM NUMBER (if applicable)	EXISTING CLAIMANT NAME (if applicable)

ATTORNEY OR REPRESENTATIVE INFORMATION

LAST NAME Krishel	FIRST NAME Daniel	MIDDLE INITIAL
TELEPHONE NUMBER 818 883 8759	EMAIL ADDRESS daniel@krishellawfirm.com	
MAILING ADDRESS 4500 Park Granada, Suite 202	CITY Calabasas	STATE CA
		ZIP 91302

CLAIM INFORMATION

STATE AGENCIES OR EMPLOYEES AGAINST WHOM THE CLAIM IS FILED California Coastal Commission / Natural Resources Agency	DATE OF INCIDENT see attachment
LATE CLAIM EXPLANATION (Required, if incident was more than six months ago)	

see attachment

DOLLAR AMOUNT OF CLAIM \$2 million dollars	CIVIL CASE TYPE (Required, if amount is more than \$10,000) <input type="checkbox"/> Limited (\$25,000 or less) <input checked="" type="checkbox"/> Non-Limited (over \$25,000)
DOLLAR AMOUNT EXPLANATION see attachment	
INCIDENT LOCATION see attachment	
SPECIFIC DAMAGE OR INJURY DESCRIPTION	

see attachment


CIRCUMSTANCES THAT LED TO DAMAGE OR INJURY
--

see attachment

EXPLAIN WHY YOU BELIEVE THE STATE IS RESPONSIBLE FOR THE DAMAGE OR INJURY

see attachment

AUTOMOBILE CLAIM INFORMATION		
DOES THE CLAIM INVOLVE A STATE VEHICLE? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	VEHICLE LICENSE NUMBER (if known)	STATE DRIVER NAME (if known)
HAS A CLAIM BEEN FILED WITH YOUR INSURANCE CARRIER? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	INSURANCE CARRIER NAME	INSURANCE CLAIM NUMBER
HAVE YOU RECEIVED AN INSURANCE PAYMENT FOR THIS DAMAGE OR INJURY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AMOUNT RECEIVED (if any)	AMOUNT OF DEDUCTIBLE (if any)

NOTICE AND SIGNATURE		
I declare under penalty of perjury under the laws of the State of California that all the information I have provided is true and correct to the best of my information and belief. I further understand that if I have provided information that is false, intentionally incomplete, or misleading I may be charged with a felony punishable by up to four years in state prison and/or a fine of up to \$10,000 (Penal Code section 72).		
SIGNATURE 	PRINTED NAME Henri Levy	DATE 11/09/2020

INSTRUCTIONS	
<ul style="list-style-type: none">• Include a check or money order for \$25, payable to the State of California.<ul style="list-style-type: none">• \$25 filing fee is not required for amendments to existing claims.• Confirm all sections relating to this claim are complete and the form is signed.• Attach copies of any documentation that supports your claim. Do not submit originals.	
Mail the claim form and all attachments to: Office of Risk and Insurance Management Government Claims Program P.O. Box 989052, MS414 West Sacramento, CA 95798-9052	Claim forms can also be delivered to: Office of Risk and Insurance Management Government Claims Program 707 3rd Street, 1st Floor West Sacramento, CA 95605 1-800-955-0045

Department of General Services Privacy Notice on Information Collection

This notice is provided pursuant to the Information Practices Act of 1977, California Civil Code Sections 1798.17 & 1798.24 and the Federal Privacy Act (Public Law 93-579).

The Department of General Services (DGS), Office of Risk and Insurance Management (ORIM), is requesting the information specified on this form pursuant to Government Code Section 905.2(c).

The principal purpose for requesting this data is to process claims against the state. The information provided will/may be disclosed to a person, or to another agency where the transfer is necessary for the transferee-agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is accounted for in accordance with California Civil Code Section 1798.25.

Individuals should not provide personal information that is not requested.

The submission of all information requested is mandatory unless otherwise noted. If you fail to provide the information requested to DGS, or if the information provided is deemed incomplete or unreadable, this may result in a delay in processing.

Department Privacy Policy

The information collected by DGS is subject to the limitations in the Information Practices Act of 1977 and state policy (see State Administrative Manual 5310-5310.7). For more information on how we care for your personal information, please read the DGS Privacy Policy.

Access to Your Information

ORIM is responsible for maintaining collected records and retaining them for 5 years. You have a right to access records containing personal information maintained by the state entity. To request access, contact:

DGSORIM
Public Records Officer
707 3rd St., West Sacramento, CA 95605
(916) 376-5300

FACTS OF THE CLAIM

According to the public record, Headland Properties Associates LLC (“HPA-LLC”) purported to obtain title to the property located at 16701 Via La Costa, Pacific Palisades, CA 90272 (the “Property”) via grant deed in 2010, from a developer of the Property called “Headland Properties Associates a California limited partnership” (“HPA-LP”) (“the HPA to HPA grant deed”). (Exhibit 1)

On October 22, 2013, Claimant Henri Levy (“Levy”) purchased the property at a Los Angeles County (“the County”) tax-defaulted real property auction (“the Auction”) for \$350,000.00. The “Tax Deed To Purchaser of Tax-Defaulted Property” was recorded with the Los Angeles County Recorder’s Office on December 17, 2013 as instrument number 20131775032 (“the Tax Deed”). (Exhibit 2). About one month later, on or about January 14, 2014, Levy transferred to the property to his limited liability company known as “1205-1207 Wooster Street, LLC.” (Exhibit 3)

According to the California Coastal Commission (“CCC”) some time after the Auction, HPA LLC, filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector and received \$333,114.56 from the Auction which was the purported value of the property, less back taxes

In or about July 2016, Levy/Wooster agreed to sell the Property to a third party buyer for \$1,300,000.00. In the midst of this sale, Levy/Wooster were contacted by the CCC. On August 3, 2016, the CCC issued a “Notice of Violation of the California Coastal Act” to Wooster. (Exhibit 4) In this notice, the CCC, by and through “Jordan Sanchez Enforcement Officer” told Wooster that the Property was subject to the jurisdiction of CCC. Mr. Sanchez also stated in that letter that Coastal Development Permit “A-381-78” (“the Permit”) was violated as a result of Levy/Wooster’s “unpermitted development” which consisted of the installation of a gate placed on the property, and the locking of restrooms on the Property.

By letter dated September 23, 2016, Mr. Sanchez added a new violation and now stated that pursuant to the Permit, the Property was **“required to be transferred to a public or non-profit agency”** and that **“until the Property is transferred to a public or non-profit agency”** Wooster would be liable for daily fines of up to \$11,250 per day. The CCC letter concluded by stating **“failure to transfer the property to a public or non-profit agency acceptable to the...Coastal Commission constitutes a violation of the Coastal Act”** and that **“penalties...will continue to accrue until the issue at hand is resolved.”** (Exhibit 5)

By letter dated March 15, 2017, Mr. Sanchez stated that “It is our understanding that the City of Los Angeles operated and maintained the public restroom and parking lot as the Permit

required for 17 years.” In this letter, Mr. Sanchez stated that as a result of Wooster’s actions, the Property “remains privatized, constituting a continuing violation of the Coastal Act as long as Wooster refused to transfer the Property to a public or non-profit agency approved by CCC. (Exhibit 6)

In a letter dated February 15, 2018, the CCC by and through “John Ainsworth, Chief of Enforcement” again demanded the Property be transferred to a public or non-public agency and that failure to so transfer constituted a Coastal Act violation. (Exhibit 7)

In a letter dated December 12, 2018 to Levy, the CCC by and through “Heather Johnston, Chief of Enforcement” stated “No mistake has been made by the Commission; the ongoing obligations to comply with the coastal development permit are clear...” (Exhibit 8) In a letter dated March 4, 2019 Ms. Johnston wrote “I can assure you no mistake by Commission staff has been found...” (Exhibit 9) That letter also stated: “after the sale of the Trailhead Property at tax auction, HPA (the entity that had record title to the property prior to the foreclosure, and which had defaulted on the property taxes) filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector and received \$333,114.56 from the sale – the value of the property at this sale, less back taxes. This is both law and standard practice after a tax sale and was not, in fact, done in error...” The letter ended by once again demanding that Wooster transfer the Property “to the City of Los Angeles...” By letter dated December 5, 2019, Ms. Johnston wrote to Mr. Levy and stated: “the restrictions...imposed by ...[the Permit]...do in fact persist and apply to you as current owner of [the Property]. (Exhibit 10)

In September 2020, Claimant discovered for the first time, the existence of an actual grant deed that it had never before seen nor knew about; this newly discovered grant deed was never recorded and was concealed by the City and the CCC from public view: the grant deed purports to show HPA-LP transferring title to the Property to “the City of Los Angeles Department of Recreation and Parks” (“the City grant deed”). (See Exhibit 11) Thus, according to the City grant deed, the transfer of the Property to the City of Los Angeles (“the City”) occurred on February 16, 1994 – 22 years prior to CCC’s incessant demands that Levy/Wooster transfer that exact same property, also to the City.

Furthermore, during this intervening 22 year period, the City never transferred the Property to anyone nor did they, nor the County, State, CCC, ever record any document that would notify potential purchasers of the existence of the City grant deed. Despite the existence of the City grant deed, the CCC continued to act as if it never existed as evidenced by their letters set forth above: 9/23/16 CCC demands the Property “be transferred to a public or non-profit agency”; 3/15/17 CCC states violations exist “as long as Wooster refused to transfer the Property to a public or non-profit agency; 2/15/18 CCC demands the Property be transferred to a public or

non-public agency; 12/12/18 CCC states “No mistake has been made by the Commission”; 3/4/19 CCC states “I can assure you no mistake by Commission staff has been found...”; 12/5/19 CCC states “the restrictions...imposed by ...[the Permit]...do in fact persist and apply to you as current owner of [the Property].” So not only did the CCC not disclose the existence of the city grant deed, it repeated wholly misleading statements over a period of years, that would lead any reasonable observer to believe no such deed existed.

Despite the opportunity over a period of more than 20 years to truthfully disclose to the public (by recording the appropriate document) and Levy/Wooster of the actual facts concerning the Property and the existence of the city grant deed, the CCC saw no need to even acknowledge its existence or to disclose it to the public, and instead continued with its bizarre charade in demanding Levy/Wooster do what HPA-LP had already done: execute a grant deed to the City.

Despite the existence of the City grant deed, neither the City of Los Angeles, County of Los Angeles nor State of California, by and through the CCC ever took any action to object or question the validity of the HPA-HPA grant deed that executed some sixteen years *after* the known existence of the City grant deed. Instead, all of these governmental entities chose to stay silent and to affirmatively conceal, the City grant deed’s existence.

If what the CCC contends in its assorted notices of violations sent to Wooster is true, the Property is tax exempt and the Auction never should have taken place and Levy never should have been permitted to buy the Property. Furthermore, the City, County, State and CCC were all on notice that an unsuspecting person like Levy could buy the property at the Auction having absolutely no knowledge of the City grant deed – ***because the exact same thing had previously happened to another unsuspecting buyer***: Several years prior to the Auction, the County had held a tax default auction on the same property. It was subsequently brought to the County’s attention that the auction was improper (because the property was tax exempt and no taxes were owed) and the auction sale was rescinded and the successful bidder was refunded the purchase price (“the rescinded auction”).

Notwithstanding the rescinded auction, neither the City, County, State or CCC ever took any remedial or corrective action (e.g. like recording the City grant deed or another notice) to insure yet another unsuspecting bidder (like Levy) did not also bid on the Property and end up buying the property that never should have been placed up for auction in the first place. Had Levy known of the facts as asserted by the CCC in its assorted notices of violations or had it known of the City grant deed, he never would have bid at the Auction and taken title to the Property. Levy and Wooster file this claim at this time because the existence of the City grant deed was only just discovered in September 2020 when the CCC sent it to Levy’s counsel.

DAMAGES AS RESULT OF THE CITY, COUNTY, STATE, CCC

NEGLIGENCE AND FRAUD

Because of the failure by the City, County, State and CCC to properly record any documents that would put prospective purchasers on notice of the assorted restrictions on the Property that allegedly prohibit sale or development of the Property and the failure to record the City grant deed, and because of the Auction itself, Claimants should be deemed to hold title free and clear of any such restrictions alleged by the CCC in their assorted notices of violations.

Furthermore, and wholly apart from the title issues and failure of the parties to record proper notices concerning the Property's restrictions and the existence of City grant deed, if it is determined the restrictions claimed by the CCC are valid and enforceable, then Claimant Levy will have bid and paid for the Property and his company (Wooster) will be stuck with a property that never should have been placed up for auction, and for which the CCC is demanding the property be transferred *for free*, to the City. The CCC interfered with the Property's sale and has refused to allow Wooster to sell or develop the property or to do *anything* with the property except execute a grant deed of the Property to the City for exactly *zero consideration*. As a result of this entire fiasco and the combined negligent and fraudulent acts of the City, County, State and CCC, Claimants have been damaged in the amount of \$2 million dollars, which includes loss of the purchase price, loss of profits on the planned sale of the Property, loss of rental or other income that could have been generated by the property, plus interest.

This page is part of your document - DO NOT DISCARD



20100262929



Pages:
0011

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

02/26/10 AT 11:34AM

FEES:	46.00
TAXES:	NEPR
OTHER:	0.00
PAID:	NEPR



LEADSHEET



201002260030016

00001983941



002558981

SEQ:
01

DAR - Counter (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

E534541

RECORDING REQUESTED BY:

Chicago Title Company

Mail Tax Statements to *APN*
WHEN RECORDED MAIL TO:

HEADLAND PROPERTIES ASSOCIATES, LLC
11726 San Vicente Boulevard, Suite 235
Los Angeles, California 90029



2

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

Grant Deed

TITLE ORDER NO.: 71066439-X49

APN's

4431-040-012;-017;-019
4431-008-005;-094
4431-014-010
4431-039-010;-012
4431-035-018
4431-042-025
4431-039-029

4431-023-012, ET. AL.

3

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

HEADLAND PROPERTIES ASSOCIATES, LLC
11726 San Vicente Boulevard, Suite 235
Los Angeles, California 90049

GRANT DEED

The undersigned grantor declares:



Documentary transfer tax shown by unrecorded separate affidavit pursuant to R&T Code §11932

() computed on full value of property conveyed, or

() computed on full value, less value of liens and encumbrances remaining at time of sale

x *City of Los Angeles*

FOR VALUE RECEIVED, HEADLAND PROPERTIES ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP ("Grantor"), grants to HEADLAND PROPERTIES ASSOCIATES, LLC, a California limited liability company ("Grantee"), all that certain real property (the "Property") situated in the County of Los Angeles, State of California, described on Exhibit A attached hereto and by this reference incorporated herein.

THE PROPERTY IS CONVEYED TO GRANTEE SUBJECT TO:

(a) All liens, encumbrances, easements, covenants, conditions and restrictions of record, including any matters shown on any subdivision or parcel map affecting the Property;

(b) All exceptions appearing in a certain policy of title insurance for the Property issued to the Grantee as of the date hereof;

(c) All matters which would be revealed or disclosed in an accurate survey of the Property;

(d) All matters which would be revealed or disclosed by a physical inspection of the Property;

(e) Interests of tenants in possession;

(f) Liens for taxes for real property and personal property, and any general or special assessments against the Property; and

(g) Zoning ordinances and regulations and any other laws, ordinances, or governmental regulations restricting or regulating the use, occupancy or enjoyment of the Property.

4

IN WITNESS WHEREOF, Grantor has executed this Grant Deed effective as of the date it is recorded in the Official Records of Los Angeles County.

HEADLAND PROPERTIES ASSOCIATES,
A CALIFORNIA LIMITED PARTNERSHIP

By: Headland-Pacific Palisades, LLC,
a California limited liability company
Sole General Partner

By: Metropolitan Life Insurance Company,
a New York corporation
Managing Member

By: [Signature]
Title: Director

State of California

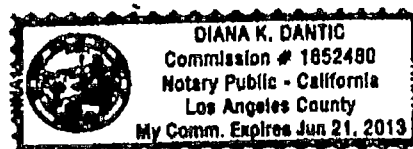
County of Los Angeles

On February 5, 2010, before me, Diana K. Dantic, NOTARY PUBLIC, personally appeared John D. Menne who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)



5

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On February 5, 2010 before me, Diana K. Dantic, Notary Public

personally appeared John D. Menne

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Diana K. Dantic
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

6

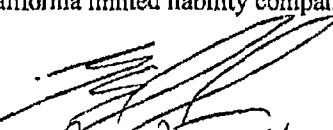
NOTICE OF ACCEPTANCE

The real property conveyed by the attached Grant Deed is hereby accepted by Grantee.

HEADLAND PROPERTIES ASSOCIATES, LLC,
a California limited liability company

By:

Its


Edward J. Miller
Manager

State of California

County of

Los Angeles

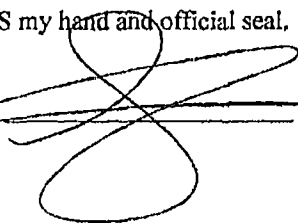
(EFO)

On February 10th, 2010, before me, Elma F. Barrow (Notary Public), personally appeared Edward J. Miller, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On 02/17/2010 before me, Elma Fadhlil Barrow (Notary Public)
(Here insert name and title of the officer)

personally appeared Edward Miller

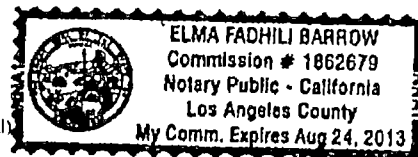
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Quitclaim deed
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
☐ Corporate Officer

(Title)

- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits; otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ✦ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ✦ Indicate title or type of attached document, number of pages and date.
 - ✦ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

EXHIBIT A

8

PARCEL 1:

LOTS "C" AND "D" OF TRACT NO. 31071, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 817 PAGES 58 THROUGH 75 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 2:

LOT 129 OF TRACT NO. 31075, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 838, PAGES 7 TO 15 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 3:

LOT 52 OF TRACT NO. 32186, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1122 PAGES 58 TO 65 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

9

EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THE NORTHERLY LINE OF LOT 3 OF AMENDED MAP OF TRACT NO. 32184, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN SAID COUNTY RECORDER'S OFFICE AS BEARING NORTH 89° 13' 53" EAST 124.72 FEET ON SAID MAP; THENCE CONTINUING ALONG THE WESTERLY PROLONGATION OF SAID NORTHERLY LINE

1. SOUTH 89° 13' 53" WEST 6.50; THENCE
2. SOUTH 5° 49' 05" EAST 55.84 FEET; THENCE
3. SOUTH 19° 01' 42" EAST 45.82 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 3; THENCE ALONG THE WESTERLY BOUNDARY OF SAID LOT 3
4. NORTH 12° 42' 08" WEST 67.34 FEET; THENCE
5. NORTH 1° 03' 00" EAST 33.28 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THE NORTHEASTERLY LINE OF LOT 4 OF SAID AMENDED MAP OF TRACT NO. 32184, SHOWN AS BEARING NORTH 72° 05' 22" WEST 117.12 FEET ON SAID MAP; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF SAID NORTHEASTERLY LINE

1. NORTH 72° 05' 22" WEST 7.00 FEET; THENCE
2. SOUTH 16° 55' 14" WEST 49.97 FEET TO THE SOUTHWESTERLY TERMINUS OF THAT COURSE SHOWN AS BEARING SOUTH 24° 54' 44" WEST ALONG THE WESTERLY BOUNDARY LINE OF SAID LOT 4; THENCE ALONG SAID COURSE
3. NORTH 24° 54' 44" EAST 50.34 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THE NORTHEASTERLY LINE OF LOT 5 OF SAID AMENDED MAP OF TRACT NO. 32184, SHOWN AS BEARING NORTH 49° 42' 09" WEST 101.18 FEET ON SAID MAP; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF SAID LINE

10

1. NORTH 49° 42' 09" WEST 4 00 FEET, THENCE
2. SOUTH 38° 58' 23" WEST 82 92 FEET TO THE SOUTHWESTERLY TERMINUS OF THAT COURSE SHOWN AS BEARING NORTH 41° 44' 14" EAST ALONG THE NORTHWESTERLY BOUNDARY LINE OF SAID LOT 5; THENCE ALONG SAID COURSE
3. NORTH 41° 44' 14" EAST 82 92 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 4:

LOT 65 OF TRACT NO. 44651, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1131 PAGES 7 TO 14 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 5.

LOTS 41, 42, 43 AND 77 OF AMENDED TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 6:

LOT "L", SHOWN AS CALLE NANCY (NOW KNOWN AS VIA PACIFICA), AND LOT "H", SHOWN AS CALLE ALICANTE (NOW KNOWN AS VIA LA COSTA), AS SHOWN ON THE MAP OF AMENDED TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM LOT "H", THAT PORTION LYING NORTHERLY OF THE WESTERLY PROLONGATION OF LOT 41 OF SAID AMENDED TRACT NO. 32184.

ALSO EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

This page is part of your document - DO NOT DISCARD



20131775032



Pages:
0002

Recorded/Filed In Official Records
Recorder's Office, Los Angeles County,
California

12/17/13 AT 02:59PM

FEES:	15.00
TAXES:	1,960.00
OTHER:	0.00
PAID:	1,975.00



LEADSHEET



201312172890009

00008657575



005938691

SEQ:
79

DAR - Mail (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

E492380

RECORDING REQUESTED BY

COUNTY OF LOS ANGELES
DEPARTMENT OF TREASURER
AND TAX COLLECTOR

AND WHICH RECORDED MAIL TO

HENRI LEVY
810 CORD CIRCLE
BEVERLY HILLS, CA 90210



2

Document Transfer Tax - computed on full value of property conveyed \$ 385.00
City Transfer Tax \$ 1,575.00
Survey Fee \$ 0.00

Leisha Lipson
Signature of Declarant

TAX DEED TO PURCHASER OF TAX-DEFAULTED PROPERTY

On which the legally levied taxes were a lien for FISCAL YEAR 1999 - 2000
and for nonpayment were duly declared to be in default. DEFAULT NUMBER 4431-039-029

This deed, between the Treasurer and Tax Collector of Los Angeles County ("SELLER") and
HENRI LEVY - A MARRIED MAN AS HIS SOLE & SEPARATE PROPERTY

("PURCHASER"), conveys to the PURCHASER the real property described herein which the SELLER sold to the
PURCHASER BY AGREEMENT on **October 22, 2013** pursuant to a statutory power of sale in accordance with the
provisions of Division 1, Part 6, Chapter 7, Revenue and Taxation Code, for the sum of \$ 350,000.00
No taxing agency objected to the sale.

In accordance with the law, the SELLER hereby grants to the PURCHASER that real property situated in said county,
State of California, last assessed to, **HEADLAND PROPERTIES ASSOCIATES L LC**

described as follows: ASSESSOR'S PARCEL NUMBER 4431-039-029

TR=32184A LOT 77

STATE OF CALIFORNIA } ss.
County of Los Angeles

EXECUTED ON December 5, 2013

MARK J. SALADINO
TREASURER AND TAX COLLECTOR
of the County of Los Angeles,
State of California

By *[Signature]*
Deputy Tax Collector

On December 5, 2013, before me personally appeared KATHLEEN GLOSTER who proved to me on
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that
by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s)
acted, executed the instrument. I certify under penalty of perjury under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Location: City of LOS ANGELES

Sale No. 2013A Item No. 06834

Dean C. Logan
REGISTRAR-RECORDER/COUNTY CLERK
of the County of Los Angeles,
State of California

By *Leisha Lipson*
Deputy County Clerk



This page is part of your document - DO NOT DISCARD



20140047667



Pages:
0005

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

01/15/14 AT 02:08PM

FEES:	31.00
TAXES:	0.00
OTHER:	0.00
PAID:	31.00



LEADSHEET



201401150940018

00008762358



005986998

SEQ:
01

DAR - Counter (Upfront Scan)



THIS FORM IS NOT TO BE DUPLICATED

E220504

RECORDING REQUESTED BY:

1205-1207 Wooster Street, LLC

AND WHEN RECORDED MAIL TO
& MAIL TAX STATEMENT TO:

1205-1207 Wooster Street, LLC
4936 Triggs Street
Commerce, CA 90022

APN: 4431-039-029

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

Recording Requested by:

1205-1207 Wooster Street, LLC

When Recorded Mail To:

1205-1207 Wooster Street, LLC

4936 Triggs Street

Commerce, CA 90022

Space above this line for Recorder's use

APN: 4431-039-029

GRANT DEED

THE UNDERSIGNED GRANTOR DECLARES:

DOCUMENTARY TRANSFER TAX IS \$-0-*****

(X) COMPUTED ON FULL VALUE OF PROPERTY CONVEYED, OR

() COMPUTED ON FULL VALUE, LESS VALUE OF LIENS AND ENCUMBRANCES
REMAINING AT THE TIME OF THE SALE

() UNINCORPORATED AREA: (X) CITY OF LOS ANGELES, AND

FOR VALUABLE CONSIDERTAION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED,

HENRI LEVY, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY

HEREBY GRANTS TO

1205-1207 WOOSTER STREET, LLC, a CALIFORNIA LIMITED LIABILITY COMPANY

THE FOLLOWING DESCRIBED REAL PROPERTY IN THE CITY OF BEVERLY HILLS, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT A

***** THE GRANTOR AND GRANTEE IN THIS CONVEYANCE ARE COMPRISED OF THE SAME
PARTIES WHO CONTINUE TO HOLD THE SAME PROPORTIONATE INTEREST IN THE
PROPERTY, R&T CODE § 11923(D)*

DATED: January 14, 2014

GRANTOR'S SIGNATURE:


HENRI LEVY

** See attached California All-purpose Acknowledgment*

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 77, OF TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGE(S) 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM, TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME.

I. ALL OIL RIGHTS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, TO ALL GEOTHERMAL HEAT AND TO ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES"); AND

II. THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND TO PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM SAID LOT, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN SAID LOT, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF SAID LOT, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF SAID LOT, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE UPPER FIVE HUNDRED FIFTY FEET (550') OF THE SUBSURFACE OF SAID LOT, AS RESERVED IN DEEDS.

PARCEL 2:

NONEXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS, DRAINAGE, MAINTENANCE, REPAIRS AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION, THE MASTER DECLARATION AND THE DRIVE DECLARATION, ANY AMENDMENTS THERETO.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Los Angeles

On January 14, 2013 before me, Stacy Song-Yi Han, Notary Public

Here Insert Name and Title of the Officer

personally appeared Henri Levy

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Signature]

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Grant Deed APN: 4431-039-029

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



**NOTICE OF VIOLATION OF THE CALIFORNIA COASTAL ACT
REGULAR AND CERTIFIED MAIL**

August 3, 2016

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
Sent Via Email to mkrief@charter.net and adamrossman66@gmail.com

Violation File Number: V-5-16-0106

Property location: 16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development¹: The placement of a locked gate or other structure that
blocks access to a public parking lot and public restroom
facility and the locking of the public restrooms, at the
Temescal Ridge Trailhead, and in violation of CDP No. A-
381-78, as amended.

Dear Mr. Rossman

As you may know, the California Coastal Act² was enacted by the State Legislature in 1976 to provide long-term protection of California's 1,100-mile coastline through implementation of a comprehensive planning and regulatory program designed to manage conservation and development of coastal resources. The California Coastal Commission ("Commission") is the state agency created by, and charged with administering, the Coastal Act. In making its permit and land use planning decisions, the Commission carries out Coastal Act policies, which, amongst other goals, seek to protect and restore sensitive habitats; protect natural landforms; protect scenic landscapes and views of the sea; protect against loss of life and property from coastal hazards; and provide maximum public access to the sea.

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all development on the subject property that is in violation of the Coastal Act and/or that may be of concern to the Commission. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development.

² The Coastal Act is codified in sections 30,000 to 30,900 of the California Public Resources Code. All further section references are to that code, and thus, to the Coastal Act, unless otherwise indicated.

This letter is to confirm our August 2, 2016 phone conversation with Mr. Marc Krief, realtor for the owner of the property located at 16701 Via La Costa in the Pacific Palisades area of the City of Los Angeles, Los Angeles County Assessor's Parcel Number ("APN") 4431-039-029 ("subject property"), in which we explained that the locked gates and restrooms constitute a violation of the Coastal Act and Coastal Development Permit No. A-381-78, as amended. We also explained that the subject property must remain as open space and pursuant to CDP No. A-381-78 as amended the public parking lot and restrooms must remain open for public use and I informed Mr. Krief that under California Real Estate Law he is required to disclose this information to any potential buyers. This letter is also to notify you of the Coastal Act violations on the subject property and to inform you of the Coastal Development Permit history associated with this property and the surrounding subdivision, including that the Commission required, through its approval of CDP No. A-381-78, as amended ("the Permit"), that the applicant construct a public parking lot and public restroom facilities on the subject property, and that the subject property be included in the public park system. We understand that the subject property is currently in escrow and this letter is to also inform you that the closure of the public amenities on the subject property are a violation of the Coastal Act and the Permit, and the development of a single family home or any other structure would also be inconsistent with the terms and conditions of the Permit and could not be approved. The subject property must remain as open space and the public amenities must remain open and available for public use, as discussed in more detail below.

Our staff has confirmed that unpermitted development activities and development inconsistent with the Permit have occurred on the above-listed property owned by 1205-1207 Wooster Street LLC including, but not limited to, the placement of a locked gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, and in violation of CDP No. A-381-78, as amended. These activities occurred on the subject property in violation of the terms and conditions of the Permit. The subject property is located within the Coastal Zone.

Unpermitted Development

Commission staff has researched our permit files and finds no evidence that coastal development permits have been issued to close the public restroom and parking facilities that were required to be built, and were built, as a condition of the Permit. Pursuant to Section 30600(a), any person wishing to perform or undertake development in the Coastal Zone must obtain a coastal development permit in addition to any other permit required by law. Any development activity conducted in the Coastal Zone, unless otherwise exempt, which is not the case here, without a valid coastal development permit constitutes a violation of the Coastal Act.

"Development" is defined, in relevant part, by Coastal Act Section 30106 as:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought

about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvest of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations.... (emphasis added)

The above-described activities involve unpermitted closure of a public parking lot and restroom facility and placement or erection of solid materials, including locked fencing that blocks entry to the public area, all of which involve violations of the access policies of the Coastal Act. Thus, the above-described activities constitute development under the Coastal Act.

Background

The Commission granted Coastal Development Permit No. A-381-78 to Headlands Properties in 1979 for grading, construction of roads and placement of utilities to accommodate a 230-unit residential tract within an "Urban Limit Line" established by the CDP, in the Santa Monica Mountains in the Pacific Palisades area of the City of Los Angeles. There were several subsequent amendments to this permit, the most pertinent of which is addressed below.

The underlying CDP was amended on May 21, 1980, and authorized four tracts, established the total number of dwelling units at 740, created an extended Urban Limit Line, allowed massive grading for roadways and building pads within that Urban Limit Line, authorized the construction of a church and two sites for commercial development (2 acres total), and required the dedication in fee of approximately 1,000 acres of public open space, the area outside the Urban Limit Line, to State Parks, the City of Los Angeles Department of Recreation and Parks, and/or a private, non-profit corporation acceptable to the Executive Director. Special Condition 7 of CDP A-381-78-A required the applicant to construct public trailhead facilities, including a 6-10 car public parking lot, gates, public access signs, and public restroom facilities, so as to provide foot trail access to Temescal Ridge and the Temescal Ridge Trail. All facilities were to be constructed to specifications of the State Department of Parks and Recreation and turned over to the Department for operation and maintenance. Later amendments to the Permit reaffirmed this requirement to construct the public improvements on the subject property.

Because the Trailhead facilities were not located on lands contiguous to the Topanga State Park Acquisition, the applicant requested to amend the condition to substitute the City of Los Angeles as the recipient of the Trailhead area, along with responsibility for its maintenance. As a result, the Commission imposed Special Condition 8d of A-381-78-A7 and later strengthened it through Special Condition 2 of A-381-78-A11, which states:

Temescal Ridge Trailhead: Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle Nancy as part of the other open space maintenance agreed to in this permit. More

specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead. The program shall include, at a minimum, posted signs located on both sides of Chastain Parkway West at the intersection of Calle Deborah. Signs shall also be posted at the intersections of Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Allicante.

The applicant submitted the proposed plans on June 18, 1993 for the construction of the public parking lot, restroom, and signage on the subject property, as required by the Permit, and the Executive Director approved these plans. The applicant then constructed the public amenities on the subject property thereafter and, up until the unpermitted activities occurred, these facilities were open and available to the public and were heavily used by the public to access the Temescal Ridge Trail.

Public Access Violation

The unpermitted development at issue is inconsistent with the public access policies of the Coastal Act, including the following policy:

Section 30210 states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

The subject unpermitted development obstructs public access because the parking lot that is obstructed by the unpermitted gate at issue affords public pedestrian access to the Temescal Ridge Trail and other heavily used public hiking trails in the adjacent Topanga State Park. In fact, conditions of the Permit effectuated an obligation on the part of the owner of the subject property to maintain the recreational facilities located on the property and to keep those facilities open and available to the public. This requirement runs with the land regardless of whether the City accepted the conveyance and regardless of transfers of the property to subsequent owners. Section 30821 authorizes the Commission to impose civil penalties on anyone who violates the Coastal Act's public access provisions, with exceptions not applicable here. The penalties imposed can be up to \$11,250 per day for each day that each violation persists. We would like to resolve these issues and secure the removal of the above-described impediments to public access.

Resolution

In some cases, violations involving unpermitted development may be resolved administratively by removal of the unpermitted development and restoration of any damaged resources. Therefore, in order to resolve this matter administratively, you must remove the unpermitted development and restore the site to its pre-violation condition by removing the locked gate to the parking lot and unlocking the restrooms. In addition, as noted above, Section 30821 authorizes

the Commission to impose civil penalties on anyone who violates the Coastal Act's public access provisions. The penalties imposed can be up to \$11,250 per day for each day that each violation persists, for up to five years.

In order to resolve this matter in a timely manner and reduce the possibility of a monetary penalty or fine, we are requesting the immediate removal of the unpermitted development and restoration of the site. Please contact me by no later August 10, 2016, regarding how you intend to resolve this violation.

Enforcement Remedies

Although we would prefer to resolve this matter amicably, please be aware that Coastal Act Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that requires a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist.

A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act. Section 30811 also provides the Coastal Commission the authority to issue a restoration order to address violations at a site. A violation of a cease and desist order or restoration order can result in civil fines of up to \$6,000 for each day in which the violation persists.

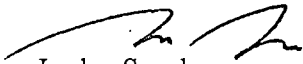
Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who "knowingly and intentionally" performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which each of the violations persist.

Furthermore, this letter is to provide you with notice that there are unresolved Coastal Act violations on the subject property. While liability for Coastal Act violations attaches to the person or persons originally responsible for said violations (and continues to do so even if they no longer own the property), liability additionally attaches to whomsoever owns the property upon which a Coastal Act violation persists (see *Leslie Salt Co. v. San Francisco Bay Conservation and Development Com.* [1984], 153 Cal. App.3d 605, 622). Therefore, any new owner(s) of the subject property will assume liability for, and the duty to correct, any remaining violations. Under California Real Estate law, if you plan to sell the subject property, it is incumbent upon you to inform any potential new owner(s) of the same. To that end, Section 30812 authorizes the Executive Director to record a Notice of Violation against any property determined to have been developed in violation of the Coastal Act. If the Executive Director chooses to pursue that course, you will first be given notice of the Executive Director's intent to record such a notice. If a notice of violation is ultimately recorded against your property, it will serve as notice of the violation to all successors in interest in that property.

Wooster Street LLC (V-5-16-0106)
August 3, 2016
Page 6 of 6

Thank you for your attention to this matter. We look forward to working with you to resolve this matter. If you have any questions regarding this letter or the pending enforcement case, please feel free to contact me at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer
California Coastal Commission

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Al Padilla, Regulatory Permit Supervisor, CCC
Ralph Avila, Senior Planner, City of Los Angeles
Marc Krief, Realtor for property owner

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



September 23, 2016

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022

Sent via Email to adamrossman66@gmail.com

Violation File Number: V-5-16-0106

Property location: 16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development:

1) Failure to transfer property (as identified above) to a public or non-profit agency approved by the Executive Director of the Commission, and 2) the placement of a locked gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, and in violation of CDP No. A-381-78, as amended.

Dear Mr. Rossman:

Thank for your letter dated August 18th, 2016 in response to our Notice of Violation letter dated August 3rd, 2016, and for speaking with our staff on August 4th, 2016. We also appreciate that you've opened the gate that was blocking access to the public parking lot and public restrooms described above. Commission staff continues to be optimistic that this matter will be resolved amicably. Initially though, through this letter we would like to provide our response to your August 18th letter and also correct some of the statements you attributed to us in your letter.

Daily Penalties are Accruing

The transfer of 16701 Via La Costa ("the Property") to 1205-1207 Wooster Street LLC ("Wooster") via the Tax Default Sale is inconsistent with the terms and conditions of Coastal Development Permit A-381-78 ("the Permit"), as amended. Pursuant to the Permit, the trailhead facilities including the public restrooms and public parking lot, and underlying property, located at 16701 Via La Costa were required to be transferred to a public or non-profit agency that is acceptable to the Executive Director of the Commission for purposes of management as a public amenity. Wooster is not a "public or non-profit agency approved by the Executive Director". Therefore, until the Property is transferred to a public or non-profit agency acceptable to the Executive Director of the Coastal Commission to maintain and operate the public restroom and public parking lot, non-compliance with the conditions of a coastal development permit will

continue, and administrative penalties provided for in Section 30821, which are up to \$11,250 per day fine for blocking public access will continue to accrue.

To the contrary, in the third paragraph of your letter, you reference Commission staff's telephone conversation with Mr. Kalaf in which you assert that staff "agreed that the Coastal Commission would abate the daily fine referenced in your [Commission staff's] letter until we are able to resolve the matter of ownership of the property." This does not accurately reflect staff's position, as conveyed to Mr. Kalaf. Our position regarding accrual of penalties pursuant to Section 30821 is summarized above. Staff never agreed to abate the \$11,250 per day fine for blocking public access pursuant to Section 30821 of the Coastal Act. Staff did however convey to Mr. Kalaf that the penalties will accrue until this matter is resolved.

The Site is Subject to Requirements of a CDP

In the fourth paragraph of your letter you assert that Commission staff claimed the State of California owns the Property (16701 Via La Costa). Neither in our August 3rd letter, nor over the phone, did we claim that the State of California owns or has ever owned the Property. However, the Property is subject to the requirements of CDP No. A-381-78, as amended, which are described in the Background section of our August 3rd Notice of Violation letter. In the August 3rd letter, we also provided you with the history of the Permit, which authorized the entire subdivision where the Property is located. We pointed out that:

Special Condition 7 of CDP A-381-78-A required the applicant to construct public trailhead facilities, including a 6-10 car public parking lot, gates, public access signs, and public restroom facilities, so as to provide foot trail access to Temescal Ridge and the Temescal Ridge Trail. All facilities were to be constructed to specifications of the State Department of Parks and Recreation and turned over to the Department for operation and maintenance. Later amendments to the Permit reaffirmed this requirement to construct the public improvements on the subject property.

Because the Trailhead facilities were not located on lands contiguous to the Topanga State Park Acquisition, the applicant requested to amend the condition to substitute the City of Los Angeles as the recipient of the Trailhead area, along with responsibility for its maintenance. As a result, the Commission imposed Special Condition 8d of A-381-78-A7 and later strengthened it through Special Condition 2 of A-381-78-A11, which states:

Temescal Ridge Trailhead: Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle Nancy as part of the other open space maintenance agreed to in this permit. More specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead. The program shall include, at a minimum, posted signs located on both sides of Chastain Parkway West at the intersection of Calle Deborah. Signs shall also be posted at the intersections of Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Allicante. [Underlined for emphasis]

As you know, the developer of the subdivision authorized by CDP No. A-381-78, Headlands Properties Associates ("Applicant") constructed the required parking lot and bathroom on the Property. It is our understanding that the City operated and maintained the public restrooms and parking lot as the Permit required. For over 20 years, the subject property has been a popular public amenity enjoyed by hikers and visitors to Topanga State Park. The existence of the public restroom and its extensive use, should have been ample reason for you to thoroughly investigate the history of the site and in doing so, note the Commission's requirement that this site remain a public facility.

No Commission Authorization to Construct Private Development

In your letter, you claim that the City of Los Angeles certified that "the Property is a legal lot with no obstructions to building a single family residence thereon" and you have "additional material from Los Angeles City Planning and Zoning Departments authorizing us to build a house on the Property".

Initially, we note that the property has been transferred to you without benefit of the required coastal development permit, and, as explained below, said transfer is required by the Permit to be approved by the Executive Director of the Commission. However, as also explained below, the Executive Director would not approve transfer of this property to you as such a transfer is inconsistent with the Permit. Commission staff was unaware of the recent auction of the property sale at the time of the auction, and the transfer appears to be directly inconsistent with the terms of the Permit. The Executive Director was never asked to, nor did he, approve this transfer, as is required by the terms and conditions of the Permit. A transfer of this property to a private entity, which is required by the Permit to be transferred to a public agency or non-profit organization for public use, would require an amendment to the Permit, and none was applied for nor obtained. Additionally, we note that under Section 13166 of the Commission's regulations, it appears that staff could not even accept such an amendment application. Section 13166(a) reads as follows:

The executive director shall reject an application for an amendment to an approved permit if he or she determines that the proposed amendment would lessen or avoid the intended effect of an approved or conditionally approved permit unless the applicant presents newly discovered material information, which he could not, with reasonable diligence, have discovered and produced before the permit was granted.

Clearly any amendment request to convert the public trailhead facility to a private home site would lessen or avoid the intended effect of the Permit, and in particular, the public access conditions of the Permit that were attached to the Permit to ensure the project's consistency with the Coastal Act.

Additionally, we explained to Mr. Kalaf that if the City of Los Angeles issued a CDP to develop or build a single family home on the Property, that permit would be in contravention with the requirements of the Permit that require that the Property be maintained as a public facility, as we explained in our August 3rd letter:

In fact, conditions of the Permit effectuated an obligation on the part of the owner of the subject property to maintain the recreational facilities located on the property and to keep those

facilities open and available to the public. This requirement runs with the land regardless of whether the City accepted the conveyance and regardless of transfers of the property to subsequent owners.

Mr. Kalaf claimed that he contacted Coastal Commission staff to discuss the potential of developing the public trailhead site with a private residence. It appears that Mr. Kalaf spoke with a member of our clerical staff and that he received general information about the Coastal Development Permit process. An informal conversation with a member of staff about the CDP process in general falls far short of the requirements to undertake private development on the Property, as we understand is your intention. As noted above, in order to transfer the site to a private entity and develop the site with a private residence, an amendment to CDP No. A-381-78 would be required to be issued by the Commission, after a public hearing, and moreover, because of the proposal's inconsistency with the terms of a previously issued CDP, it is likely that staff would reject such a proposal to amend the CDP.

As noted above, failure to transfer the property to a public or non-profit agency acceptable to the Executive Director of the Coastal Commission constitutes a violation of CDP No. A-381-78 and the public access provisions of the Coastal Act. Thus, penalties under Coastal Act Section 30821 will continue to accrue until the issue at hand is resolved. We are optimistic that this situation can be resolved amicably and quickly through the transfer of the property to a public or non-profit agency acceptable to the Executive Director. We are of course happy to work with you to ensure the transfer is completed as soon as possible. However, as noted above and in our previous letter, we have provided you with notice that penalties under Section 30821 are accruing and to halt such accrual the property must be transferred to a public or non-profit agency acceptable to the Executive Director.

Thank you for your attention to this matter. Please contact me by October 3, 2016 with how you intend to resolve this violation. I can be reached at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer
California Coastal Commission

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Steve Hudson, Deputy Director, CCC
Al Padilla, Regulatory Permit Supervisor, CCC

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



March 15, 2017

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
Certified Mail No. 70012510000158720861
Sent via Email to adamrossman66@gmail.com

Violation File Number: V-5-16-0106

Property location: 16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development:

1) Failure to transfer property (as identified above) to a public or non-profit agency approved by the Executive Director of the Commission, 2) privatization of a public amenity; and 3) operating and locking a gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, all in violation of CDP No. A-381-78, as amended.

Dear Mr. Rossman:

Thank you for your letter dated October 11, 2016 in response to our letter dated September 23, 2016. Our September 23rd letter explained in detail that: (1) the property¹ is subject to the requirements of a coastal development permit ("CDP"); (2) until the Coastal Act violations on the site are resolved, daily penalties are accruing pursuant to Section 30821 of the Coastal Act; and (3) there is no Commission authorization to construct private development on the Property. Through this letter, we would like to point you again to the statements in our previous letter, which in some cases are responsive to the points raised in your October 11th letter, and provide additional responses in this letter as well.

As you know, the developer of the subdivision authorized by CDP No. A-381-78, as amended ("the Permit"), Headland Properties Associates, constructed the required parking lot and bathroom at the Property in 1995. For over 20 years, the Property has been a popular public amenity enjoyed by hikers and visitors to Topanga State Park, and pursuant to the Permit, is signed as a public trailhead on both sides of Chastain Parkway West at the intersection of Calle Deborah, and at the intersections of; Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Alicante. It is our understanding that the City of

¹ The property is located at 16701 Via La Costa, Los Angeles CA; Los Angeles County (APN 4431-039-029) herein after referred to as the Property

Los Angeles operated and maintained the public restrooms and parking lot as the Permit required for 17 years.

In your October 11th letter, you claim that the permit conditions have been voided and when you purchased the Property were not aware of permit requirements that pertain to the Property and restrict it to public use. As we have described in previous communications, the Permit requirements remain in full effect. Additionally, for reasons described below, whether you knew or did not know about the Permit requirements, and we believe you were put on notice of the Permit requirements, does not diminish the effectiveness of the requirements. In sum, your arguments are 1) you did not receive notice of the Permit requirements requiring the Property to remain as a public amenity, and 2) the tax default sale at which you purchased the Property wiped out any CDP requirements pertaining to the Property.

You were noticed of the CDP requirements and they remain effective

With regard to the first argument noted above, you assert, essentially, that the Permit requirements are not effective because the Permit was not recorded on the chain of title for this Property and thus you were not aware of the requirements. Your October 11th letter asserts, "in order for a covenant or restriction to run with the land, it must be recorded on title to the property" pursuant to Civil Code Section 1468(d), and, specifically that "this requirement also applies to Coastal Development Permits." However, Civil Code Section 1468 applies to covenants between property owners and has no applicability to the effectiveness of a coastal development permit. The type of covenant to which that section 1468 applies is an agreement entered into by property owners with privity with one another. A coastal development permit is not a covenant of this type. Instead, a coastal development permit contains a set of restrictions and permissions imposed by the Coastal Commission by virtue of its statutory authority, not privity with the property owner.

Your support for the statement that the requirement to record a covenant on title also applies to coastal development permits is a quote from a legal treatise. However, the section of the treatise that you cite in your letter is limited in applicability to the Commission's Transfer Development Credit (TDC) program, as is made clear in the first sentence of the section: "The California Coastal Commission's transfer of development credits program includes a mechanism for enforceably restricting development of some parcels of land in exchange for development approval on other property." The Headlands development did not participate in the TDC program, was not subject to the requirements of this program, and thus this citation is misplaced and irrelevant to the question at hand of whether CDP conditions generally run with the land.

To that question, regardless of whether the permit was recorded on title, the requirements of previously issued CDPs run with the land, as explicitly stated in Standard Condition 7 of the CDP:

Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

Additionally, well established case law supports the position of Commission staff; for example, in *Ojavan Investors v. California Coastal Commission*, (1994) 26 Cal.App.4th 516, 527, the

court ruled that the burdens of permits run with the land once the benefits have been accepted. In this situation, the permittee had received the benefits of the permit, i.e. authorization of the "Headland" subdivision and associated development. Therefore, the "burdens" of the permit, including the designation of certain properties of the community as public recreational properties, also run with the land; in the issuance of CDP No. A-381-78, as amended, the Commission found that "the applicant was required in the original permit to mitigate the conversion of lands with recreational potential to housing by the dedication of lands with recreational value to the State...and trail-heads to the City." To that end, in order to approve the development of this entire subdivision as consistent with Coastal Act requirements, the Commission required the applicant to provide open space dedications and public access improvements, including the construction of the Temescal Ridge trailhead amenities.

Moreover, although notice is not required for the Permit to be effective, you were indeed noticed of the requirements of the CDP prior to your acquisition of the Property. When you acquired the Property, two separate documents recorded in 1981 on the chain of title for this Property reference the CDP, including the 1) Declaration of Restrictive Covenants and Agreement 81-3847 and 2) Offer of Dedication Agreement 89-1560661. The conditions of the Permit describes the requirement for the public trailhead, bathroom and parking lot that were built on the Property prior to your acquisition of the Property and which would have been clearly visible to you upon viewing the Property. Thus, even assuming that such notice was somehow required for the Permit to be effective, the title report for the Property includes reference to the Permit, therefore providing you with constructive notice of the CDP requirements that pertain to the Property. Also, the obvious presence of the public restroom and parking lot and its extensive public use provide actual notice of the public amenities on site and should have been ample reason for you to, at a minimum, thoroughly investigate the history of the site and in doing so, note the Commission's Permit condition requiring this Property to remain as a public facility. For these reasons, you had constructive and actual notice of the requirements to maintain the Property for public use prior to your acquisition of the Property.

The tax sale did not "wipe out" the CDP requirements

Your second assertion is that the Permit conditions were invalidated by the tax sale. You cite California Revenue & Taxation Code Section 3712 as support for this assertion. Section 3712 does state that encumbrances on title are extinguished when the encumbered property is sold at a tax sale; however, for a couple of reasons, this is not the case here. First, as described above, the CDP, as amended, designated the subject property for public recreational use. This designation is not an encumbrance on title that might be invalidated by a tax sale, but rather, a change to the use of the property that is not affected by a tax sale.

Second, violations of the Coastal Act that persist on a property, including violations on the subject property, constitute ongoing public nuisances, as described below, and not encumbrances on title. Thus, the tax sale had no effect on the existence of the nuisance condition or your responsibility to correct the nuisance condition.

Take the privatization of the trailhead facility for example. The trailhead facility has been a popular public amenity, as required by the Permit, for decades and has been operated by the City of Los Angeles as a public amenity for nearly as long. Transfer of the Property to a private entity whose acquisition of the Property was for the stated purpose of constructing a single family

residence on the Property, in other words to privatize the property, constitutes a change of intensity of use and a change of access to the coast.² To wit, during a telephone conversation between Mr. Ben Kalaf, a representative of Wooster, and Commission staff on August 4, 2016, Mr. Kalaf explained that once Wooster informed the City of Los Angeles ("City") of Wooster's ownership of the Property, City crews ceased maintenance activities onsite, thus eliminating the trailhead facility as a functioning public amenity.

Changes in intensity of use and changes to access to the coast constitute development under the Coastal Act. No CDP was obtained for this development, and no CDP was applied for. Any development that is undertaken in the Coastal Act without the required CDP constitutes a violation of the Coastal Act. The public amenity remains privatized, constituting a continuing violation of the Coastal Act. The Coastal Act represents a legislative declaration that acts injurious to the state's natural resources constitute a public nuisance. (Leslie Salt Co. v. San Francisco Bay Conservation etc. Com. (1984) 153 Cal. App.3d 605, 618; CEEED v. California Coastal Zone Conservation Com. (1974) 43 Cal.App.3d 306, 318.) The Coastal Act is a "sensitizing of and refinement of nuisance law." (CEEED; at 319.)

A continuing Coastal Act violation is thus also a continuing public nuisance. A property owner is liable for actions of previous owners who may have created the public nuisances on the property based on Civil Code 3483, which states:

Every successive owner of property who neglects to abate a continuing nuisance upon, or in the use of, such property, created by a former owner, is liable therefore in the same manner as the one who first created it.

The nuisance condition, i.e. privatization of a public amenity, persists on the property, and as the current property owner, you are responsible for correcting it.

Administrative Penalties for public access violations

1) Failure to transfer the Property to a public or non-profit agency approved by the Executive Director of the Commission, 2) privatization of a public amenity; and 3) operation of and locking a gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, constitute violations of the Permit and the public access provisions of the Coastal Act and, therefore, the criterion of Section 30821 has been satisfied. The penalties imposed may be in an amount of up to \$11,250, for each violation, for each day each violation has persisted or is persisting. As you know, we have notified you of the violations at issue in previous communications, including letters dated August 3, 2016 and September 23, 2016. As of this date, the Coastal Act violations at issue have not been remedied and penalties continue to accrue.

² In order for development of a single-family home on this site to be approved, the underlying CDP would need to be amended to delete the requirement that this property be used and developed for public recreational purposes. The Executive Director of the Commission would have to reject such an amendment request pursuant to California Code of Regulations Section 13166, as such a request would lessen or avoid the intended effect of a previously issued CDP. Please note that even if staff could accept such an amendment request, the application fee for a permit amendment is half the cost of the application fee for the original development, if it were applied for today. Here, staff estimates the application fee to be in excess of \$1,000,000.

Please consider this letter to reiterate our concerns with the violations of issue, and to remind you of our intent to consider pursuit of remedies under the Coastal Act, including administrative penalties pursuant to Section 30821. In order to stop the further accrual of monetary penalties, you must comply with the terms and conditions of CDP No. A-381-78, as amended, including by providing the public access required by the CDP by affecting the transfer of the Property to a government or non-profit entity that is acceptable to the Executive Director for public use.

Commission staff is preparing to refer this case to our headquarters unit for formal action to ensure timely preservation of public rights of access and assessment of monetary penalties under Section 30821. This referral is not intended to supplant the opportunity to resolve this matter consensually; rather, as we have noted in previous communications, our preference is to resolve this quickly and amicably. Please do not hesitate to contact me as soon as possible if you'd like to discuss options for securing the public's right to use this property.

Thank you for your attention to this matter. Please contact me by March 24, 2017 to discuss how you intend to resolve this violation. I can be reached at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Steve Hudson, Deputy Director, CCC
Al Padilla, Regulatory Permit Supervisor, CCC

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400
TDD (415) 597-5885

**VIA CERTIFIED AND REGULAR MAIL**

February 15, 2018

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
(Certified Receipt No. 7017 0530 0000 8132 0580)

Subject: Notice of Intent to Record Notices of Violation, and to Commence Cease and Desist Order Proceedings and Administrative Civil Penalties Proceedings

Property Location: 16701 Via La Costa, Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number 4431-039-029.

Violation Description: The placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the change in intensity of use from public park to private land, the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom, in violation of Coastal Development Permit No. A-381-78, as amended, and the resource protection and public access provisions of the Coastal Act.

Dear Mr. Rossman:

As California Coastal Commission ("Commission") staff has made you aware, multiple Coastal Act¹ violations have occurred on, and presently persist on the property located at 16701 Via La Costa, in the Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number ("APN") APN 4431-039-029. Wooster Street LLC (hereinafter "Wooster") is listed as the record owner of the aforementioned property. It is of utmost importance that this matter is resolved expeditiously given that the Temescal Ridge Trailhead, public parking lot,

¹ The Coastal Act is codified in California Public Resources Code sections 30000 to 30900. All further section references are to the Public Resources Code, and thus to the Coastal Act, except where specified that the reference is made to the Commission's regulations.

and public restrooms are situated on this nearly half acre parcel, and have all been variously subject to closure and disrepair since you took possession of this site, resulting in significant adverse impacts to public access. As my staff has expressed to you, we remain ready to work with you to resolve these impediments to public access, among other issues, amicably, and we remain open to discussing the consensual resolution of the matter through a "Consent"-Cease and Desist Order and "Consent" Administrative Penalty action ("Consent Orders"), which would then be taken to the Commission for its approval in the context of a formal hearing.

Prior to bringing an order to the Commission (either as a consent or contested order), Commission regulations² provide for issuance of a notification of the decision to initiate formal order proceedings. In accordance with those regulations, this letter notifies you of my intent, as the Executive Director of the Commission, to commence these formal enforcement proceedings to address the Coastal Act violations noted above and described herein, by recording a Notice of Violation against the property at 16701 Via La Costa in the Pacific Palisades, and by issuing either a consent or regular Cease and Desist Order and Administrative Penalty action to Wooster Street LLC.

The intent of this letter is not to discourage settlement discussions; rather it is to provide formal notice of our intent to resolve these issues through the order process, which in no way precludes a consensual resolution. Resolving this matter and providing permanent restoration of access to and maintenance of the Temescal Ridge Trailhead, parking lot and restrooms by a public or non-profit agency is critical and my staff remains ready and willing to continue working with you towards finding a mutually acceptable outcome of this longstanding Coastal Act violation. However, please note that should we be unable to reach an amicable resolution in a timely manner, this letter also lays the foundation for staff to bring a proposal to the Commission unilaterally, which proposal would include the issuance of an Order, the imposition of administrative civil penalties pursuant to Section 30821, and authorizing the Executive Director of the Commission to record a Notice of Violation of the Coastal Act on title to the property.

Background and Coastal Act Violations

In 1978 the Commission granted Coastal Development Permit A-381-78 to Headland Properties Associates (hereinafter "Headlands") for the grading of roads and the installation of utilities to accommodate a 230 unit residential tract on 1,200 acres of then undeveloped property in the Pacific Palisades. In a 1980 amendment to the permit, A-381-78A, the Commission approved the creation of four tracts, allowed a massive quantity of grading, established the total number of residential units at 740, authorized construction of commercial and instructional sites, and required the dedication of nearly 1,000 acres of land to the California Department of Parks and Recreation, the City of Los Angeles Department of Recreation and Parks and/or an acceptable private, non-profit corporation. Since this time, this permit has been amended more than a dozen times. Of particular relevance to this matter, Special Condition 7 of Amendment 1 states:

² See Sections 13181 and 13191 of Title 14 of the California Code of Regulations.

7. Park Facilities

Concurrent with the grading of Lots 86 and 87 of Tract 32184, the applicant shall construct trailhead facilities (including a 6-10 car parking lot, gates and signs) in vicinity of said Lots 86 and 87 substantially as shown in applicant's Exhibit A-1, so as to provide foot trail access to an existing trail on Temescal Ridge. The applicant shall also construct a restroom facility in the vicinity of Palisades Highlands at a location designated by the State Department of Parks and Recreation in Topanga State Park or on the dedicated lands. All facilities shall be constructed to the usual specification of the Department of Parks and Recreation, and shall be turned over to the Department for operation and maintenance.

Further, Special Condition 2 of Amendment 9 also clarified that the access amendments were actually to precede the construction of the condominiums:

2. Completion of Trail Access Improvements [Clarification of Condition 7]

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence of the completion of the following improvements to the accessibility of the dedicated open space areas. The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency.

...
d) Temescal Ridge Trailhead The applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, parking facility and bathroom concurrent with the construction of streets and utilities approved in this tract....

Finally, Amendment 11 provided more detail as to the public trailhead, signs, parking and restroom:

d) Temescal Ridge Trailhead. Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final design must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Parks and Recreation for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal from Calle Nancy as part of the other open space maintenance agreed to in this permit. More specifically the applicant shall provide a public access/recreation signange program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead....

Headlands submitted the proposed plans for the construction of the requisite public parking lot, restroom, and signage on this particular property on June 18, 1993. Once Executive Director approval was granted, construction of the aforementioned public amenities was undertaken and completed on this property pursuant to permit requirements. Even absent the requirement to dedicate this property to the City or other acceptable non-profit organization, this property was and remains the location for the public amenities. In compliance with the CDP, the applicant proposed this property for the public facility and trailhead and the Executive Director approved and authorized the public facilities to be built in this particular location, and no other. No other development, other than the public facilities, can be undertaken on this property. From the point the construction of the public facilities was completed up until the violations at issue in this letter

commenced on or about January 2014, the public had full access to these public amenities, as required by the CDP, as amended.

Commission staff was made aware of the aforementioned violations in mid-2016, at which time "Wooster Street LLC" was in escrow to sell the property to another entity, upon receiving complaints from members of the public about closures of the public parking lot, trail head, and restrooms. Note once again that no transfer of the property can occur unless it is to a government entity or non-profit acceptable to the Executive Director of the Commission. Commission enforcement staff immediately contacted the owners of the property to discuss the ongoing Coastal Act violations associated with activities undertaken at the site and followed up with a notice of violation letter on August 3, 2016 to Wooster. In this letter, staff listed the various Coastal Act violations on the property, including the closure of the public restroom and public parking facilities at the Temescal Ridge Trailhead, pointed out the fact that the unpermitted development was also functioning to preclude public use of the Temescal Ridge Trailhead and associated facilities, and noted that these were directly inconsistent with the permit conditions and the public access policies of the Coastal Act. The letter also detailed the procedures by which the various issues should be addressed, and noted the potential ramifications and civil liabilities associated with the unpermitted development under the Coastal Act. Since this initial notice of violation, Commission staff has spoken with partners of and counsel for Wooster to further discuss the unpermitted development and the potential mechanisms of resolution, followed by written correspondence dated September 23, 2016 and March 15, 2017.

As my staff has explained to you, the placement of a locked gate and appurtenant structure that blocks access to the public parking lot and public restroom facility, the locking of public restrooms, and failing to maintain the public restrooms, trailhead, and parking lot, and change in intensity of use from public park to private land, are violations of CDP No. A-381-78, as amended, and have a very serious impact on public access. This trailhead provides access to the Temescal Ridge Trail-- 5.8 miles of very heavily used hiking trails that provide views of the Pacific Ocean and allow the cresting of Temescal Peak, one of the Santa Monica Mountains highest points.

Protecting public access is a major goal and priority of the Coastal Act. For example, Section 30210 of the Coastal Act provides that:

"In carrying out the requirements of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse."

The unpermitted development at issue in this matter obstructs public access by both physically blocking use of the trailhead and facilities and by failing to maintain the facilities as required by the permit, and changes the intensity of use of this public area to a private landholding. These permit requirements run with the land and survive a tax default sale - meaning any person or entity holding title is obligated to comply therewith. *See, e.g., Ojavan Investors v California Coastal Commission*, (1994) 26 Cal. App. 4th 516, 527.

The purpose of these enforcement proceedings is to address the ongoing impediments to public use of and access to the Temescal Ridge Trailhead and the Temescal Ridge Trailhead facilities located on the Property, in violation of CDP A-381-78, as amended, and the Coastal Act. These proceedings

will propose to address these matters through the recordation of a Notice of Violation against the property and issuance of an Order that will direct you to, among other things: 1) cease from performing any additional unpermitted development, 2) develop and implement a plan to remove unpermitted development, 3) mitigate for the temporal losses caused by the unpermitted development, 4) cease all activities that block or interfere with public use of Temescal Ridge Trailhead, 5) maintain the Temescal Ridge Trailhead parking lot, signage, trailhead, and restrooms in compliance with CDP A-381-78, as amended, and 6) transfer the property to the City of Los Angeles or a not-for-profit entity approved by the Commission's Executive Director. In addition to the aforementioned items, any resolution of this matter will address Wooster's civil liability. These proceeding will also include recommendations for issuance by the Commission of an Administrative Penalty pursuant to Section 30821 of the Coastal Act.

Cease and Desist Order

By way of background, the Commission's authority to issue cease and desist orders is set forth in Section 30810 of the Coastal Act, which states, in part, the following:

(a) If the commission, after public hearing, determines that any person or governmental agency has undertaken, or is threatening to undertake, any activity that (1) requires a permit from the commission without securing the permit or (2) is inconsistent with any permit previously issued by the commission, the commission may issue an order directing that person or governmental agency to cease and desist.

Section 30810(b) of the Coastal Act states that the cease and desist order may be subject to terms and conditions that the Commission determines are necessary to ensure compliance with the Coastal Act, including removal of any unpermitted development or material.

Section 30600(a) of the Coastal Act states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land...change in the intensity of use of water, or of access thereto....

The various instances of unpermitted development at issue here, including: the placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom; and the change in intensity of use of the land from public park to privately held land, clearly constitute "development" within the meaning of the above-quoted definition and therefore are subject to the permit requirement of section 30600(a). A CDP or an amendment to the underlying CDP was not issued to authorize the subject unpermitted development. Further, as noted above, the development activities subject to this action are inconsistent with CDP A-381-78, as amended. As the unpermitted development undertaken is inconsistent with the Coastal Act and a previously issued permit, the criterion for issuance of a cease and desist order under Section 30810(a) of the Coastal Act are thus satisfied.

For these reasons, I am issuing this Notice of Intent to commence cease and desist order proceedings. The procedures for the issuance of cease and desist orders are described in Sections 13180 through 13188 of the Commission's regulations. As previously mentioned, these matters may be resolved in a consensual agreement between you and the Commission.

Notice of Violation

The Commission's authority to record a Notice of Violation is set forth in Section 30812 of the Coastal Act, which states the following:

(a) Whenever the executive director of the commission has determined, based on substantial evidence, that real property has been developed in violation of this division, the executive director may cause a notification of intention to record a notice of violation to be mailed by regular and certified mail to the owner of the real property at issue, describing the real property, identifying the nature of the violation, naming the owners thereof, and stating that if the owner objects to the filing of a notice of violation, an opportunity will be given to the owner to present evidence on the issue of whether a violation has occurred.

In our letter dated August 3, 2016, in accordance with Coastal Act Section 30812(g), Commission staff notified you of the potential for the recordation of a Notice of Violation against the property. I am issuing this notice of intent to record a Notice of Violation because unpermitted development inconsistent with the Coastal Act and CDP No. A-381-78, as amended, has been undertaken at the property, and because of the ongoing failure to comply with the conditions of the CDP, as amended, and the Coastal Act.

If you object to the recordation of a Notice of Violation in this matter and wish to present evidence to the Commission at a public hearing on the issue of whether a violation has occurred, pursuant to Section 30812(b) the property owner must specifically object, in writing, within 20 days of the postmarked mailing of this notification. The objection should be sent to the attention of Heather Johnston in the Commission's Ventura office at the address listed on the letterhead by March 8, 2018. Please include the evidence you wish to present to the Commission in your written response and identify any issues you would like us to consider. We are hopeful that we can avoid such a contested matter and work together to address these issues amicably and incorporate any such notice into a consensual resolution.

Administrative Civil Penalties, Civil Liability, and Exemplary Damages

Under Section 30821 of the Coastal Act, in cases involving violations of the public access provisions of the Coastal Act, the Commission is authorized to impose administrative civil penalties by a majority vote of the Commissioners present at a public hearing. In this case, as described above, there are significant violations of the public access provisions of the Coastal Act; therefore the criteria of Section 30821 have been satisfied. The penalties imposed may be in an amount of up to \$11,250, for each violation, for each day in which each violation has persisted or is persisting, for up to five (5) years. If a person fails to pay an administrative penalty imposed by the Commission, under Section 30821(e) the Commission may record a lien on that person's property in the amount of the assessed penalty. This lien shall be equal in force, effect, and priority to a judgment lien.

Furthermore, and as has been explained in prior correspondence, please be advised that the Coastal Act additionally provides for the imposition of civil liability (variously described as fines, penalties, and damages) by the courts for violations of the Coastal Act. Section 30820(a) provides for civil liability to be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission in an amount that shall not exceed \$30,000 and shall not be less than \$500 for each violation. Section 30820(b) provides that additional civil liability may be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with a CDP previously issued by the Commission, when the person intentionally and knowingly performs or undertakes such development, in an amount not less than \$1,000 and not more than \$15,000 per day for each day in which each violation persists. Section 30821.6 provides that a violation of a cease and desist order can result in civil fines of up to \$6,000 for each day in which each violation persists. As my staff has previously explained, courts have held that property owners are liable for violations on their property even if they were not directly and actively responsible for creating the situation. Once again, with your cooperation, it is our hope that we may resolve these issues amicably.

Response Procedure

In accordance with Sections 13181(a) of the Commission's regulations, you have the opportunity to respond to the Commission staff's allegations as set forth in this notice of intent to commence Cease and Desist Order and Administrative Penalty proceedings by completing the enclosed statement of defense ("SOD") form.

The SOD form must be directed to the attention of Heather Johnston, at the address listed below, not later than **March 8, 2018**:

California Coastal Commission
South Central Coast District
89 S. California Street, Suite 200
Ventura, CA 93001

However, should this matter be resolved via a Consent Order, an SOD form would not be necessary. In any case and in the interim, staff would be happy to accept any information you wish to share regarding this matter and may extend deadlines for submittal of the SOD form to specifically allow additional time to discuss terms of a Consent Order and to resolve this matter amicably. Commission staff currently intends to schedule the hearings of the cease and desist order and administrative penalty proceeding for the Commission's June 2018 hearing.

Resolution

It is my understanding that there has heretofore been a continued expressed desire to develop the property as a residential lot or be compensated by the State so as to forego this option. As my staff has previously iterated, this stance is not practicable given the various aforementioned constraints imposed on the property by CDP No. A-381-78, as amended, and this property cannot be developed with private development, which would lessen the clear intent of the conditionally approved CDP. However, I again note that we would like to work with you to resolve these issues amicably through the Consent Order process. While requiring compliance with the Coastal Act, a Consent Cease and Desist Order and Consent Administrative Penalty would provide you with the

Wooster - Temescal Ridge Trailhead; February 15, 2018

opportunity to have more input into the process and timing of addressing the violations and mitigating for interim losses of access caused by the unpermitted development. The consent process could potentially allow you to negotiate a penalty amount with Commission staff in order to fully resolve the violations stipulated in the Consent Orders without further formal legal action.

Another benefit of Consent Orders is that in a Consent Order proceeding, Commission staff will be presenting and recommending approval of an agreement between you and staff rather than addressing the violations through a contested hearing. Alternatively, if we are not able to reach a consensual resolution, we will need to proceed with a unilateral order at the next available hearing and we will have to address the civil liabilities via an Administrative Penalty proceeding and possibly through litigation.

Again, should we settle this matter, you do not need to expend the time and resources to fill out and return the Statement of Defense form mentioned above.

If you have any questions regarding this letter or the enforcement case, please call Heather Johnston at (805) 585-1800.

Sincerely,



John Ainsworth
Executive Director

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel
Al Padilla, Regulatory Permit Supervisor
Andrew Willis, Southern California Enforcement Supervisor
Heather Johnston, Statewide Enforcement Analyst

Encl. Statement of Defense Form for Cease and Desist Order and Administrative Penalty Proceeding

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE AND TDD (415) 904-5200
FAX (415) 904-5400

**STATEMENT OF DEFENSE FORM**

DEPENDING ON THE OUTCOME OF FURTHER DISCUSSIONS THAT OCCUR WITH THE COMMISSION ENFORCEMENT STAFF AFTER YOU HAVE COMPLETED AND RETURNED THIS FORM, (FURTHER) ADMINISTRATIVE OR LEGAL ENFORCEMENT PROCEEDINGS MAY NEVERTHELESS BE INITIATED AGAINST YOU. IF THAT OCCURS, ANY STATEMENTS THAT YOU MAKE ON THIS FORM WILL BECOME PART OF THE ENFORCEMENT RECORD AND MAY BE USED AGAINST YOU.

YOU MAY WISH TO CONSULT WITH OR RETAIN AN ATTORNEY BEFORE YOU COMPLETE THIS FORM OR OTHERWISE CONTACT THE COMMISSION ENFORCEMENT STAFF.

This form is accompanied by a notice of intent to initiate cease and desist order and administrative civil penalties proceedings before the commission. This document indicates that you are or may be responsible for or in some way involved in either a violation of the commission's laws or a commission permit. The document summarizes what the (possible) violation involves, who is or may be responsible for it, where and when it (may have) occurred, and other pertinent information concerning the (possible) violation.

This form requires you to respond to the (alleged) facts contained in the document, to raise any affirmative defenses that you believe apply, and to inform the staff of all facts that you believe may exonerate you of any legal responsibility for the (possible) violation or may mitigate your responsibility. This form also requires you to enclose with the completed statement of defense form copies of all written documents, such as letters, photographs, maps, drawings, etc. and written declarations under penalty of perjury that you want the commission to consider as part of this enforcement hearing.

You should complete the form (please use additional pages if necessary) and return it no later than March 8, 2018 to the Commission's enforcement staff at the following address:

Heather Johnston
89 S. California Street
Ste 200
Ventura, CA 32001

If you have any questions, please contact Heather Johnston at (805) 585-1800.

1. Facts or allegations contained in the notice of intent that you admit (with specific reference to the paragraph number in such document):

2. Facts or allegations contained in the notice of intent that you deny (with specific reference to paragraph number in such document):

3. Facts or allegations contained in the notice of intent of which you have no personal knowledge (with specific reference to paragraph number in such document):

- [illegible]

[illegible]

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

84

85

86

87

88

89

90

91

92

93

94

95

96

97

98

99

100

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400
TDD (415) 597-5885

**VIA REGULAR AND ELECTRONIC MAIL**

December 12, 2018

Adam Rossman
449 S. Beverly Drive
Suite 210
Beverly Hills, CA 90212

Wooster LLC
c/o Henry Levy
810 Cord Circle
Beverly Hills, CA 90048

Dear Mr. Levy;

Thank you for your correspondence to Commission staff - received electronically on December 9th and dated November 29th. We appreciate your response to our letter dated November 21st, and are heartened by your willingness to meet with staff and other relevant parties to try to craft a mutually acceptable resolution of this important Coastal Act violation. To ensure that communications and negotiations are addressed to the appropriate party, staff asks that you please clarify whether you are still represented by Mr. Rossman. Additionally, you allege both that Commission staff has admitted that it somehow erred in this process, and that you contacted a staff person at the Coastal Commission who "assured us they had no record of the property in question...." No mistake has been made by the Commission; the ongoing obligations to comply with the coastal development permit are clear - this facility is required to be maintained in perpetuity for use by the public and currently it is not. Further, staff has reviewed our records and can find reference to neither conversation; we would welcome additional information, including the names of the staffers and the dates you spoke with them, to help clarify this situation.

In your letter, in an apparent attempt to demonstrate that there is not an ongoing Coastal Act violation on the property at 16701 Via La Costa, you assert that the facility was closed for only one day. As you are aware, in addition to the locked gate that was installed to preclude access to the facility, one of the bathrooms has been locked since you took ownership of the property and remains permanently unavailable to the public. Furthermore, as staff has explained on multiple occasions, physically barring entrance to the facility is only a portion of the outstanding Coastal Act violation. Special Condition 2(d) of Amendment 11 to Coastal Development Permit ("CDP") A-381-78 requires ongoing maintenance of the restroom, parking lot, and trailhead. Failure to maintain the trailhead and facilities is a continuing violation of CDP A-381-78, as amended, and Commission staff continues to receive calls from the public regarding the filth of the one open restroom, graffiti, and trash strewn across the property. This is not only an ongoing violation of the Coastal Act but is rapidly becoming a public nuisance.

Wooster LLC - Temescal Ridge Trailhead; December 12, 2018

While staff is enthusiastic about the prospect of meeting with you to work towards a resolution of this matter, in light of previous communication issues it would perhaps make sense to first schedule a phone call to begin the process. As you are aware, staff had been working with your counsel, Mr. Rossman, for over two months on a potential resolution of this case, when, upon sending a draft consent cease and desist order to Mr. Rossman on May 8, 2018 for review, we received an email from your associate Mr. Kalaf threatening to close the entire facility and sue the Commission. While surprised by this dramatic shift in tenor, staff continued to reach out to try to ascertain what particular element or aspect of the draft order had caused such rancor. By letter dated May 11, 2018 and by phone on May 25th, staff offered to walk through the draft proposal with your counsel so as to identify areas of concern for you. Neither you nor your counsel responded to these entreaties, nor to a follow up letter dated August 29, 2018 which again sought to try to move forward amicably. In fact, your letter received December 9, 2018 is the first responsive correspondence staff has received. Therefore, in advance of a group meeting with Commission staff and Los Angeles City and County officials, we suggest a phone call with Commission staff in which we can iron out communication difficulties and make sure we are on the same page with respect to your past interactions with Commission staff and Wooster LLC's ongoing obligations with respect to 16701 Via La Costa. Such a conversation will ensure a meeting of the minds with respect to facts related to the Coastal Commission and the prior coastal development permits, and will provide a suitable vantage point from which to meet with other relevant parties. As such, please provide us with dates, times, and preferred contact information for this call with Commission staff, after which we would be happy to coordinate a large group meeting of relevant parties.

Again, thank you for your response and for your continued attention to this matter, I look forward to hearing from you regarding times for a phone conversation.

Sincerely,


Heather Johnston

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5100
FAX (415) 904-5400
TDD (415) 597-5885

**VIA REGULAR AND ELECTRONIC MAIL**

March 4, 2019

Wooster LLC
810 Cord Circle
Beverly Hills, CA 90048

Dear Messrs Kaskf and Levy:

Thank you for taking the time to speak with me on January 18th, and for your letter, which was sent electronically the same day but was dated January 9th; we appreciate your expressed willingness to enter into discussions with Coastal Commission staff to endeavor to resolve this serious Coastal Act violation on your property located at 16701 Via La Costa Drive, in the Pacific Palisades portion of Los Angeles (the "Trailhead Property"). We look forward to having a more comprehensive discussion in the near future regarding the history of the Trailhead Property and your ongoing obligations with respect thereto once you have retained counsel. In the meantime, however, I wanted to take the opportunity to address some of the statements that you made in your January 18th letter.

As a threshold matter, you indicate in your letter that "[a]t the time of auction, the only documentation we had among several bureaucracies was that the City stated it was a 'legal lot'" and that "[t]he only limitation noted a standard slope restriction." Unfortunately, these statements do not reflect the entire universe of records at your disposal; in fact, there are two documents that are recorded in the chain of title for the property (and thus retrievable by a standard title search) both of which reference the coastal development permit ("CDP") at the heart of this matter (CDP no. A-381-78): 1) Declaration of Restrictive Covenants and Agreements (Official Records of Los Angeles County, Instrument No. 1981-3847), and 2) Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for the Summit at Palisades Highlands and Notice of Addition of Territory for Palisades Drive Recreation Association (Instrument No. 89-1560661). In fact, the latter document, which is a 1989 amendment to the development's covenants, conditions, and restrictions, specifically refers to restrictions on the Trailhead Property that were imposed as part of the CDP. Wooster LLC ("Wooster") was therefore on notice of the conditions and restrictions imposed on the Trailhead Property by the Commission in the issuance of CDP A-381-78, as these documents were recorded in the chain of title to the Trailhead Property prior to your purchase. We note that, by law, such legal restrictions run with the land, and regardless of transfer of ownership or how one acquired the property, the property is subject to all of the requirements of those permit conditions, including being used as a public parking lot and restroom facility for the Temescal Ridge Trail, as is reflected in the recorded documents for the parcel.

Further, in this case, Wooster was additionally on notice that the Trailhead Property was developed and maintained for the public benefit; 1) the public bathroom and parking facilities are existent and

clearly visible on the property; and have been there since 1994, 2) there are signs located on Via La Costa directing the public to the property for parking to access the trailhead, in addition to public access signs on the Trailhead Property itself and 3) the City of Los Angeles was maintaining the facilities including the public restrooms until Wooster notified them that they should desist after Wooster took ownership. In your letter you aver that "[g]overnment agencies sell property all the time, so the fact that there were bathrooms and a parking lot on the property was not meaningful." While property owned by some governmental entities may be sold on occasion, this property was clearly an active public parking lot and restroom facility that was being used and maintained by the City, and clearly gave Wooster actual notice that this was not an undeveloped or abandoned property or one with no relevant history, and as such, that due diligence, including but not necessarily limited to a title search for restrictions, should be done prior to purchase. As discussed above, the CDP and attendant restrictions would have been clear to Wooster had they properly investigated the property prior to sale.

In your letter you lay out the steps that you claim Wooster did take prior to purchasing the property. You state that you have a "City of Los Angeles, City Planning and Building & Safety" letter dated 1/10/2014, which you claim states that the property is a "buildable lot." Even if you do have such a letter, Coastal Commission permit and regulatory authority is separate and apart from City of Los Angeles ("City") permits and zoning regulations, and an indication from the City that the property is "buildable" has no bearing on Coastal Act requirements pertaining to that property, nor does or could such a letter amend a Coastal Commission-issued permit. You additionally indicate that you spoke with an office technician at the Coastal Commission's Ventura office who directed you to the Long Beach office and that "an individual" at the Commission's Long Beach office informed you that you would need to submit a standard building application for Commission review should you wish to build. Even assuming that this conversation occurred just as you indicated, this conversation, in which staff conveyed general information on how to enter into the coastal development permit process, did not and does not certify the property as free from encumbrances or restrictions under the Coastal Act -- something only a review of applicable permits could accomplish. In fact, Commission records indicate that representatives of Wooster did not actually request to view existing permit files relating to the property until August of 2016, at which time Commission staff provided the requested permit information attached to a Notice of Violation letter dated August 3, 2016. Inquiring generally about how to get permission to build on coastal property is a vastly different undertaking from actually researching the permit history and attendant conditions and encumbrances affecting a specific parcel of real property -- a difference that anyone in the business of developing property should be well versed in. Moreover, the fact you called indicates that you were aware of the Coastal Act and potential permit issues, and the information provided by the Commission office technician, if it had any effect, was to heighten the awareness of the need for a Coastal Development Permit for any actions pertaining to the property.

You further claim in your correspondence that both the County and the Coastal Commission has made a mistake with respect to this property, and as a result of this case, "[c]hanged their way of doing business." I can assure you no mistake by Commission staff has been found, and that this case has not in fact precipitated a change in practices. It is possible that you are alleging Commission error because the staffer answering the phone did not respond to your general inquiry with a detailed description of all permit encumbrances on the property, but again, this is the type of information that requires specific information about the property in question and that someone look for relevant permits and restrictions, just the type of information gathering to be done by someone seeking to develop a property.

Moreover, even if there had been a purported mistake on behalf of an unrelated entity, it would not nullify the permit conditions on the property. You further allege that the County has now doubly erred by "refunding" the purchase price of the property to someone claiming to be Edward Miller (of Headlands Properties Associates, hereinafter "HPA"). To clarify, after the sale of the Trailhead Property at tax auction, HPA (the entity that had record title to the property prior to the foreclosure, and which had defaulted on the property taxes) filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector, and received \$333,114.65 from the sale— the value of the property at this sale, less back taxes. This is both law and standard practice after a tax sale and was not, in fact, done in error, nor was it intended to be a refund of the sale price for the purchaser.


Additionally, you state that you were never provided with keys or funds for maintenance of the public amenities required by the permit, nor were you reimbursed for the "one or two" occasions on which it was cleaned (in over two years). These claims have no bearing on the fact that the property is encumbered, and in fact it is for this specific reason that the Commission CDP required that the Trailhead Property be held by a governmental agency or an approved not-for-profit entity, to ensure that public facilities are maintained by the public as required by the permit. Instead, here, because of your ownership and (in)action, the public has been denied use of facilities that had been maintained for and used by the public for a decade, which is inconsistent with the CDP, as amended.

Finally, in several parts of your letter, you intimate that Commission staff has been unwilling to work with you to try to resolve this matter. On the contrary, we have been attempting to reach out to you and your representatives repeatedly, in an effort to resolve this matter, over many months. For example, I was in regular communication with your previous counsel, Adam Rossman, until, upon sending him a draft settlement offer in April of 2018, you sent me a somewhat confusing letter threatening to "close the place." Despite this response, staff continued to reach out to your counsel in an effort to discuss the matter and explore the possibility of finding a mutually acceptable solution to this Coastal Act violation. By letters and phone calls dated May 11th, May 25th, and August 29th, Commission staff offered to walk through the draft settlement with Mr. Rossman to allow him to identify areas of concern to Wooster so as to be able to work through them. It was not until December 9th, 2018, that we actually heard from you, in the form of a letter that, in addition to containing a number of factual inaccuracies, expressed interest in meeting to discuss the case. On December 12th, staff responded in writing, (given the difficulties staff had previously had in communicating with you) suggesting a phone call prior to an in-person meeting to help iron out those difficulties, but we again heard nothing from you until your January 18, 2019 letter. While we are pleased to have heard from you and are happy to meet and discuss this matter, we wanted to note that I have provided my direct dial and email address on a number of occasions, and have reached out a multitude of times to try to discuss the case with you and/or your counsel, and so it should be clear that we have been more than willing to listen and speak with you about this matter over the last year.

Moving forward, in order to resolve this important Coastal Act violation that is having ongoing impacts to public access and recreation, Wooster needs to transfer the Trailhead Property to the City of Los Angeles or otherwise effectuate compliance with CDP A-381-78, as amended. Whichever of the aforementioned options you choose, Commission staff is ready and willing to work with you in crafting a Consent Cease and Desist and Administrative Penalty Order that will reflect the elected resolution, as well as addressing civil liabilities. In either case, please contact staff to discuss resolution once you have found new counsel. We again note that this violation has dragged on for

many months and is having an ongoing adverse impact upon public access and is an ongoing violation of the permit for this property, and of the Coastal Act. We need to move quickly to resolve this matter and are exploring all possible options to do so. Thank you for your continued attention to this matter - we look forward to working with you to immediately restore public access to this important area.

Sincerely,



Heather Johnston

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT OFFICE
89 SOUTH CALIFORNIA STREET, SUITE 200
VENTURA, CA 93001-2801
VOICE (805) 585-1800
FAX (805) 641-1732
WWW.COASTAL.CA.GOV



VIA ELECTRONIC AND REGULAR MAIL

December 5, 2019

1205-1207 Wooster Street LLC
Attn: Mr. Kalaf & Mr. Levy
810 Cord Circle
Beverly Hills, CA 90048

henrilevy@aol.com

Dear Messers Kalaf and Levy:

The purpose of this letter is to again attempt to open a dialogue with you regarding ongoing Coastal Act violations relating to the property at 16701 Via La Costa Drive, in the Pacific Palisades portion of Los Angeles (the "Trailhead Property"). It has now been nearly a year since you have responded to correspondence from Commission staff; your last communication dated January 9, 2019, indicated that you were in the process of looking to obtain new counsel for this matter. By phone on January 18th and via letter dated March 4th 2019, staff deferred to your stated need for new counsel and requested that you contact us as soon as you had engaged new counsel. In this letter staff additionally responded to assertions raised in you January 9th correspondence; assuring you that the restrictions on use of the Trailhead Property imposed by coastal development permit A-381-78, as amended, do in fact persist and apply to you as current owner of the Trailhead Property. In addition, to also respond to assertions you made regarding the pending enforcement matter, staff provided you with preliminary information regarding the specific manner(s) by which you could resolve these violations.

As staff had not received a response from you, staff sent an additional letter on August 28, 2019. In this letter, staff reiterated willingness to meet with you and work with you in a collaborative manner to resolve this significant Coastal Act violation and again requested that you contact us in furtherance thereof. As of the date of this communication, staff has received no response from you to either of these letters. Because this Coastal Act violation continues daily to have significant negative impacts to public access and recreation, this matter needs to be addressed expeditiously. Please contact me as soon as possible to discuss resolution of the Coastal Act violations on the Trailhead Property. Further, because this violation involves public access,

1205-1207 Wooster Street LLC
December 5, 2019

Commission staff will be recommending that the Commission impose an administrative civil penalty against you pursuant to Section 30821 of the Coastal Act.

At this juncture, staff is preparing to proceed to a hearing before the Coastal Commission in February, 2020, to resolve these significant violations. If you wish to resolve this matter amicably please contact staff immediately. Again, since you have not responded to our letters in the last year and do not appear willing to resolve this matter amicably, we will be proceeding with a unilateral action against you at the February hearing. Thank you for your continued attention to this important enforcement case, I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to be "Heather Johnston", written over a horizontal line.

Heather Johnston

cc: Aaron McLendon, Deputy Chief of Enforcement

RECORDING REQUESTED BY

L.A. Dept. Recreation & Parks

MAIL TAX STATEMENT TO

L.A. Dept. Recreation & Parks

200 N. Main Street

1200 City Hall East

Los Angeles, CA 90012

WHEN RECORDED MAIL TO

Name
Street
Address
City
State
Zip

Los Angeles Dept. of
Recreation & Parks
1200 City Hall East
200 North Main Street
Los Angeles, California 90012

ORDER NO.

ESCROW NO.

RECORDERS USE ONLY

GRANT DEED (PARTNERSHIP)

The undersigned grantor(s) declare(s) :

Documentary transfer tax is \$

- () Computed on full value of property conveyed, or
() Computed on full value less value of liens and encumbrances remaining at time of sale.
() Unincorporated area () City of

Tax Parcel No.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
HEADLAND PROPERTIES ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP
hereby GRANTS to the City of Los Angeles Department of Recreation
and Parks

the real property in the County of Los Angeles, State of California, described as:

Parcel No. 1

Lot 77 Tract 32184 as per the map of said Tract filed in
Book 1182, Pages 20 through 27 inclusive, of Maps in the
Official Records of the County of Los Angeles, State of California

Parcel No. 2

An easement for pedestrians and bicycle trail purposes over
the real property described on Exhibit "A" attached hereto and
incorporated herein by this reference

HEADLAND PROPERTIES ASSOCIATES, A
California Limited Partnership

By: HEADLAND DEVELOPMENT CORPORATION,
A California Corporation

Its: General Partner

Dated: February 16, 1994

By: W. Charles Chastain
W. Charles Chastain, Vice President

STATE OF CALIFORNIA }
COUNTY OF Los Angeles } s.s.
On February 16, 1994

By: Brett LaShelle
Brett LaShelle, Assistant Secretary

before me, the undersigned, a Notary Public in and for said
County and State, personally appeared

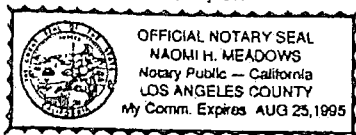
W. CHARLES CHASTAIN
AND BRETT LASHELLE

known to me to be of the partners of the partnership
that executed the within instrument, and acknowledged to
me that said partnership executed the same.

WITNESS my hand and official seal.

Naomi H. Meadows
Notary Public in and for said County and State.

Notary Seal



KRISHEL LAW OFFICES
DANIEL LEE KRISHEL
5023 PARKWAY CALABASAS
CALABASAS, CA 91302
818.883.8759

1082

11-35/1210 CA
70386

DATE

1/5/21

PAY
TO THE
ORDER OF

Government Claims Program

\$ 25.00

Twenty Five

DOLLARS

Bank of America

ACH R/T 121000358

FOR

Levy

[Signature]

⑈001082⑈ ⑆121000358⑆ 325016312470⑈

Government Claims Program

JAN 13 2021

RECEIVED



1000



95798

U.S. POSTAGE PAID
FCM LG ENV
CALABASAS, CA
91302
JAN 08 21
AMOUNT

\$9.80

R2304E106781-03

KRISHEL LAW FIRM
4500 Park Granada, Suite 202
Calabasas, Ca 91302
Long

Office of Risk and Insurance Management
Government Claims Program
P.O. Box 989052, MS414
West Sacramento, CA 95798-9052

Government Claims Program

STATE OF CALIFORNIA
GOVERNMENT CLAIM
DGS ORIM 006 (Rev. 08/19)

DEC 16 2020

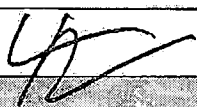
DEPARTMENT OF GENERAL SERVICES
OFFICE OF RISK AND INSURANCE MANAGEMENT

RECEIVED

#20011197

CLAIMANT INFORMATION			
LAST NAME Levy		FIRST NAME Henri	MIDDLE INITIAL
INMATE OR PATIENT IDENTIFICATION NUMBER (if applicable)		BUSINESS NAME (if applicable)	
TELEPHONE NUMBER 310 774 1628		EMAIL ADDRESS	
MAILING ADDRESS 810 Cord Circle		CITY Beverly Hills	STATE CA
		ZIP 90210	
IS THE CLAIMANT UNDER 18 YEARS OF AGE? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		INSURED NAME (Insurance Company Subrogation)	
IS THIS AN AMENDMENT TO A PREVIOUSLY EXISTING CLAIM? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		EXISTING CLAIM NUMBER (if applicable)	EXISTING CLAIMANT NAME (if applicable)
ATTORNEY OR REPRESENTATIVE INFORMATION			
LAST NAME Krishel		FIRST NAME Daniel	MIDDLE INITIAL
TELEPHONE NUMBER 818 883 8759		EMAIL ADDRESS daniel@krishellawfirm.com	
MAILING ADDRESS 4500 Park Granada, Suite 202		CITY Calabasas	STATE CA
		ZIP 91302	
CLAIM INFORMATION			
STATE AGENCIES OR EMPLOYEES AGAINST WHOM THE CLAIM IS FILED California Coastal Commission / Natural Resources Agency			DATE OF INCIDENT see attachment
LATE CLAIM EXPLANATION (Required, if incident was more than six months ago) see attachment			
DOLLAR AMOUNT OF CLAIM \$2 million dollars		CIVIL CASE TYPE (Required, if amount is more than \$10,000) <input type="checkbox"/> Limited (\$25,000 or less) <input checked="" type="checkbox"/> Non-Limited (over \$25,000)	
DOLLAR AMOUNT EXPLANATION see attachment			
INCIDENT LOCATION see attachment			
SPECIFIC DAMAGE OR INJURY DESCRIPTION see attachment			
CIRCUMSTANCES THAT LED TO DAMAGE OR INJURY see attachment			
EXPLAIN WHY YOU BELIEVE THE STATE IS RESPONSIBLE FOR THE DAMAGE OR INJURY see attachment			

AUTOMOBILE CLAIM INFORMATION		
DOES THE CLAIM INVOLVE A STATE VEHICLE? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	VEHICLE LICENSE NUMBER (if known)	STATE DRIVER NAME (if known)
HAS A CLAIM BEEN FILED WITH YOUR INSURANCE CARRIER? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	INSURANCE CARRIER NAME	INSURANCE CLAIM NUMBER
HAVE YOU RECEIVED AN INSURANCE PAYMENT FOR THIS DAMAGE OR INJURY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AMOUNT RECEIVED (if any)	AMOUNT OF DEDUCTIBLE (if any)

NOTICE AND SIGNATURE		
I declare under penalty of perjury under the laws of the State of California that all the information I have provided is true and correct to the best of my information and belief. I further understand that if I have provided information that is false, intentionally incomplete, or misleading I may be charged with a felony punishable by up to four years in state prison and/or a fine of up to \$10,000 (Penal Code section 72).		
SIGNATURE 	PRINTED NAME Henri Levy	DATE 11/09/2020

INSTRUCTIONS	
<ul style="list-style-type: none">• Include a check or money order for \$25, payable to the State of California.<ul style="list-style-type: none">• \$25 filing fee is not required for amendments to existing claims.• Confirm all sections relating to this claim are complete and the form is signed.• Attach copies of any documentation that supports your claim. Do not submit originals.	
Mail the claim form and all attachments to: Office of Risk and Insurance Management Government Claims Program P.O. Box 989052, MS414 West Sacramento, CA 95798-9052	Claim forms can also be delivered to: Office of Risk and Insurance Management Government Claims Program 707 3rd Street, 1st Floor West Sacramento, CA 95605 1-800-955-0045

Department of General Services Privacy Notice on Information Collection

This notice is provided pursuant to the Information Practices Act of 1977, California Civil Code Sections 1798.17 & 1798.24 and the Federal Privacy Act (Public Law 93-579).

The Department of General Services (DGS), Office of Risk and Insurance Management (ORIM), is requesting the information specified on this form pursuant to Government Code Section 905.2(c).

The principal purpose for requesting this data is to process claims against the state. The information provided will/may be disclosed to a person, or to another agency where the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is accounted for in accordance with California Civil Code Section 1798.25.

Individuals should not provide personal information that is not requested.

The submission of all information requested is mandatory unless otherwise noted. If you fail to provide the information requested to DGS or if the information provided is deemed incomplete or unreadable, this may result in a delay in processing.

Department Privacy Policy

The information collected by DGS is subject to the limitations in the Information Practices Act of 1977 and state policy (see State Administrative Manual 5310-5310.7). For more information on how we care for your personal information, please read the DGS Privacy Policy.

Access to Your Information

ORIM is responsible for maintaining collected records and retaining them for 5 years. You have a right to access records containing personal information maintained by the state entity. To request access, contact:

DGSORIM
Public Records Officer
707 3rd St., West Sacramento, CA 95605
(916) 376-5300

FACTS OF THE CLAIM

According to the public record, Headland Properties Associates LLC (“HPA-LLC”) purported to obtain title to the property located at 16701 Via La Costa, Pacific Palisades, CA 90272 (the “Property”) via grant deed in 2010, from a developer of the Property called “Headland Properties Associates a California limited partnership” (“HPA-LP”) (“the HPA to HPA grant deed”). (Exhibit 1)

On October 22, 2013, Claimant Henri Levy (“Levy”) purchased the property at a Los Angeles County (“the County”) tax-defaulted real property auction (“the Auction”) for \$350,000.00. The “Tax Deed To Purchaser of Tax-Defaulted Property” was recorded with the Los Angeles County Recorder’s Office on December 17, 2013 as instrument number 20131775032 (“the Tax Deed”). (Exhibit 2). About one month later, on or about January 14, 2014, Levy transferred to the property to his limited liability company known as “1205-1207 Wooster Street, LLC.” (Exhibit 3)

According to the California Coastal Commission (“CCC”) some time after the Auction, HPA LLC, filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector and received \$333,114.56 from the Auction which was the purported value of the property, less back taxes

In or about July 2016, Levy/Wooster agreed to sell the Property to a third party buyer for \$1,300,000.00. In the midst of this sale, Levy/Wooster were contacted by the CCC. On August 3, 2016, the CCC issued a “Notice of Violation of the California Coastal Act” to Wooster. (Exhibit 4) In this notice, the CCC, by and through “Jordan Sanchez Enforcement Officer” told Wooster that the Property was subject to the jurisdiction of CCC. Mr. Sanchez also stated in that letter that Coastal Development Permit “A-381-78” (“the Permit”) was violated as a result of Levy/Wooster’s “unpermitted development” which consisted of the installation of a gate placed on the property, and the locking of restrooms on the Property.

By letter dated September 23, 2016, Mr. Sanchez added a new violation and now stated that pursuant to the Permit, the Property was **“required to be transferred to a public or non-profit agency”** and that **“until the Property is transferred to a public or non-profit agency”** Wooster would be liable for daily fines of up to \$11,250 per day. The CCC letter concluded by stating **“failure to transfer the property to a public or non-profit agency acceptable to the...Coastal Commission constitutes a violation of the Coastal Act”** and that **“penalties...will continue to accrue until the issue at hand is resolved.”** (Exhibit 5)

By letter dated March 15, 2017, Mr. Sanchez stated that “It is our understanding that the City of Los Angeles operated and maintained the public restroom and parking lot as the Permit

required for 17 years.” In this letter, Mr. Sanchez stated that as a result of Wooster’s actions, the Property “remains privatized, constituting a continuing violation of the Coastal Act as long as Wooster refused to transfer the Property to a public or non-profit agency approved by CCC. (Exhibit 6)

In a letter dated February 15, 2018, the CCC by and through “John Ainsworth, Chief of Enforcement” again demanded the Property be transferred to a public or non-public agency and that failure to so transfer constituted a Coastal Act violation. (Exhibit 7)

In a letter dated December 12, 2018 to Levy, the CCC by and through “Heather Johnston, Chief of Enforcement” stated “No mistake has been made by the Commission; the ongoing obligations to comply with the coastal development permit are clear...” (Exhibit 8) In a letter dated March 4, 2019 Ms. Johnston wrote “I can assure you no mistake by Commission staff has been found...” (Exhibit 9) That letter also stated: “after the sale of the Trailhead Property at tax auction, HPA (the entity that had record title to the property prior to the foreclosure, and which had defaulted on the property taxes) filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector and received \$333,114.56 from the sale – the value of the property at this sale, less back taxes. This is both law and standard practice after a tax sale and was not, in fact, done in error...” The letter ended by once again demanding that Wooster transfer the Property “to the City of Los Angeles...” By letter dated December 5, 2019, Ms. Johnston wrote to Mr. Levy and stated: “the restrictions...imposed by ...[the Permit]...do in fact persist and apply to you as current owner of [the Property]. (Exhibit 10)

In September 2020, Claimant discovered for the first time, the existence of an actual grant deed that it had never before seen nor knew about; this newly discovered grant deed was never recorded and was concealed by the City and the CCC from public view; the grant deed purports to show HPA-LP transferring title to the Property to “the City of Los Angeles Department of Recreation and Parks” (“the City grant deed”). (See Exhibit 11) Thus, according to the City grant deed, the transfer of the Property to the City of Los Angeles (“the City”) occurred on February 16, 1994 – 22 years prior to CCC’s incessant demands that Levy/Wooster transfer that exact same property, also to the City.

Furthermore, during this intervening 22 year period, the City never transferred the Property to anyone nor did they, nor the County, State, CCC, ever record any document that would notify potential purchases of the existence of the City grant deed. Despite the existence of the City grant deed, the CCC continued to act as if it never existed as evidenced by their letters set forth above: 9/23/16 CCC demands the Property “be transferred to a public or non-profit agency”; 3/15/17 CCC states violations exist “as long as Wooster refused to transfer the Property to a public or non-profit agency; 2/15/18 CCC demands the Property be transferred to a public or

non-public agency; 12/12/18 CCC states “No mistake has been made by the Commission”; 3/4/19 CCC states “I can assure you no mistake by Commission staff has been found...”; 12/5/19 CCC states “the restrictions...imposed by ...[the Permit]...do in fact persist and apply to you as current owner of [the Property].” So not only did the CCC not disclose the existence of the city grant deed, it repeated wholly misleading statements over a period of years, that would lead any reasonable observer to believe no such deed existed.

Despite the opportunity over a period of more than 20 years to truthfully disclose to the public (by recording the appropriate document) and Levy/Wooster of the actual facts concerning the Property and the existence of the city grant deed, the CCC saw no need to even acknowledge its existence or to disclose it to the public, and instead continued with its bizarre charade in demanding Levy/Wooster do what HPA-LP had already done: execute a grant deed to the City.

Despite the existence of the City grant deed, neither the City of Los Angeles, County of Los Angeles nor State of California, by and through the CCC ever took any action to object or question the validity of the HPA-HPA grant deed that executed some sixteen years *after* the known existence of the City grant deed. Instead, all of these governmental entities chose to stay silent and to affirmatively conceal, the City grant deed’s existence.

If what the CCC contends in its assorted notices of violations sent to Wooster is true, the Property is tax exempt and the Auction never should have taken place and Levy never should have been permitted to buy the Property. Furthermore, the City, County, State and CCC were all on notice that an unsuspecting person like Levy could buy the property at the Auction having absolutely no knowledge of the City grant deed – ***because the exact same thing had previously happened to another unsuspecting buyer***: Several years prior to the Auction, the County had held a tax default auction on the same property. It was subsequently brought to the County’s attention that the auction was improper (because the property was tax exempt and no taxes were owed) and the auction sale was rescinded and the successful bidder was refunded the purchase price (“the rescinded auction”).

Notwithstanding the rescinded auction, neither the City, County, State or CCC ever took any remedial or corrective action (e.g. like recording the City grant deed or another notice) to insure yet another unsuspecting bidder (like Levy) did not also bid on the Property and end up buying the property that never should have been placed up for auction in the first place. Had Levy known of the facts as asserted by the CCC in its assorted notices of violations or had it known of the City grant deed, he never would have bid at the Auction and taken title to the Property. Levy and Wooster file this claim at this time because the existence of the City grant deed was only just discovered in September 2020 when the CCC sent it to Levy’s counsel.

DAMAGES AS RESULT OF THE CITY, COUNTY, STATE, CCC

NEGLIGENCE AND FRAUD

Because of the failure by the City, County, State and CCC to properly record any documents that would put prospective purchasers on notice of the assorted restrictions on the Property that allegedly prohibit sale or development of the Property and the failure to record the City grant deed, and because of the Auction itself, Claimants should be deemed to hold title free and clear of any such restrictions alleged by the CCC in their assorted notices of violations.

Furthermore, and wholly apart from the title issues and failure of the parties to record proper notices concerning the Property's restrictions and the existence of City grant deed, if it is determined the restrictions claimed by the CCC are valid and enforceable, then Claimant Levy will have bid and paid for the Property and his company (Wooster) will be stuck with a property that never should have been placed up for auction, and for which the CCC is demanding the property be transferred *for free*, to the City. The CCC interfered with the Property's sale and has refused to allow Wooster to sell or develop the property or to do *anything* with the property except execute a grant deed of the Property to the City for exactly *zero consideration*. As a result of this entire fiasco and the combined negligent and fraudulent acts of the City, County, State and CCC, Claimants have been damaged in the amount of \$2 million dollars, which includes loss of the purchase price, loss of profits on the planned sale of the Property, loss of rental or other income that could have been generated by the property, plus interest.

This page is part of your document - DO NOT DISCARD



20100262929



Pages:
0011

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

02/26/10 AT 11:34AM

FEES:	46.00
TAXES:	NEPR
OTHER:	0.00
PAID:	NEPR



LEADSHEET



201002260030016

00001983941



002558981

SEQ:
01

DAR - Counter (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

E534541

Exhibit 38

1

RECORDING REQUESTED BY:

Chicago Title Company

Mail Tax Statements to *file*
WHEN RECORDED MAIL TO:

HEADLAND PROPERTIES ASSOCIATES, LLC
11726 San Vicente Boulevard, Suite 235
Los Angeles, California 90029



SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

Grant Deed

TITLE ORDER NO.: 71066439-X49

APN's

4431-040-012; -017; -019
4431-008-005; -094
4431-014-010
4431-039-010; -012
4431-035-018
4431-042-025
4431-039-029

4431-023-012, 67, 11.

3

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

HEADLAND PROPERTIES ASSOCIATES, LLC
11726 San Vicente Boulevard, Suite 235
Los Angeles, California 90049

GRANT DEED

The undersigned grantor declares:



Documentary transfer tax shown by unrecorded separate affidavit pursuant to R&T Code §11932

() computed on full value of property conveyed, or

() computed on full value, less value of liens and encumbrances remaining at time of sale

x City of Los Angeles

FOR VALUE RECEIVED, HEADLAND PROPERTIES ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP ("Grantor"), grants to HEADLAND PROPERTIES ASSOCIATES, LLC, a California limited liability company ("Grantee"), all that certain real property (the "Property") situated in the County of Los Angeles, State of California, described on Exhibit A attached hereto and by this reference incorporated herein.

THE PROPERTY IS CONVEYED TO GRANTEE SUBJECT TO:

(a) All liens, encumbrances, easements, covenants, conditions and restrictions of record, including any matters shown on any subdivision or parcel map affecting the Property;

(b) All exceptions appearing in a certain policy of title insurance for the Property issued to the Grantee as of the date hereof;

(c) All matters which would be revealed or disclosed in an accurate survey of the Property;

(d) All matters which would be revealed or disclosed by a physical inspection of the Property;

(e) Interests of tenants in possession;

(f) Liens for taxes for real property and personal property, and any general or special assessments against the Property; and

(g) Zoning ordinances and regulations and any other laws, ordinances, or governmental regulations restricting or regulating the use, occupancy or enjoyment of the Property.

4

IN WITNESS WHEREOF, Grantor has executed this Grant Deed effective as of the date it is recorded in the Official Records of Los Angeles County.

HEADLAND PROPERTIES ASSOCIATES,
A CALIFORNIA LIMITED PARTNERSHIP

By: Headland-Pacific Palisades, LLC,
a California limited liability company
Sole General Partner

By: Metropolitan Life Insurance Company,
a New York corporation
Managing Member

By: [Signature]
Title: Director

State of California

County of Los Angeles

On February 5, 2010, before me, Diana K. Dantic, NOTARY PUBLIC, personally appeared John D. Menne who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)



5

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On February 5, 2010 before me, Diana K. Dantic, Notary Public

personally appeared John D. Menne

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Diana K. Dantic

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document

Description of Attached Document

Title or Type of Document _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

6

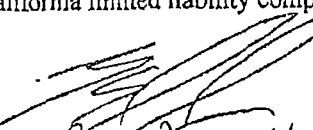
NOTICE OF ACCEPTANCE

The real property conveyed by the attached Grant Deed is hereby accepted by Grantee.

HEADLAND PROPERTIES ASSOCIATES, LLC,
a California limited liability company

By:

Its


Edward Miller
Manager

State of California

County of Los Angeles (ESP)

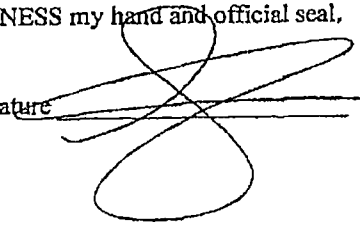
On February 10th, 2010, before me, Elma F. Barrow (Notary Public), personally appeared Edward John Miller, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal,

Signature

(Seal)





CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On 02/17/2010 before me, Elma Fadhilli Barrow (Notary Public)
(Here insert name and title of the officer)

personally appeared Edward Miller

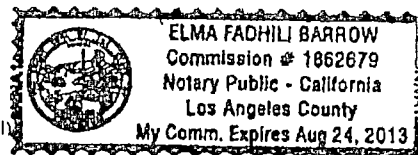
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Quitclaim Deed

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
☐ Corporate Officer

(Title)

- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please, check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits; otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - Indicate title or type of attached document, number of pages and date.
 - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

EXHIBIT A

8

PARCEL 1:

LOTS "C" AND "D" OF TRACT NO. 31071, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 817 PAGES 58 THROUGH 75 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 2:

LOT 129 OF TRACT NO. 31075, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 838, PAGES 7 TO 15 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 3:

LOT 52 OF TRACT NO. 32186, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1122 PAGES 58 TO 65 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

9

EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THE NORTHERLY LINE OF LOT 3 OF AMENDED MAP OF TRACT NO. 32184, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN SAID COUNTY RECORDER'S OFFICE AS BEARING NORTH 89° 13' 53" EAST 124.72 FEET ON SAID MAP; THENCE CONTINUING ALONG THE WESTERLY PROLONGATION OF SAID NORTHERLY LINE

1. SOUTH 89° 13' 53" WEST 6.50; THENCE
2. SOUTH 5° 49' 05" EAST 55.84 FEET; THENCE
3. SOUTH 19° 01' 42" EAST 45.82 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 3; THENCE ALONG THE WESTERLY BOUNDARY OF SAID LOT 3
4. NORTH 12° 42' 08" WEST 67.34 FEET; THENCE
5. NORTH 1° 03' 00" EAST 33.28 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THE NORTHEASTERLY LINE OF LOT 4 OF SAID AMENDED MAP OF TRACT NO. 32184, SHOWN AS BEARING NORTH 72° 05' 22" WEST 117.12 FEET ON SAID MAP; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF SAID NORTHEASTERLY LINE

1. NORTH 72° 05' 22" WEST 7.00 FEET; THENCE
2. SOUTH 16° 55' 14" WEST 49.97 FEET TO THE SOUTHWESTERLY TERMINUS OF THAT COURSE SHOWN AS BEARING SOUTH 24° 54' 44" WEST ALONG THE WESTERLY BOUNDARY LINE OF SAID LOT 4; THENCE ALONG SAID COURSE
3. NORTH 24° 54' 44" EAST 50.34 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THE NORTHEASTERLY LINE OF LOT 5 OF SAID AMENDED MAP OF TRACT NO. 32184, SHOWN AS BEARING NORTH 49° 42' 09" WEST 101.18 FEET ON SAID MAP; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF SAID LINE

10

1. NORTH 49° 42' 09" WEST 4 00 FEET, THENCE
2. SOUTH 38° 58' 23" WEST 82 92 FEET TO THE SOUTHWESTERLY TERMINUS OF THAT COURSE SHOWN AS BEARING NORTH 41° 44' 14" EAST ALONG THE NORTHWESTERLY BOUNDARY LINE OF SAID LOT 5; THENCE ALONG SAID COURSE
3. NORTH 41° 44' 14" EAST 82 92 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 4:

LOT 65 OF TRACT NO. 44651, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1131 PAGES 7 TO 14 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 5.

LOTS 41, 42, 43 AND 77 OF AMENDED TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

PARCEL 6:

LOT "L", SHOWN AS CALLE NANCY (NOW KNOWN AS VIA PACIFICA), AND LOT "H", SHOWN AS CALLE ALICANTE (NOW KNOWN AS VIA LA COSTA), AS SHOWN ON THE MAP OF AMENDED TRACT NO. 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGES 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM LOT "H", THAT PORTION LYING NORTHERLY OF THE WESTERLY PROLONGATION OF LOT 41 OF SAID AMENDED TRACT NO. 32184.

ALSO EXCEPT THEREFROM ALL UNDERLYING MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME FROM ANY PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND AT ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT, AND REMOVAL OF THE SAME, AS EXCEPTED AND RESERVED BY GEORGE E. VOLLMERS, TRUSTEE, IN DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 528, OFFICIAL RECORDS, AND BY DEED RECORDED DECEMBER 30, 1960 IN BOOK D-1079 PAGE 532, OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

This page is part of your document - DO NOT DISCARD



20131775032



Pages:
0002

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

12/17/13 AT 02:59PM

FEES:	15.00
TAXES:	1,960.00
OTHER:	0.00
PAID:	1,975.00



LEADSHEET



201312172890009

00008657575



005938691

SEQ:
79

DAR - Mail (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

E492340

Exhibit 38

2

RECORDING REQUESTED BY

COUNTY OF LOS ANGELES
DEPARTMENT OF TREASURER
AND TAX COLLECTOR

AND WHICH RECORDED MAIL TO

HENRI LEVY
810 CORD CIRCLE
BEVERLY HILLS, CA 90210



2

Document Transfer Tax - computed on full value of property conveyed \$ 385.00
City Transfer Tax \$ 1,575.00
Survey Fee \$ 0.00

Leahha Lipson
Signature of Declarant

TAX DEED TO PURCHASER OF TAX-DEFAULTED PROPERTY

On which the legally levied taxes were a lien for FISCAL YEAR 1999 - 2000
and for nonpayment were duly declared to be in default. DEFAULT NUMBER 4431-039-029

This deed, between the Treasurer and Tax Collector of Los Angeles County ("SELLER") and
HENRI LEVY - A MARRIED MAN AS HIS SOLE & SEPARATE PROPERTY

("PURCHASER"), conveys to the PURCHASER the real property described herein which the SELLER sold to the
PURCHASER BY AGREEMENT on **October 22, 2013** pursuant to a statutory power of sale in accordance with the
provisions of Division 1, Part 6, Chapter 7, Revenue and Taxation Code, for the sum of \$ 350,000.00
No taxing agency objected to the sale.

In accordance with the law, the SELLER hereby grants to the PURCHASER that real property situated in said county,
State of California, last assessed to, **HEADLAND PROPERTIES ASSOCIATES L LC**

described as follows: ASSESSOR'S PARCEL NUMBER 4431-039-029

TR=32184A LOT 77

STATE OF CALIFORNIA } ss.
County of Los Angeles

EXECUTED ON December 5, 2013

MARK J. SALADINO
TREASURER AND TAX COLLECTOR
of the County of Los Angeles,
State of California

By *[Signature]*
Deputy Tax Collector

On December 5, 2013, before me personally appeared KATHLEEN GLOSTER who proved to me on
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that
by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s)
acted, executed the instrument. I certify under penalty of perjury under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Location: City of LOS ANGELES

Sale No. 2013A Item No. 06834

Dean C. Logan
REGISTRAR-RECORDER/COUNTY CLERK
of the County of Los Angeles,
State of California

By *Leahha Lipson*
Deputy County Clerk



This page is part of your document - DO NOT DISCARD



20140047667



Pages:
0005

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

01/15/14 AT 02:08PM

FEES:	31.00
TAXES:	0.00
OTHER:	0.00
PAID:	31.00



LEADSHEET



201401150940018

00008762358



005986998

SEQ:
01

DAR - Counter (Upfront Scan)



THIS FORM IS NOT TO BE DUPLICATED

Exhibit 38

E220506

3

RECORDING REQUESTED BY:

1205-1207 Wooster Street, LLC

AND WHEN RECORDED MAIL TO
& MAIL TAX STATEMENT TO:

1205-1207 Wooster Street, LLC
4936 Triggs Street
Commerce, CA 90022

APN: 4431-039-029

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

Recording Requested by:

1205-1207 Wooster Street, LLC

When Recorded Mail To:

1205-1207 Wooster Street, LLC

4936 Triggs Street

Commerce, CA 90022

Space above this line for Recorder's use

APN: 4431-039-029

GRANT DEED

THE UNDERSIGNED GRANTOR DECLARES:

DOCUMENTARY TRANSFER TAX IS \$-0-*****

(X) COMPUTED ON FULL VALUE OF PROPERTY CONVEYED, OR

() COMPUTED ON FULL VALUE, LESS VALUE OF LIENS AND ENCUMBRANCES
REMAINING AT THE TIME OF THE SALE

() UNINCORPORATED AREA: (X) CITY OF LOS ANGELES, AND

FOR VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED,

HENRI LEVY, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY

HEREBY GRANTS TO

1205-1207 WOOSTER STREET, LLC, a CALIFORNIA LIMITED LIABILITY COMPANY

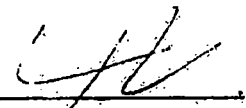
THE FOLLOWING DESCRIBED REAL PROPERTY IN THE CITY OF BEVERLY HILLS, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT A

**** THE GRANTOR AND GRANTEE IN THIS CONVEYANCE ARE COMPRISED OF THE SAME
PARTIES WHO CONTINUE TO HOLD THE SAME PROPORTIONATE INTEREST IN THE
PROPERTY, R&T CODE § 11923(D)

DATED: January 14, 2014

GRANTOR'S SIGNATURE:


HENRI LEVY

*see attached California All-purpose Acknowledgment

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 77, OF TRACT NO: 32184, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1182 PAGE(S) 20 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM, TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME.

I. ALL OIL RIGHTS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, TO ALL GEOTHERMAL HEAT AND TO ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES"); AND

II. THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND TO PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM SAID LOT, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN SAID LOT, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF SAID LOT, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF SAID LOT, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE UPPER FIVE HUNDRED FIFTY FEET (550') OF THE SUBSURFACE OF SAID LOT, AS RESERVED IN DEEDS.

PARCEL 2:

NONEXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS, DRAINAGE, MAINTENANCE, REPAIRS AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION, THE MASTER DECLARATION AND THE DRIVE DECLARATION, ANY AMENDMENTS THERETO.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California.

County of Los Angeles

On January 14, 2013 before me, Stacy Song-Yi Han, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Henri Levy
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Signature]
Signature of Notary Public

Place Notary Seal Above:

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Grant Deed APN: 4431-039-029

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____ ☐ Corporate Officer — Title(s): _____

☐ Individual ☐ Individual

☐ Partner — ☐ Limited ☐ General ☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact ☐ Attorney in Fact

☐ Trustee ☐ Trustee

☐ Guardian or Conservator ☐ Guardian or Conservator

☐ Other: _____ ☐ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Océangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



**NOTICE OF VIOLATION OF THE CALIFORNIA COASTAL ACT
REGULAR AND CERTIFIED MAIL**

August 3, 2016

1205-1207 Wooster Street LLC

c/o Adam S. Rossman

4936 Triggs Street

Commerce, CA 90022

Sent Via Email to mkrief@charter.net and adamrossman66@gmail.com

Violation File Number:

V-5-16-0106

Property location:

16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development¹:

The placement of a locked gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, and in violation of CDP No. A-381-78, as amended.

Dear Mr. Rossman

As you may know, the California Coastal Act² was enacted by the State Legislature in 1976 to provide long-term protection of California's 1,100-mile coastline through implementation of a comprehensive planning and regulatory program designed to manage conservation and development of coastal resources. The California Coastal Commission ("Commission") is the state agency created by, and charged with administering, the Coastal Act. In making its permit and land use planning decisions, the Commission carries out Coastal Act policies, which, amongst other goals, seek to protect and restore sensitive habitats; protect natural landforms; protect scenic landscapes and views of the sea; protect against loss of life and property from coastal hazards; and provide maximum public access to the sea.

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all development on the subject property that is in violation of the Coastal Act and/or that may be of concern to the Commission. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development.

² The Coastal Act is codified in sections 30,000 to 30,900 of the California Public Resources Code. All further section references are to that code, and thus, to the Coastal Act, unless otherwise indicated.

This letter is to confirm our August 2, 2016 phone conversation with Mr. Marc Krief, realtor for the owner of the property located at 16701 Via La Costa in the Pacific Palisades area of the City of Los Angeles, Los Angeles County Assessor's Parcel Number ("APN") 4431-039-029 ("subject property"), in which we explained that the locked gates and restrooms constitute a violation of the Coastal Act and Coastal Development Permit No. A-381-78, as amended. We also explained that the subject property must remain as open space and pursuant to CDP No. A-381-78 as amended the public parking lot and restrooms must remain open for public use and I informed Mr. Krief that under California Real Estate Law he is required to disclose this information to any potential buyers. This letter is also to notify you of the Coastal Act violations on the subject property and to inform you of the Coastal Development Permit history associated with this property and the surrounding subdivision, including that the Commission required, through its approval of CDP No. A-381-78, as amended ("the Permit"), that the applicant construct a public parking lot and public restroom facilities on the subject property, and that the subject property be included in the public park system. We understand that the subject property is currently in escrow and this letter is to also inform you that the closure of the public amenities on the subject property are a violation of the Coastal Act and the Permit, and the development of a single family home or any other structure would also be inconsistent with the terms and conditions of the Permit and could not be approved. The subject property must remain as open space and the public amenities must remain open and available for public use, as discussed in more detail below.

Our staff has confirmed that unpermitted development activities and development inconsistent with the Permit have occurred on the above-listed property owned by 1205-1207 Wooster Street LLC including, but not limited to, the placement of a locked gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, and in violation of CDP No. A-381-78, as amended. These activities occurred on the subject property in violation of the terms and conditions of the Permit. The subject property is located within the Coastal Zone.

Unpermitted Development

Commission staff has researched our permit files and finds no evidence that coastal development permits have been issued to close the public restroom and parking facilities that were required to be built, and were built, as a condition of the Permit. Pursuant to Section 30600(a), any person wishing to perform or undertake development in the Coastal Zone must obtain a coastal development permit in addition to any other permit required by law. Any development activity conducted in the Coastal Zone, unless otherwise exempt, which is not the case here, without a valid coastal development permit constitutes a violation of the Coastal Act.

"Development" is defined, in relevant part, by Coastal Act Section 30106 as:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought

about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvest of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations....(emphasis added)

The above-described activities involve unpermitted closure of a public parking lot and restroom facility and placement or erection of solid materials, including locked fencing that blocks entry to the public area, all of which involve violations of the access policies of the Coastal Act. Thus, the above-described activities constitute development under the Coastal Act.

Background

The Commission granted Coastal Development Permit No. A-381-78 to Headlands Properties in 1979 for grading, construction of roads and placement of utilities to accommodate a 230-unit residential tract within an "Urban Limit Line" established by the CDP, in the Santa Monica Mountains in the Pacific Palisades area of the City of Los Angeles. There were several subsequent amendments to this permit, the most pertinent of which is addressed below.

The underlying CDP was amended on May 21, 1980, and authorized four tracts, established the total number of dwelling units at 740, created an extended Urban Limit Line, allowed massive grading for roadways and building pads within that Urban Limit Line, authorized the construction of a church and two sites for commercial development (2 acres total), and required the dedication in fee of approximately 1,000 acres of public open space, the area outside the Urban Limit Line, to State Parks, the City of Los Angeles Department of Recreation and Parks, and/or a private, non-profit corporation acceptable to the Executive Director. Special Condition 7 of CDP A-381-78-A required the applicant to construct public trailhead facilities, including a 6-10 car public parking lot, gates, public access signs, and public restroom facilities, so as to provide foot trail access to Temescal Ridge and the Temescal Ridge Trail. All facilities were to be constructed to specifications of the State Department of Parks and Recreation and turned over to the Department for operation and maintenance. Later amendments to the Permit reaffirmed this requirement to construct the public improvements on the subject property.

Because the Trailhead facilities were not located on lands contiguous to the Topanga State Park Acquisition, the applicant requested to amend the condition to substitute the City of Los Angeles as the recipient of the Trailhead area, along with responsibility for its maintenance. As a result, the Commission imposed Special Condition 8d of A-381-78-A7 and later strengthened it through Special Condition 2 of A-381-78-A11, which states:

Temescal Ridge Trailhead: Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle Nancy as part of the other open space maintenance agreed to in this permit. More

specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead. The program shall include, at a minimum, posted signs located on both sides of Chastain Parkway West at the intersection of Calle Deborah. Signs shall also be posted at the intersections of Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Allicante.

The applicant submitted the proposed plans on June 18, 1993 for the construction of the public parking lot, restroom, and signage on the subject property, as required by the Permit, and the Executive Director approved these plans. The applicant then constructed the public amenities on the subject property thereafter and, up until the unpermitted activities occurred, these facilities were open and available to the public and were heavily used by the public to access the Temescal Ridge Trail.

Public Access Violation

The unpermitted development at issue is inconsistent with the public access policies of the Coastal Act, including the following policy:

Section 30210 states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

The subject unpermitted development obstructs public access because the parking lot that is obstructed by the unpermitted gate at issue affords public pedestrian access to the Temescal Ridge Trail and other heavily used public hiking trails in the adjacent Topanga State Park. In fact, conditions of the Permit effectuated an obligation on the part of the owner of the subject property to maintain the recreational facilities located on the property and to keep those facilities open and available to the public. This requirement runs with the land regardless of whether the City accepted the conveyance and regardless of transfers of the property to subsequent owners. Section 30821 authorizes the Commission to impose civil penalties on anyone who violates the Coastal Act's public access provisions, with exceptions not applicable here. The penalties imposed can be up to \$11,250 per day for each day that each violation persists. We would like to resolve these issues and secure the removal of the above-described impediments to public access.

Resolution

In some cases, violations involving unpermitted development may be resolved administratively by removal of the unpermitted development and restoration of any damaged resources. Therefore, in order to resolve this matter administratively, you must remove the unpermitted development and restore the site to its pre-violation condition by removing the locked gate to the parking lot and unlocking the restrooms. In addition, as noted above, Section 30821 authorizes

the Commission to impose civil penalties on anyone who violates the Coastal Act's public access provisions. The penalties imposed can be up to \$11,250 per day for each day that each violation persists, for up to five years.

In order to resolve this matter in a timely manner and reduce the possibility of a monetary penalty or fine, we are requesting the immediate removal of the unpermitted development and restoration of the site. Please contact me by no later August 10, 2016, regarding how you intend to resolve this violation.

Enforcement Remedies

Although we would prefer to resolve this matter amicably, please be aware that Coastal Act Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that requires a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist.

A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act. Section 30811 also provides the Coastal Commission the authority to issue a restoration order to address violations at a site. A violation of a cease and desist order or restoration order can result in civil fines of up to \$6,000 for each day in which the violation persists.

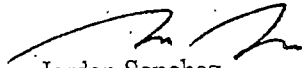
Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who "knowingly and intentionally" performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which each of the violations persist.

Furthermore, this letter is to provide you with notice that there are unresolved Coastal Act violations on the subject property. While liability for Coastal Act violations attaches to the person or persons originally responsible for said violations (and continues to do so even if they no longer own the property), liability additionally attaches to whomsoever owns the property upon which a Coastal Act violation persists (see *Leslie Salt Co. v. San Francisco Bay Conservation and Development Com.* [1984], 153 Cal. App.3d 605, 622). Therefore, any new owner(s) of the subject property will assume liability for, and the duty to correct, any remaining violations. Under California Real Estate law, if you plan to sell the subject property, it is incumbent upon you to inform any potential new owner(s) of the same. To that end, Section 30812 authorizes the Executive Director to record a Notice of Violation against any property determined to have been developed in violation of the Coastal Act. If the Executive Director chooses to pursue that course, you will first be given notice of the Executive Director's intent to record such a notice. If a notice of violation is ultimately recorded against your property, it will serve as notice of the violation to all successors in interest in that property.

Wooster Street LLC (V-5-16-0106)
August 3, 2016
Page 6 of 6

Thank you for your attention to this matter. We look forward to working with you to resolve this matter. If you have any questions regarding this letter or the pending enforcement case, please feel free to contact me at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer
California Coastal Commission

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Al Padilla, Regulatory Permit Supervisor, CCC
Ralph Avila, Senior Planner, City of Los Angeles
Marc Krief, Realtor for property owner

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



September 23, 2016

1205-1207 Wooster Street LLC

c/o Adam S. Rossman

4936 Triggs Street

Commerce, CA 90022

Sent via Email to adamrossman66@gmail.com

Violation File Number: V-5-16-0106

Property location: 16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development:

1) Failure to transfer property (as identified above) to a public or non-profit agency approved by the Executive Director of the Commission, and 2) the placement of a locked gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, and in violation of CDP No. A-381-78, as amended.

Dear Mr. Rossman:

Thank for your letter dated August 18th, 2016 in response to our Notice of Violation letter dated August 3rd, 2016, and for speaking with our staff on August 4th, 2016. We also appreciate that you've opened the gate that was blocking access to the public parking lot and public restrooms described above. Commission staff continues to be optimistic that this matter will be resolved amicably. Initially though, through this letter we would like to provide our response to your August 18th letter and also correct some of the statements you attributed to us in your letter.

Daily Penalties are Accruing

The transfer of 16701 Via La Costa ("the Property") to 1205-1207 Wooster Street LLC ("Wooster") via the Tax Default Sale is inconsistent with the terms and conditions of Coastal Development Permit A-381-78 ("the Permit"), as amended. Pursuant to the Permit, the trailhead facilities including the public restrooms and public parking lot, and underlying property, located at 16701 Via La Costa were required to be transferred to a public or non-profit agency that is acceptable to the Executive Director of the Commission for purposes of management as a public amenity. Wooster is not a "public or non-profit agency approved by the Executive Director". Therefore, until the Property is transferred to a public or non-profit agency acceptable to the Executive Director of the Coastal Commission to maintain and operate the public restroom and public parking lot, non-compliance with the conditions of a coastal development permit will

continue, and administrative penalties provided for in Section 30821, which are up to \$11,250 per day fine for blocking public access will continue to accrue.

To the contrary, in the third paragraph of your letter, you reference Commission staff's telephone conversation with Mr. Kalaf in which you assert that staff "agreed that the Coastal Commission would abate the daily fine referenced in your [Commission staff's] letter until we are able to resolve the matter of ownership of the property." This does not accurately reflect staff's position, as conveyed to Mr. Kalaf. Our position regarding accrual of penalties pursuant to Section 30821 is summarized above. Staff never agreed to abate the \$11,250 per day fine for blocking public access pursuant to Section 30821 of the Coastal Act. Staff did however convey to Mr. Kalaf that the penalties will accrue until this matter is resolved.

The Site is Subject to Requirements of a CDP

In the fourth paragraph of your letter you assert that Commission staff claimed the State of California owns the Property (16701 Via La Costa). Neither in our August 3rd letter, nor over the phone, did we claim that the State of California owns or has ever owned the Property. However, the Property is subject to the requirements of CDP No. A-381-78, as amended, which are described in the Background section of our August 3rd Notice of Violation letter. In the August 3rd letter, we also provided you with the history of the Permit, which authorized the entire subdivision where the Property is located. We pointed out that:

Special Condition 7 of CDP A-381-78-A required the applicant to construct public trailhead facilities, including a 6-10 car public parking lot, gates, public access signs, and public restroom facilities, so as to provide foot trail access to Temescal Ridge and the Temescal Ridge Trail. All facilities were to be constructed to specifications of the State Department of Parks and Recreation and turned over to the Department for operation and maintenance. Later amendments to the Permit reaffirmed this requirement to construct the public improvements on the subject property.

Because the Trailhead facilities were not located on lands contiguous to the Topanga State Park Acquisition, the applicant requested to amend the condition to substitute the City of Los Angeles as the recipient of the Trailhead area, along with responsibility for its maintenance. As a result, the Commission imposed Special Condition 8d of A-381-78-A7 and later strengthened it through Special Condition 2 of A-381-78-A11, which states:

Temescal Ridge Trailhead: Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final designs must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Recreation and Parks for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal Ridge from Calle Nancy as part of the other open space maintenance agreed to in this permit. More specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead. The program shall include, at a minimum, posted signs located on both sides of Chastain Parkway West at the intersection of Calle Deborah. Signs shall also be posted at the intersections of Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Allicante. [Underlined for emphasis]

As you know, the developer of the subdivision authorized by CDP No. A-381-78, Headlands Properties Associates ("Applicant") constructed the required parking lot and bathroom on the Property. It is our understanding that the City operated and maintained the public restrooms and parking lot as the Permit required. For over 20 years, the subject property has been a popular public amenity enjoyed by hikers and visitors to Topanga State Park. The existence of the public restroom and its extensive use, should have been ample reason for you to thoroughly investigate the history of the site and in doing so, note the Commission's requirement that this site remain a public facility.

No Commission Authorization to Construct Private Development

In your letter, you claim that the City of Los Angeles certified that "the Property is a legal lot with no obstructions to building a single family residence thereon" and you have "additional material from Los Angeles City Planning and Zoning Departments authorizing us to build a house on the Property".

Initially, we note that the property has been transferred to you without benefit of the required coastal development permit, and, as explained below, said transfer is required by the Permit to be approved by the Executive Director of the Commission. However, as also explained below, the Executive Director would not approve transfer of this property to you as such a transfer is inconsistent with the Permit. Commission staff was unaware of the recent auction of the property sale at the time of the auction, and the transfer appears to be directly inconsistent with the terms of the Permit. The Executive Director was never asked to, nor did he, approve this transfer, as is required by the terms and conditions of the Permit. A transfer of this property to a private entity, which is required by the Permit to be transferred to a public agency or non-profit organization for public use, would require an amendment to the Permit, and none was applied for nor obtained. Additionally, we note that under Section 13166 of the Commission's regulations, it appears that staff could not even accept such an amendment application. Section 13166(a) reads as follows:

The executive director shall reject an application for an amendment to an approved permit if he or she determines that the proposed amendment would lessen or avoid the intended effect of an approved or conditionally approved permit unless the applicant presents newly discovered material information, which he could not, with reasonable diligence, have discovered and produced before the permit was granted.

Clearly any amendment request to convert the public trailhead facility to a private home site would lessen or avoid the intended effect of the Permit, and in particular, the public access conditions of the Permit that were attached to the Permit to ensure the project's consistency with the Coastal Act.

Additionally, we explained to Mr. Kalaf that if the City of Los Angeles issued a CDP to develop or build a single family home on the Property, that permit would be in contravention with the requirements of the Permit that require that the Property be maintained as a public facility, as we explained in our August 3rd letter:

In fact, conditions of the Permit effectuated an obligation on the part of the owner of the subject property to maintain the recreational facilities located on the property and to keep those

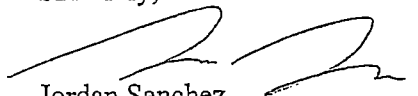
facilities open and available to the public. This requirement runs with the land regardless of whether the City accepted the conveyance and regardless of transfers of the property to subsequent owners.

Mr. Kalaf claimed that he contacted Coastal Commission staff to discuss the potential of developing the public trailhead site with a private residence. It appears that Mr. Kalaf spoke with a member of our clerical staff and that he received general information about the Coastal Development Permit process. An informal conversation with a member of staff about the CDP process in general falls far short of the requirements to undertake private development on the Property, as we understand is your intention. As noted above, in order to transfer the site to a private entity and develop the site with a private residence, an amendment to CDP No. A-381-78 would be required to be issued by the Commission, after a public hearing, and moreover, because of the proposal's inconsistency with the terms of a previously issued CDP, it is likely that staff would reject such a proposal to amend the CDP.

As noted above, failure to transfer the property to a public or non-profit agency acceptable to the Executive Director of the Coastal Commission constitutes a violation of CDP No. A-381-78 and the public access provisions of the Coastal Act. Thus, penalties under Coastal Act Section 30821 will continue to accrue until the issue at hand is resolved. We are optimistic that this situation can be resolved amicably and quickly through the transfer of the property to a public or non-profit agency acceptable to the Executive Director. We are of course happy to work with you to ensure the transfer is completed as soon as possible. However, as noted above and in our previous letter, we have provided you with notice that penalties under Section 30821 are accruing and to halt such accrual the property must be transferred to a public or non-profit agency acceptable to the Executive Director.

Thank you for your attention to this matter. Please contact me by October 3, 2016 with how you intend to resolve this violation. I can be reached at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer
California Coastal Commission

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Steve Hudson, Deputy Director, CCC
Al Padilla, Regulatory Permit Supervisor, CCC

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 OceanGate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



March 15, 2017

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
Certified Mail No. 70012510000158720861
Sent via Email to adamrossman66@gmail.com

Violation File Number: V-5-16-0106

Property location: 16701 Via La Costa, Los Angeles CA; Los Angeles County
(APN 4431-039-029)

Permit Violation and
Unpermitted Development:

1) Failure to transfer property (as identified above) to a public or non-profit agency approved by the Executive Director of the Commission, 2) privatization of a public amenity; and 3) operating and locking a gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, all in violation of CDP No. A-381-78, as amended.

Dear Mr. Rossman:

Thank you for your letter dated October 11, 2016 in response to our letter dated September 23, 2016. Our September 23rd letter explained in detail that; (1) the property¹ is subject to the requirements of a coastal development permit ("CDP"); (2) until the Coastal Act violations on the site are resolved, daily penalties are accruing pursuant to Section 30821 of the Coastal Act; and (3) there is no Commission authorization to construct private development on the Property. Through this letter, we would like to point you again to the statements in our previous letter, which in some cases are responsive to the points raised in your October 11th letter, and provide additional responses in this letter as well.

As you know, the developer of the subdivision authorized by CDP No. A-381-78, as amended ("the Permit"), Headland Properties Associates, constructed the required parking lot and bathroom at the Property in 1995. For over 20 years, the Property has been a popular public amenity enjoyed by hikers and visitors to Topanga State Park, and pursuant to the Permit, is signed as a public trailhead on both sides of Chastain Parkway West at the intersection of Calle Deborah, and at the intersections of; Chastain Parkway West/Palisades Road, Calle Deborah/Calle Nancy and Calle Deborah/Calle Alicante. It is our understanding that the City of

¹ The property is located at 16701 Via La Costa, Los Angeles CA; Los Angeles County (APN 4431-039-029) herein after referred to as the Property

Los Angeles operated and maintained the public restrooms and parking lot as the Permit required for 17 years.

In your October 11th letter, you claim that the permit conditions have been voided and when you purchased the Property were not aware of permit requirements that pertain to the Property and restrict it to public use. As we have described in previous communications, the Permit requirements remain in full effect. Additionally, for reasons described below, whether you knew or did not know about the Permit requirements, and we believe you were put on notice of the Permit requirements, does not diminish the effectiveness of the requirements. In sum, your arguments are 1) you did not receive notice of the Permit requirements requiring the Property to remain as a public amenity, and 2) the tax default sale at which you purchased the Property wiped out any CDP requirements pertaining to the Property.

You were noticed of the CDP requirements and they remain effective

With regard to the first argument noted above, you assert, essentially, that the Permit requirements are not effective because the Permit was not recorded on the chain of title for this Property and thus you were not aware of the requirements. Your October 11th letter asserts, "in order for a covenant or restriction to run with the land, it must be recorded on title to the property" pursuant to Civil Code Section 1468(d), and, specifically that "this requirement also applies to Coastal Development Permits." However, Civil Code Section 1468 applies to covenants between property owners and has no applicability to the effectiveness of a coastal development permit. The type of covenant to which that section 1468 applies is an agreement entered into by property owners with privity with one another. A coastal development permit is not a covenant of this type. Instead, a coastal development permit contains a set of restrictions and permissions imposed by the Coastal Commission by virtue of its statutory authority, not privity with the property owner.

Your support for the statement that the requirement to record a covenant on title also applies to coastal development permits is a quote from a legal treatise. However, the section of the treatise that you cite in your letter is limited in applicability to the Commission's Transfer Development Credit (TDC) program, as is made clear in the first sentence of the section: "The California Coastal Commission's transfer of development credits program includes a mechanism for enforceably restricting development of some parcels of land in exchange for development approval on other property." The Headlands development did not participate in the TDC program, was not subject to the requirements of this program, and thus this citation is misplaced and irrelevant to the question at hand of whether CDP conditions generally run with the land.

To that question, regardless of whether the permit was recorded on title, the requirements of previously issued CDPs run with the land, as explicitly stated in Standard Condition 7 of the CDP:

Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

Additionally, well established case law supports the position of Commission staff; for example, in *Ojavan Investors v. California Coastal Commission*, (1994) 26 Cal.App.4th 516, 527, the

court ruled that the burdens of permits run with the land once the benefits have been accepted. In this situation, the permittee had received the benefits of the permit, i.e. authorization of the "Headland" subdivision and associated development. Therefore, the "burdens" of the permit, including the designation of certain properties of the community as public recreational properties, also run with the land; in the issuance of CDP No. A-381-78, as amended, the Commission found that "the applicant was required in the original permit to mitigate the conversion of lands with recreational potential to housing by the dedication of lands with recreational value to the State...and trail-heads to the City." To that end, in order to approve the development of this entire subdivision as consistent with Coastal Act requirements, the Commission required the applicant to provide open space dedications and public access improvements, including the construction of the Temescal Ridge trailhead amenities.

Moreover, although notice is not required for the Permit to be effective, you were indeed noticed of the requirements of the CDP prior to your acquisition of the Property. When you acquired the Property, two separate documents recorded in 1981 on the chain of title for this Property reference the CDP, including the 1) Declaration of Restrictive Covenants and Agreement 81-3847 and 2) Offer of Dedication Agreement 89-1560661. The conditions of the Permit describes the requirement for the public trailhead, bathroom and parking lot that were built on the Property prior to your acquisition of the Property and which would have been clearly visible to you upon viewing the Property. Thus, even assuming that such notice was somehow required for the Permit to be effective, the title report for the Property includes reference to the Permit, therefore providing you with constructive notice of the CDP requirements that pertain to the Property. Also, the obvious presence of the public restroom and parking lot and its extensive public use provide actual notice of the public amenities on site and should have been ample reason for you to, at a minimum, thoroughly investigate the history of the site and in doing so, note the Commission's Permit condition requiring this Property to remain as a public facility. For these reasons, you had constructive and actual notice of the requirements to maintain the Property for public use prior to your acquisition of the Property.

The tax sale did not "wipe out" the CDP requirements

Your second assertion is that the Permit conditions were invalidated by the tax sale. You cite California Revenue & Taxation Code Section 3712 as support for this assertion. Section 3712 does state that encumbrances on title are extinguished when the encumbered property is sold at a tax sale; however, for a couple of reasons, this is not the case here. First, as described above, the CDP, as amended, designated the subject property for public recreational use. This designation is not an encumbrance on title that might be invalidated by a tax sale, but rather, a change to the use of the property that is not affected by a tax sale.

Second, violations of the Coastal Act that persist on a property, including violations on the subject property, constitute ongoing public nuisances, as described below, and not encumbrances on title. Thus, the tax sale had no effect on the existence of the nuisance condition or your responsibility to correct the nuisance condition.

Take the privatization of the trailhead facility for example. The trailhead facility has been a popular public amenity, as required by the Permit, for decades and has been operated by the City of Los Angeles as a public amenity for nearly as long. Transfer of the Property to a private entity whose acquisition of the Property was for the stated purpose of constructing a single family

residence on the Property, in other words to privatize the property, constitutes a change of intensity of use and a change of access to the coast.² To wit, during a telephone conversation between Mr. Ben Kalaf, a representative of Wooster, and Commission staff on August 4, 2016, Mr. Kalaf explained that once Wooster informed the City of Los Angeles ("City") of Wooster's ownership of the Property, City crews ceased maintenance activities onsite, thus eliminating the trailhead facility as a functioning public amenity.

Changes in intensity of use and changes to access to the coast constitute development under the Coastal Act. No CDP was obtained for this development, and no CDP was applied for. Any development that is undertaken in the Coastal Act without the required CDP constitutes a violation of the Coastal Act. The public amenity remains privatized, constituting a continuing violation of the Coastal Act. The Coastal Act represents a legislative declaration that acts injurious to the state's natural resources constitute a public nuisance. (*Leslie Salt Co. v. San Francisco Bay Conservation etc. Com.* (1984) 153 Cal. App.3d 605, 618; *CEED v. California Coastal Zone Conservation Com.* (1974) 43 Cal.App.3d 306, 318.) The Coastal Act is a "sensitizing of and refinement of nuisance law." (*CEED*; at 319.)

A continuing Coastal Act violation is thus also a continuing public nuisance. A property owner is liable for actions of previous owners who may have created the public nuisances on the property based on Civil Code 3483, which states:

Every successive owner of property who neglects to abate a continuing nuisance upon, or in the use of, such property, created by a former owner, is liable therefore in the same manner as the one who first created it.

The nuisance condition, i.e. privatization of a public amenity, persists on the property, and as the current property owner, you are responsible for correcting it.

Administrative Penalties for public access violations

1) Failure to transfer the Property to a public or non-profit agency approved by the Executive Director of the Commission, 2) privatization of a public amenity; and 3) operation of and locking a gate or other structure that blocks access to a public parking lot and public restroom facility and the locking of the public restrooms, at the Temescal Ridge Trailhead, constitute violations of the Permit and the public access provisions of the Coastal Act and, therefore, the criterion of Section 30821 has been satisfied. The penalties imposed may be in an amount of up to \$11,250, for each violation, for each day each violation has persisted or is persisting. As you know, we have notified you of the violations at issue in previous communications, including letters dated August 3, 2016 and September 23, 2016. As of this date, the Coastal Act violations at issue have not been remedied and penalties continue to accrue.


² In order for development of a single-family home on this site to be approved, the underlying CDP would need to be amended to delete the requirement that this property be used and developed for public recreational purposes. The Executive Director of the Commission would have to reject such an amendment request pursuant to California Code of Regulations Section 13166, as such a request would lessen or avoid the intended effect of a previously issued CDP. Please note that even if staff could accept such an amendment request, the application fee for a permit amendment is half the cost of the application fee for the original development, if it were applied for today. Here, staff estimates the application fee to be in excess of \$1,000,000.

Please consider this letter to reiterate our concerns with the violations of issue, and to remind you of our intent to consider pursuit of remedies under the Coastal Act, including administrative penalties pursuant to Section 30821. In order to stop the further accrual of monetary penalties, you must comply with the terms and conditions of CDP No. A-381-78, as amended, including by providing the public access required by the CDP by affecting the transfer of the Property to a government or non-profit entity that is acceptable to the Executive Director for public use.

Commission staff is preparing to refer this case to our headquarters unit for formal action to ensure timely preservation of public rights of access and assessment of monetary penalties under Section 30821. This referral is not intended to supplant the opportunity to resolve this matter consensually; rather, as we have noted in previous communications, our preference is to resolve this quickly and amicably. Please do not hesitate to contact me as soon as possible if you'd like to discuss options for securing the public's right to use this property.

Thank you for your attention to this matter. Please contact me by March 24, 2017 to discuss how you intend to resolve this violation. I can be reached at 562-590-5071.

Sincerely,



Jordan Sanchez
Enforcement Officer

cc: Lisa Haage, Chief of Enforcement, CCC
Andrew Willis, Enforcement Supervisor, CCC
Steve Hudson, Deputy Director, CCC
Al Padilla, Regulatory Permit Supervisor, CCC

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400
TDD (415) 597-5685



VIA CERTIFIED AND REGULAR MAIL

February 15, 2018

1205-1207 Wooster Street LLC
c/o Adam S. Rossman
4936 Triggs Street
Commerce, CA 90022
(Certified Receipt No. 7017 0530 0000 8132 0580)

Subject: Notice of Intent to Record Notices of Violation, and to Commence Cease and Desist Order Proceedings and Administrative Civil Penalties Proceedings

Property Location: 16701 Via La Costa, Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number 4431-039-029.

Violation Description: The placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the change in intensity of use from public park to private land, the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom, in violation of Coastal Development Permit No. A-381-78, as amended, and the resource protection and public access provisions of the Coastal Act.

Dear Mr. Rossman:

As California Coastal Commission ("Commission") staff has made you aware, multiple Coastal Act¹ violations have occurred on, and presently persist on the property located at 16701 Via La Costa, in the Pacific Palisades area of the City of Los Angeles, also identified by Los Angeles County Assessor's Parcel Number ("APN") APN 4431-039-029. Wooster Street LLC (hereinafter "Wooster") is listed as the record owner of the aforementioned property. It is of utmost importance that this matter is resolved expeditiously given that the Temescal Ridge Trailhead, public parking lot,

¹ The Coastal Act is codified in California Public Resources Code sections 30000 to 30900. All further section references are to the Public Resources Code, and thus to the Coastal Act, except where specified that the reference is made to the Commission's regulations.

and public restrooms are situated on this nearly half acre parcel, and have all been variously subject to closure and disrepair since you took possession of this site, resulting in significant adverse impacts to public access. As my staff has expressed to you, we remain ready to work with you to resolve these impediments to public access, among other issues, amicably, and we remain open to discussing the consensual resolution of the matter through a "Consent" Cease and Desist Order and "Consent" Administrative Penalty action ("Consent Orders"), which would then be taken to the Commission for its approval in the context of a formal hearing.

Prior to bringing an order to the Commission (either as a consent or contested order), Commission regulations² provide for issuance of a notification of the decision to initiate formal order proceedings. In accordance with those regulations, this letter notifies you of my intent, as the Executive Director of the Commission, to commence these formal enforcement proceedings to address the Coastal Act violations noted above and described herein, by recording a Notice of Violation against the property at 16701 Via La Costa in the Pacific Palisades, and by issuing either a consent or regular Cease and Desist Order and Administrative Penalty action to Wooster Street LLC.

The intent of this letter is not to discourage settlement discussions; rather it is to provide formal notice of our intent to resolve these issues through the order process, which in no way precludes a consensual resolution. Resolving this matter and providing permanent restoration of access to and maintenance of the Temescal Ridge Trailhead, parking lot and restrooms by a public or non-profit agency is critical and my staff remains ready and willing to continue working with you towards finding a mutually acceptable outcome of this longstanding Coastal Act violation. However, please note that should we be unable to reach an amicable resolution in a timely manner, this letter also lays the foundation for staff to bring a proposal to the Commission unilaterally, which proposal would include the issuance of an Order, the imposition of administrative civil penalties pursuant to Section 30821, and authorizing the Executive Director of the Commission to record a Notice of Violation of the Coastal Act on title to the property.

Background and Coastal Act Violations

In 1978 the Commission granted Coastal Development Permit A-381-78 to Headland Properties Associates (hereinafter "Headlands") for the grading of roads and the installation of utilities to accommodate a 230 unit residential tract on 1,200 acres of then undeveloped property in the Pacific Palisades. In a 1980 amendment to the permit, A-381-78A, the Commission approved the creation of four tracts, allowed a massive quantity of grading, established the total number of residential units at 740, authorized construction of commercial and instructional sites, and required the dedication of nearly 1,000 acres of land to the California Department of Parks and Recreation, the City of Los Angeles Department of Recreation and Parks and/or an acceptable private, non-profit corporation. Since this time, this permit has been amended more than a dozen times. Of particular relevance to this matter, Special Condition 7 of Amendment 1 states:

² See Sections 13181 and 13191 of Title 14 of the California Code of Regulations.

7. Park Facilities

Concurrent with the grading of Lots 86 and 87 of Tract 32184, the applicant shall construct trailhead facilities (including a 6-10 car parking lot, gates and signs) in vicinity of said Lots 86 and 87 substantially as shown in applicant's Exhibit A-1; so as to provide foot-trail access to an existing trail on Temescal Ridge. The applicant shall also construct a restroom facility in the vicinity of Palisades Highlands at a location designated by the State Department of Parks and Recreation in Topanga State Park or on the dedicated lands. All facilities shall be constructed to the usual specification of the Department of Parks and Recreation, and shall be turned over to the Department for operation and maintenance.

Further, Special Condition 2 of Amendment 9 also clarified that the access amendments were actually to precede the construction of the condominiums:

2. Completion of Trail Access Improvements [Clarification of Condition 7]

Prior to transmittal of the authorization of this amendment the applicant shall provide evidence of the completion of the following improvements to the accessibility of the dedicated open space areas. The improvements shall be approved by the Executive Director and shall conform to the design standards of the accepting agency.

...
d) Temescal Ridge Trailhead The applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, parking facility and bathroom concurrent with the construction of streets and utilities approved in this tract....

Finally, Amendment 11 provided more detail as to the public trailhead, signs, parking and restroom:

d) Temescal Ridge Trailhead Concurrent with the construction of streets and utilities approved in this tract, the applicant shall construct the improvements proposed for the Temescal Ridge Trail head, including signs, a 12 car parking facility and public restroom. The final design must be reviewed by the accepting agency prior to construction. The trailhead may be transferred to the City of Los Angeles Department of Parks and Recreation for purposes of maintenance and liability, or other public or non-profit agency approved by the Executive Director. The applicant or its successor in interest shall maintain the trail and engineered slope to Temescal from Calle Nancy as part of the other open space maintenance agreed to in this permit. More specifically the applicant shall provide a public access/recreation signage program subject to the review and approval of the Executive Director, that provides that, at a minimum, signs will be conspicuously and appropriately placed to adequately identify the location of the Temescal Ridge Trailhead....

Headlands submitted the proposed plans for the construction of the requisite public parking lot, restroom, and signage on this particular property on June 18, 1993. Once Executive Director approval was granted, construction of the aforementioned public amenities was undertaken and completed on this property pursuant to permit requirements. Even absent the requirement to dedicate this property to the City or other acceptable non-profit organization, this property was and remains the location for the public amenities. In compliance with the CDP, the applicant proposed this property for the public facility and trailhead and the Executive Director approved and authorized the public facilities to be built in this particular location, and no other. No other development, other than the public facilities, can be undertaken on this property. From the point the construction of the public facilities was completed up until the violations at issue in this letter

Wooster - Temescal Ridge Trailhead; February 15, 2018

commenced on or about January 2014, the public had full access to these public amenities, as required by the CDP, as amended.

Commission staff was made aware of the aforementioned violations in mid-2016, at which time Wooster Street LLC was in escrow to sell the property to another entity, upon receiving complaints from members of the public about closures of the public parking lot, trail head, and restrooms. Note once again that no transfer of the property can occur unless it is to a government entity or non-profit acceptable to the Executive Director of the Commission. Commission enforcement staff immediately contacted the owners of the property to discuss the ongoing Coastal Act violations associated with activities undertaken at the site and followed up with a notice of violation letter on August 3, 2016 to Wooster. In this letter, staff listed the various Coastal Act violations on the property, including the closure of the public restroom and public parking facilities at the Temescal Ridge Trailhead, pointed out the fact that the unpermitted development was also functioning to preclude public use of the Temescal Ridge Trailhead and associated facilities, and noted that these were directly inconsistent with the permit conditions and the public access policies of the Coastal Act. The letter also detailed the procedures by which the various issues should be addressed, and noted the potential ramifications and civil liabilities associated with the unpermitted development under the Coastal Act. Since this initial notice of violation, Commission staff has spoken with partners of and counsel for Wooster to further discuss the unpermitted development and the potential mechanisms of resolution, followed by written correspondence dated September 23, 2016 and March 15, 2017.

As my staff has explained to you, the placement of a locked gate and appurtenant structure that blocks access to the public parking lot and public restroom facility, the locking of public restrooms, and failing to maintain the public restrooms, trailhead, and parking lot, and change in intensity of use from public park to private land, are violations of CDP No. A-381-78, as amended, and have a very serious impact on public access. This trailhead provides access to the Temescal Ridge Trail— 5.8 miles of very heavily used hiking trails that provide views of the Pacific Ocean and allow the cresting of Temescal Peak, one of the Santa Monica Mountains highest points.

Protecting public access is a major goal and priority of the Coastal Act. For example, Section 30210 of the Coastal Act provides that:

"In carrying out the requirements of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse."

The unpermitted development at issue in this matter obstructs public access by both physically blocking use of the trailhead and facilities and by failing to maintain the facilities as required by the permit, and changes the intensity of use of this public area to a private landholding. These permit requirements run with the land and survive a tax default sale - meaning any person or entity holding title is obligated to comply therewith. *See, e.g., Ojavan Investors v California Coastal Commission*, (1994) 26 Cal. App. 4th 516, 527.

The purpose of these enforcement proceedings is to address the ongoing impediments to public use of and access to the Temescal Ridge Trailhead and the Temescal Ridge Trailhead facilities located on the Property, in violation of CDP A-381-78, as amended, and the Coastal Act. These proceedings

will propose to address these matters through the recordation of a Notice of Violation against the property and issuance of an Order that will direct you to, among other things: 1) cease from performing any additional unpermitted development, 2) develop and implement a plan to remove unpermitted development, 3) mitigate for the temporal losses caused by the unpermitted development; 4) cease all activities that block or interfere with public use of Temescal Ridge Trailhead, 5) maintain the Temescal Ridge Trailhead parking lot, signage, trailhead, and restrooms in compliance with CDP A-381-78, as amended, and 6) transfer the property to the City of Los Angeles or a not-for-profit entity approved by the Commission's Executive Director. In addition to the aforementioned items, any resolution of this matter will address Wooster's civil liability. These proceeding will also include recommendations for issuance by the Commission of an Administrative Penalty pursuant to Section 30821 of the Coastal Act.

Cease and Desist Order

By way of background, the Commission's authority to issue cease and desist orders is set forth in Section 30810 of the Coastal Act, which states, in part, the following:

(a) If the commission, after public hearing, determines that any person or governmental agency has undertaken, or is threatening to undertake, any activity that (1) requires a permit from the commission without securing the permit or (2) is inconsistent with any permit previously issued by the commission, the commission may issue an order directing that person or governmental agency to cease and desist.

Section 30810(b) of the Coastal Act states that the cease and desist order may be subject to terms and conditions that the Commission determines are necessary to ensure compliance with the Coastal Act, including removal of any unpermitted development or material.

Section 30600(a) of the Coastal Act states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land...change in the intensity of use of water, or of access thereto....

The various instances of unpermitted development at issue here, including: the placement of an unpermitted gate and appurtenant development that blocked access to a public parking lot and public restroom facility; the locking of public restrooms at the Temescal Ridge Trailhead; the failure to transfer the property to the City of Los Angeles or other not-for-profit entity approved by the Commission's Executive Director, and the failure to maintain the trailhead, parking lot, and public restroom; and the change in intensity of use of the land from public park to privately held land, clearly constitute "development" within the meaning of the above-quoted definition and therefore are subject to the permit requirement of section 30600(a). A CDP or an amendment to the underlying CDP was not issued to authorize the subject unpermitted development. Further, as noted above, the development activities subject to this action are inconsistent with CDP A-381-78, as amended. As the unpermitted development undertaken is inconsistent with the Coastal Act and a previously issued permit, the criterion for issuance of a cease and desist order under Section 30810(a) of the Coastal Act are thus satisfied.

For these reasons, I am issuing this Notice of Intent to commence cease and desist order proceedings. The procedures for the issuance of cease and desist orders are described in Sections 13180 through 13188 of the Commission's regulations. As previously mentioned, these matters may be resolved in a consensual agreement between you and the Commission.

Notice of Violation

The Commission's authority to record a Notice of Violation is set forth in Section 30812 of the Coastal Act, which states the following:

(a) Whenever the executive director of the commission has determined, based on substantial evidence, that real property has been developed in violation of this division, the executive director may cause a notification of intention to record a notice of violation to be mailed by regular and certified mail to the owner of the real property at issue, describing the real property, identifying the nature of the violation, naming the owners thereof, and stating that if the owner objects to the filing of a notice of violation, an opportunity will be given to the owner to present evidence on the issue of whether a violation has occurred.

In our letter dated August 3, 2016, in accordance with Coastal Act Section 30812(g), Commission staff notified you of the potential for the recordation of a Notice of Violation against the property. I am issuing this notice of intent to record a Notice of Violation because unpermitted development inconsistent with the Coastal Act and CDP No. A-381-78, as amended, has been undertaken at the property, and because of the ongoing failure to comply with the conditions of the CDP, as amended, and the Coastal Act.

If you object to the recordation of a Notice of Violation in this matter and wish to present evidence to the Commission at a public hearing on the issue of whether a violation has occurred, pursuant to Section 30812(b) the property owner must specifically object, in writing, within 20 days of the postmarked mailing of this notification. The objection should be sent to the attention of Heather Johnston in the Commission's Ventura office at the address listed on the letterhead by March 8, 2018. Please include the evidence you wish to present to the Commission in your written response and identify any issues you would like us to consider. We are hopeful that we can avoid such a contested matter and work together to address these issues amicably and incorporate any such notice into a consensual resolution.

Administrative Civil Penalties, Civil Liability, and Exemplary Damages

Under Section 30821 of the Coastal Act, in cases involving violations of the public access provisions of the Coastal Act, the Commission is authorized to impose administrative civil penalties by a majority vote of the Commissioners present at a public hearing. In this case, as described above, there are significant violations of the public access provisions of the Coastal Act; therefore the criteria of Section 30821 have been satisfied. The penalties imposed may be in an amount of up to \$11,250, for each violation, for each day in which each violation has persisted or is persisting, for up to five (5) years. If a person fails to pay an administrative penalty imposed by the Commission, under Section 30821(e) the Commission may record a lien on that person's property in the amount of the assessed penalty. This lien shall be equal in force, effect, and priority to a judgment lien.

Wooster - Temescal Ridge Trailhead; February 15, 2018

Furthermore, and as has been explained in prior correspondence, please be advised that the Coastal Act additionally provides for the imposition of civil liability (variously described as fines, penalties, and damages) by the courts for violations of the Coastal Act. Section 30820(a) provides for civil liability to be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission in an amount that shall not exceed \$30,000 and shall not be less than \$500 for each violation. Section 30820(b) provides that additional civil liability may be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with a CDP previously issued by the Commission, when the person intentionally and knowingly performs or undertakes such development, in an amount not less than \$1,000 and not more than \$15,000 per day for each day in which each violation persists. Section 30821.6 provides that a violation of a cease and desist order can result in civil fines of up to \$6,000 for each day in which each violation persists. As my staff has previously explained, courts have held that property owners are liable for violations on their property even if they were not directly and actively responsible for creating the situation. Once again, with your cooperation, it is our hope that we may resolve these issues amicably.

Response Procedure

In accordance with Sections 13181(a) of the Commission's regulations, you have the opportunity to respond to the Commission staff's allegations as set forth in this notice of intent to commence Cease and Desist Order and Administrative Penalty proceedings by completing the enclosed statement of defense ("SOD") form.

The SOD form must be directed to the attention of Heather Johnston, at the address listed below, not later than March 8, 2018:

California Coastal Commission
South Central Coast District
89 S. California Street, Suite 200
Ventura, CA 93001

However, should this matter be resolved via a Consent Order, an SOD form would not be necessary. In any case and in the interim, staff would be happy to accept any information you wish to share regarding this matter and may extend deadlines for submittal of the SOD form to specifically allow additional time to discuss terms of a Consent Order and to resolve this matter amicably. Commission staff currently intends to schedule the hearings of the cease and desist order and administrative penalty proceeding for the Commission's June 2018 hearing.

Resolution

It is my understanding that there has heretofore been a continued expressed desire to develop the property as a residential lot or be compensated by the State so as to forego this option. As my staff has previously iterated, this stance is not practicable given the various aforementioned constraints imposed on the property by CDP No. A-381-78, as amended, and this property cannot be developed with private development, which would lessen the clear intent of the conditionally approved CDP. However, I again note that we would like to work with you to resolve these issues amicably through the Consent Order process. While requiring compliance with the Coastal Act, a Consent Cease and Desist Order and Consent Administrative Penalty would provide you with the

Wooster - Temescal Ridge Trailhead; February 15, 2018

opportunity to have more input into the process and timing of addressing the violations and mitigating for interim losses of access caused by the unpermitted development. The consent process could potentially allow you to negotiate a penalty amount with Commission staff in order to fully resolve the violations stipulated in the Consent Orders without further formal legal action.

Another benefit of Consent Orders is that in a Consent Order proceeding, Commission staff will be presenting and recommending approval of an agreement between you and staff rather than addressing the violations through a contested hearing. Alternatively, if we are not able to reach a consensual resolution, we will need to proceed with a unilateral order at the next available hearing and we will have to address the civil liabilities via an Administrative Penalty proceeding and possibly through litigation.

Again, should we settle this matter, you do not need to expend the time and resources to fill out and return the Statement of Defense form mentioned above.

If you have any questions regarding this letter or the enforcement case, please call Heather Johnston at (805) 585-1800.

Sincerely,



John Ainsworth
Executive Director

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel
Al Padilla, Regulatory Permit Supervisor
Andrew Willis, Southern California Enforcement Supervisor
Heather Johnston, Statewide Enforcement Analyst

Encl. Statement of Defense Form for Cease and Desist Order and Administrative Penalty Proceeding

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE/AND TDD (415) 904-5200
FAX (415) 904-5400

**STATEMENT OF DEFENSE FORM**

DEPENDING ON THE OUTCOME OF FURTHER DISCUSSIONS THAT OCCUR WITH THE COMMISSION ENFORCEMENT STAFF AFTER YOU HAVE COMPLETED AND RETURNED THIS FORM, (FURTHER) ADMINISTRATIVE OR LEGAL ENFORCEMENT PROCEEDINGS MAY NEVERTHELESS BE INITIATED AGAINST YOU. IF THAT OCCURS, ANY STATEMENTS THAT YOU MAKE ON THIS FORM WILL BECOME PART OF THE ENFORCEMENT RECORD AND MAY BE USED AGAINST YOU.

YOU MAY WISH TO CONSULT WITH OR RETAIN AN ATTORNEY BEFORE YOU COMPLETE THIS FORM OR OTHERWISE CONTACT THE COMMISSION ENFORCEMENT STAFF.

This form is accompanied by a notice of intent to initiate cease and desist order and administrative civil penalties proceedings before the commission. This document indicates that you are or may be responsible for or in some way involved in either a violation of the commission's laws or a commission permit. The document summarizes what the (possible) violation involves, who is or may be responsible for it, where and when it (may have) occurred, and other pertinent information concerning the (possible) violation.

This form requires you to respond to the (alleged) facts contained in the document, to raise any affirmative defenses that you believe apply, and to inform the staff of all facts that you believe may exonerate you of any legal responsibility for the (possible) violation or may mitigate your responsibility. This form also requires you to enclose with the completed statement of defense form copies of all written documents, such as letters, photographs, maps, drawings, etc. and written declarations under penalty of perjury that you want the commission to consider as part of this enforcement hearing.

You should complete the form (please use additional pages if necessary) and return it no later than March 8, 2018 to the Commission's enforcement staff at the following address:

Heather Johnston
89 S. California Street
Ste 200
Ventura, CA 32001

If you have any questions, please contact Heather Johnston at (805) 585-1800.

1. Facts or allegations contained in the notice of intent that you admit (with specific reference to the paragraph number in such document):

2. Facts or allegations contained in the notice of intent that you deny (with specific reference to paragraph number in such document):

3. Facts or allegations contained in the notice of intent of which you have no personal knowledge (with specific reference to paragraph number in such document):

1

- [illegible]

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400
TDD (415) 597-5885

**VIA REGULAR AND ELECTRONIC MAIL**

December 12, 2018

Adam Rossman
449 S. Beverly Drive
Suite 210
Beverly Hills, CA 90212

Wooster LLC
c/o Henry Levy
810 Cord Circle
Beverly Hills, CA 90048

Dear Mr. Levy;

Thank you for your correspondence to Commission staff - received electronically on December 9th and dated November 29th. We appreciate your response to our letter dated November 21st, and are heartened by your willingness to meet with staff and other relevant parties to try to craft a mutually acceptable resolution of this important Coastal Act violation. To ensure that communications and negotiations are addressed to the appropriate party, staff asks that you please clarify whether you are still represented by Mr. Rossman. Additionally, you allege both that Commission staff has admitted that it somehow erred in this process, and that you contacted a staff person at the Coastal Commission who "assured us they had no record of the property in question...." No mistake has been made by the Commission; the ongoing obligations to comply with the coastal development permit are clear -- this facility is required to be maintained in perpetuity for use by the public and currently it is not. Further, staff has reviewed our records and can find reference to neither conversation; we would welcome additional information, including the names of the staffers and the dates you spoke with them, to help clarify this situation.

In your letter, in an apparent attempt to demonstrate that there is not an ongoing Coastal Act violation on the property at 16701 Via La Costa, you assert that the facility was closed for only one day. As you are aware, in addition to the locked gate that was installed to preclude access to the facility, one of the bathrooms has been locked since you took ownership of the property and remains permanently unavailable to the public. Furthermore, as staff has explained on multiple occasions, physically barring entrance to the facility is only a portion of the outstanding Coastal Act violation. Special Condition 2(d) of Amendment 11 to Coastal Development Permit ("CDP") A-381-78 requires ongoing maintenance of the restroom, parking lot, and trailhead. Failure to maintain the trailhead and facilities is a continuing violation of CDP A-381-78, as amended, and Commission staff continues to receive calls from the public regarding the filth of the one open restroom, graffiti, and trash strewn across the property. This is not only an ongoing violation of the Coastal Act but is rapidly becoming a public nuisance.

Wooster LLC - Temescal Ridge Trailhead; December 12, 2018

While staff is enthusiastic about the prospect of meeting with you to work towards a resolution of this matter, in light of previous communication issues it would perhaps make sense to first schedule a phone call to begin the process. As you are aware, staff had been working with your counsel, Mr. Rossman, for over two months on a potential resolution of this case, when, upon sending a draft consent cease and desist order to Mr. Rossman on May 8, 2018 for review, we received an email from your associate Mr. Kalaf threatening to close the entire facility and sue the Commission. While surprised by this dramatic shift in tenor, staff continued to reach out to try to ascertain what particular element or aspect of the draft order had caused such rancor. By letter dated May 11, 2018 and by phone on May 25th, staff offered to walk through the draft proposal with your counsel so as to identify areas of concern for you. Neither you nor your counsel responded to these entreaties, nor to a follow up letter dated August 29, 2018 which again sought to try to move forward amicably. In fact, your letter received December 9, 2018 is the first responsive correspondence staff has received. Therefore, in advance of a group meeting with Commission staff and Los Angeles City and County officials, we suggest a phone call with Commission staff in which we can iron out communication difficulties and make sure we are on the same page with respect to your past interactions with Commission staff and Wooster LLC's ongoing obligations with respect to 16701 Via La Costa. Such a conversation will ensure a meeting of the minds with respect to facts related to the Coastal Commission and the prior coastal development permits, and will provide a suitable vantage point from which to meet with other relevant parties. As such, please provide us with dates, times, and preferred contact information for this call with Commission staff, after which we would be happy to coordinate a large group meeting of relevant parties.

Again, thank you for your response and for your continued attention to this matter, I look forward to hearing from you regarding times for a phone conversation.

Sincerely,


Heather Johnston

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Helperin, Senior Staff Counsel

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE (415) 994-5260
FAX (415) 994-5499
TDD (415) 997-3845



VIA REGULAR AND ELECTRONIC MAIL

March 4, 2019

Wooster LLC
810 Cord Circle
Beverly Hills, CA 90048

Dear Messrs Kalaf and Levy:

Thank you for taking the time to speak with me on January 18th, and for your letter, which was sent electronically the same day but was dated January 9th; we appreciate your expressed willingness to enter into discussions with Coastal Commission staff to endeavor to resolve this serious Coastal Act violation on your property located at 16701 Via La Costa Drive, in the Pacific Palisades portion of Los Angeles (the "Trailhead Property"). We look forward to having a more comprehensive discussion in the near future regarding the history of the Trailhead Property and your ongoing obligations with respect thereto once you have retained counsel. In the meantime, however, I wanted to take the opportunity to address some of the statements that you made in your January 18th letter.

As a threshold matter, you indicate in your letter that "[a]t the time of auction, the only documentation we had among several bureaucracies was that the City stated it was a 'legal lot' and that '[t]he only limitation noted a standard slope restriction.'" Unfortunately, these statements do not reflect the entire universe of records at your disposal; in fact, there are two documents that are recorded in the chain of title for the property (and thus retrievable by a standard title search) both of which reference the coastal development permit ("CDP") at the heart of this matter (CDP no. A-381-78): 1) Declaration of Restrictive Covenants and Agreements (Official Records of Los Angeles County, Instrument No. 1981-3847), and 2) Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for the Summit at Palisades Highlands and Notice of Addition of Territory for Palisades Drive Recreation Association (Instrument No. 89-1560661). In fact, the latter document, which is a 1989 amendment to the development's covenants, conditions, and restrictions, specifically refers to restrictions on the Trailhead Property that were imposed as part of the CDP. Wooster LLC ("Wooster") was therefore on notice of the conditions and restrictions imposed on the Trailhead Property by the Commission in the issuance of CDP A-381-78, as these documents were recorded in the chain of title to the Trailhead Property prior to your purchase. We note that, by law, such legal restrictions run with the land, and regardless of transfer of ownership or how one acquired the property, the property is subject to all of the requirements of those permit conditions, including being used as a public parking lot and restroom facility for the Temescal Ridge Trail, as is reflected in the recorded documents for the parcel.

Further, in this case, Wooster was additionally on notice that the Trailhead Property was developed and maintained for the public benefit; 1) the public bathroom and parking facilities are existent and

9

clearly visible on the property, and have been there since 1994, 2) there are signs located on Via La Costa directing the public to the property for parking to access the trailhead, in addition to public access signs on the Trailhead Property itself and 3) the City of Los Angeles was maintaining the facilities including the public restrooms until Wooster notified them that they should desist after Wooster took ownership. In your letter you aver that "[g]overnment agencies sell property all the time, so the fact that there were bathrooms and a parking lot on the property was not meaningful." While property owned by some governmental entities may be sold on occasion, this property was clearly an active public parking lot and restroom facility that was being used and maintained by the City, and clearly gave Wooster actual notice that this was not an undeveloped or abandoned property or one with no relevant history, and as such, that due diligence, including but not necessarily limited to a title search for restrictions, should be done prior to purchase. As discussed above, the CDP and attendant restrictions would have been clear to Wooster had they properly investigated the property prior to sale.

In your letter you lay out the steps that you claim Wooster did take prior to purchasing the property. You state that you have a "City of Los Angeles, City Planning and Building & Safety" letter dated 1/10/2014, which you claim states that the property is a "buildable lot." Even if you do have such a letter, Coastal Commission permit and regulatory authority is separate and apart from City of Los Angeles ("City") permits and zoning regulations, and an indication from the City that the property is "buildable" has no bearing on Coastal Act requirements pertaining to that property, nor does or could such a letter amend a Coastal Commission-issued permit. You additionally indicate that you spoke with an office technician at the Coastal Commission's Ventura office who directed you to the Long Beach office and that "an individual" at the Commission's Long Beach office informed you that you would need to submit a standard building application for Commission review should you wish to build. Even assuming that this conversation occurred just as you indicated, this conversation, in which staff conveyed general information on how to enter into the coastal development permit process, did not and does not certify the property as free from encumbrances or restrictions under the Coastal Act - something only a review of applicable permits could accomplish. In fact, Commission records indicate that representatives of Wooster did not actually request to view existing permit files relating to the property until August of 2016, at which time Commission staff provided the requested permit information attached to a Notice of Violation letter dated August 3, 2016. Inquiring generally about how to get permission to build on coastal property is a vastly different undertaking from actually researching the permit history and attendant conditions and encumbrances affecting a specific parcel of real property - a difference that anyone in the business of developing property should be well versed in. Moreover, the fact you called indicates that you were aware of the Coastal Act and potential permit issues, and the information provided by the Commission office technician, if it had any effect, was to heighten the awareness of the need for a Coastal Development Permit for any actions pertaining to the property.

You further claim in your correspondence that both the County and the Coastal Commission has made a mistake with respect to this property, and as a result of this case, "[c]hanged their way of doing business." I can assure you no mistake by Commission staff has been found, and that this case has not in fact precipitated a change in practices. It is possible that you are alleging Commission error because the staffer answering the phone did not respond to your general inquiry with a detailed description of all permit encumbrances on the property, but again, this is the type of information that requires specific information about the property in question and that someone look for relevant permits and restrictions, just the type of information gathering to be done by someone seeking to develop a property.

Moreover, even if there had been a purported mistake on behalf of an unrelated entity, it would not nullify the permit conditions on the property. You further allege that the County has now doubly erred by "refunding" the purchase price of the property to someone claiming to be Edward Miller (of Headlands Properties Associates, hereinafter "HPA"). To clarify, after the sale of the Trailhead Property at tax auction, HPA (the entity that had record title to the property prior to the foreclosure, and which had defaulted on the property taxes) filed an Excess Proceeds claim with the Los Angeles County Treasurer and Tax Collector, and received \$333,114.65 from the sale—the value of the property at this sale, less back taxes. This is both law and standard practice after a tax sale and was not, in fact, done in error, nor was it intended to be a refund of the sale price for the purchaser.

Additionally, you state that you were never provided with keys or funds for maintenance of the public amenities required by the permit, nor were you reimbursed for the "one or two" occasions on which it was cleaned (in over two years). These claims have no bearing on the fact that the property is encumbered, and in fact it is for this specific reason that the Commission CDP required that the Trailhead Property be held by a governmental agency or an approved not-for-profit entity, to ensure that public facilities are maintained by the public as required by the permit. Instead, here, because of your ownership and (in)action, the public has been denied use of facilities that had been maintained for and used by the public for a decade, which is inconsistent with the CDP, as amended.

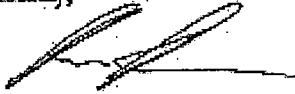
Finally, in several parts of your letter, you intimate that Commission staff has been unwilling to work with you to try to resolve this matter. On the contrary, we have been attempting to reach out to you and your representatives repeatedly, in an effort to resolve this matter, over many months. For example, I was in regular communication with your previous counsel, Adam Rossman, until, upon sending him a draft settlement offer in April of 2018, you sent me a somewhat confusing letter threatening to "close the place." Despite this response, staff continued to reach out to your counsel in an effort to discuss the matter and explore the possibility of finding a mutually acceptable solution to this Coastal Act violation. By letters and phone calls dated May 11th, May 25th, and August 29th, Commission staff offered to walk through the draft settlement with Mr. Rossman to allow him to identify areas of concern to Wooster so as to be able to work through them. It was not until December 9th, 2018, that we actually heard from you, in the form of a letter that, in addition to containing a number of factual inaccuracies, expressed interest in meeting to discuss the case. On December 12th, staff responded in writing, (given the difficulties staff had previously had in communicating with you) suggesting a phone call prior to an in-person meeting to help iron out those difficulties, but we again heard nothing from you until your January 18, 2019 letter. While we are pleased to have heard from you and are happy to meet and discuss this matter, we wanted to note that I have provided my direct dial and email address on a number of occasions, and have reached out a multitude of times to try to discuss the case with you and/or your counsel, and so it should be clear that we have been more than willing to listen and speak with you about this matter over the last year.

Moving forward, in order to resolve this important Coastal Act violation that is having ongoing impacts to public access and recreation, Wooster needs to transfer the Trailhead Property to the City of Los Angeles or otherwise effectuate compliance with CDP A-381-78, as amended. Whichever of the aforementioned options you choose, Commission staff is ready and willing to work with you in crafting a Consent Cease and Desist and Administrative Penalty Order that will reflect the elected resolution, as well as addressing civil liabilities. In either case, please contact staff to discuss resolution once you have found new counsel. We again note that this violation has dragged on for

Wooster LLC - Temescal Ridge Trailhead; March 4, 2019

many months and is having an ongoing adverse impact upon public access and is an ongoing violation of the permit for this property, and of the Coastal Act. We need to move quickly to resolve this matter and are exploring all possible options to do so. Thank you for your continued attention to this matter - we look forward to working with you to immediately restore public access to this important area.

Sincerely,



Heather Johnston

cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement
Alex Hespeler, Senior Staff Counsel

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT OFFICE
89 SOUTH CALIFORNIA STREET, SUITE 200
VENTURA, CA 93001-2801
VOICE (805) 585-1800
FAX (805) 641-1732
WWW.COASTAL.CA.GOV



VIA ELECTRONIC AND REGULAR MAIL

December 5, 2019

1205-1207 Wooster Street LLC
Attn: Mr. Kalaf & Mr. Levy
810 Cord Circle
Beverly Hills, CA 90048

henrilevy@aol.com

Dear Messers Kalaf and Levy:

The purpose of this letter is to again attempt to open a dialogue with you regarding ongoing Coastal Act violations relating to the property at 16701 Via La Costa Drive, in the Pacific Palisades portion of Los Angeles (the "Trailhead Property"). It has now been nearly a year since you have responded to correspondence from Commission staff; your last communication dated January 9, 2019, indicated that you were in the process of looking to obtain new counsel for this matter. By phone on January 18th and via letter dated March 4th 2019, staff deferred to your stated need for new counsel and requested that you contact us as soon as you had engaged new counsel. In this letter staff additionally responded to assertions raised in you January 9th correspondence; assuring you that the restrictions on use of the Trailhead Property imposed by coastal development permit A-381-78, as amended, do in fact persist and apply to you as current owner of the Trailhead Property. In addition, to also respond to assertions you made regarding the pending enforcement matter, staff provided you with preliminary information regarding the specific manner(s) by which you could resolve these violations.

As staff had not received a response from you, staff sent an additional letter on August 28, 2019. In this letter, staff reiterated willingness to meet with you and work with you in a collaborative manner to resolve this significant Coastal Act violation and again requested that you contact us in furtherance thereof. As of the date of this communication, staff has received no response from you to either of these letters. Because this Coastal Act violation continues daily to have significant negative impacts to public access and recreation, this matter needs to be addressed expeditiously. Please contact me as soon as possible to discuss resolution of the Coastal Act violations on the Trailhead Property. Further, because this violation involves public access,

1205-1207 Wooster Street LLC

December 5, 2019

Commission staff will be recommending that the Commission impose an administrative civil penalty against you pursuant to Section 30821 of the Coastal Act.

At this juncture, staff is preparing to proceed to a hearing before the Coastal Commission in February, 2020, to resolve these significant violations. If you wish to resolve this matter amicably please contact staff immediately. Again, since you have not responded to our letters in the last year and do not appear willing to resolve this matter amicably, we will be proceeding with a unilateral action against you at the February hearing. Thank you for your continued attention to this important enforcement case, I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Heather Johnston', with a long horizontal line extending to the right.

Heather Johnston

cc: Aaron McLendon, Deputy Chief of Enforcement

RECORDING REQUESTED BY

L.A. Dept. Recreation & Parks
MAIL TAX STATEMENT TO
L.A. Dept. Recreation & Parks
200 N. Main Street
1200 City Hall East
Los Angeles, CA 90012

WHEN RECORDED MAIL TO

Name Los Angeles, Dept. of
Street Recreation & Parks
Address 1200 City Hall East
City 200 North Main Street
State Los Angeles, California 90012
Zip

ORDER NO.
ESCROW NO.

RECORDERS USE ONLY

GRANT DEED (PARTNERSHIP)

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$

- () Computed on full value of property conveyed, or
() Computed on full value less value of liens and encumbrances remaining at time of sale.
() Unincorporated area () City of

Tax Parcel No:

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
HEADLAND PROPERTIES ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP
hereby GRANTS to the City of Los Angeles Department of Recreation
and Parks

the real property in the County of Los Angeles State of California, described as:

Parcel No. 1

Lot 77 Tract 32184 as per the map of said Tract filed in
Book 1182, Pages 20 through 27 inclusive, of Maps in the
Official Records of the County of Los Angeles, State of California

Parcel No. 2

An easement for pedestrians and bicycle trail purposes over
the real property described on Exhibit "A" attached hereto and
incorporated herein by this reference

HEADLAND PROPERTIES ASSOCIATES, A
California Limited Partnership

By: HEADLAND DEVELOPMENT CORPORATION,
A California Corporation

Its: General Partner

Dated: February 16, 1994

STATE OF CALIFORNIA
COUNTY OF Los Angeles
On February 16, 19 94

before me, the undersigned, a Notary Public in and for said
County and State, personally appeared

W. CHARLES CHASTAIN
AND BRETT LASHELLE

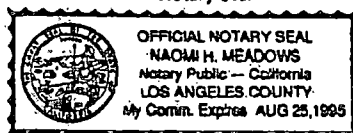
By: W. Charles Chastain, Vice President

By: Brett LaShelle, Assistant Secretary

known to me to be of the partners of the partnership
that executed the within instrument, and acknowledged to
me that said partnership executed the same.
WITNESS my hand and official seal.

Naomi H. Meadows
Notary Public in and for said County and State.

Notary Seal





1000



95798

U.S. POSTAGE PAID
FCM LG ENV
CALABASAS, CA
91302
DEC 11, 20
AMOUNT

\$9.80

R2305M147145-26

RETURN RECEIPT
REQUESTED

**KRISHEL LAW FIRM
4500 Park Granada, Suite 202
Calabasas, Ca 91302**

**Office of Risk and Insurance Management
Government Claims Program
P.O. Box 989052 MS414
West Sacramento, CA 95798-9052**

RETURN RECEIPT
REQUESTED

Form 381

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
FAX (415) 904-5400
TDD (415) 597-5885

**VIA ELECTRONIC MAIL**

June 2, 2021

Subject: 16701 Via La Costa Drive, Palisades Highlands

Cathie Santo Domingo, P.E.

Cathie.santodomingo@lacity.org

Assistant General Manager

Planning, Maintenance and Construction

Department of Recreation and Parks

Pejmon Shemtoob

Pj.shemtoob@lacity.org

Deputy City Attorney

Office of the City Attorney

Real Property and Environment Division

Jason Douglas

Jason.p.douglas@lacity.org

Senior Planning Deputy

Councilmember Mike Bonin

Dear Ms. Santo Domingo and Messers Shemtoob and Douglas;

The purpose of this letter is to provide you with Commission staff's response to the documents provided by Ms. Santo Domingo in reference to the property located at 16701 Via La Costa Drive in the Palisades Highlands ("Trailhead Property"), and to hopefully provide a path forward by which we can work together to quickly resolve this issues related to the Trailhead Property and ensure that it is returned to its designated public use and status so that the community and public writ large can enjoy the benefits that both the City of Los Angeles and the Coastal Commission intended.

Firstly, I wanted to thank you for reviewing your files and sending me the salient documents – I understand that we are all trying to piece together a history of this property from old and potentially incomplete documents and appreciate your work on this.

Upon review, the June 26, 1989 Board of Recreation and Park Commissioners ("RAP") Report of the General Manager ("1989 Document") reflects the RAP's approval of the recordation of the grant deed ceding title to property for a trailhead from the original subdivider to the City of Los Angeles ("City"). This document also reiterated that the creation of the trailhead was not only a condition of the Coastal Development Permit imposed by the California Coastal Commission but was also explicitly required by the City itself as a condition of approval of the Tentative Tract Map for Tract 32184. Significantly, this City-imposed Tentative Tract Map requirement persists regardless of any subsequent actions modifying

the precise location of the trailhead, and the current lack of a public trailhead appears to be a violation of that condition.

Both the 1989 Document and the September 6, 1995 RAP Report of the General Manager ("1995 Document") reflect an explicit understanding that the trailhead was to be built pursuant to City specifications and was to be transferred thereafter for the City to maintain, consistent with the discussions between the Executive Director of the Commission and the City at this time. This was in fact done, and as is supported by the extrinsic evidence provided by the documents that Commission staff provided to you, the Trailhead Property was designed and developed pursuant to plans approved by the City; a certificate of occupancy was issued on January 6, 1994, for the public restroom and parking facility. Additionally, the document attached hereto (and provided previously in the document exchange) is a grant deed dated February 16, 1994, signed by Headlands Properties Associates transferring ownership of the Trailhead Property to the City. This notarized and signed grant deed contains a recordation request from the City Department of Recreation and Parks to the County Recorder's Office and demonstrates that the City's goal was to effectuate the transfer.

Subsequent letters and documents from 1995, again provided in the document exchange, reflect a general understanding that the City owned and operated the Trailhead Property. Further, the 1995 Document that you provided actually bolsters this interpretation; after discussing the relocation of the trailhead and recommending the acceptance of the new site, the report states, "[t]he trailhead facility was subsequently constructed at its current site in accordance with plans approved by our Department, the completed facility inspected by staff and found to be in order." Nothing in this report suggests an intention other than to proceed with City ownership of the Trailhead Property.

While I understand that apparently Numbers 3 and 4 in the 1995 Document were not fully executed, since it appears that the recommendations were approved as a whole, absent additional evidence or subsequent action by the RAP, such inaction cannot be taken as an authoritative decision but should be viewed as an error which should be remedied. Number 4 of the 1995 Document directs the RAP to record the grant deed to the extant Trailhead Property (which was executed by Headlands), and to record the quick claim deed releasing the other property back to Headlands. If Number 4 was never in fact implemented, is it the City's position that the City retains ownership of and responsibility for the originally dedicated trailhead property? Since that would presumptively be the case absent complete implementation of the 1995 Document as a whole, it seems like it would be in the best interest of the City to work with Commission staff to ensure that the ownership of the Trailhead Property is transferred back to the City so as to be in compliance with the conditions of Tentative Tract Map 32184, the 1995 Document, and the Coastal Development Permit, as amended.

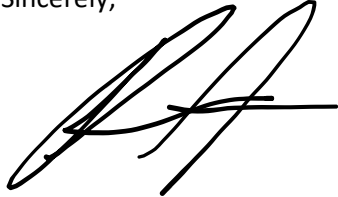
Even absent all of the above, since the mid-1990's up until 2016 the City was treating the property as theirs and actively maintaining the public restroom and parking lot at the Trailhead Property for the benefit of the people of the City of Los Angeles and the general public. It is our understanding that even today the City is paying for the utilities on the Trailhead Property. Clearly the City (and the Coastal Commission) assumed that the City owned the Trailhead Property consistent with all of the documents that we have exchanged, including the Coastal Development Permit, as amended. We would like to work collaboratively with the City to see this property back in the hands of the City.

June 2, 2021

Page 3 of 3

Commission staff is prepared to proceed to hearing before the Coastal Commission at which time it would be recommended that the Trailhead Property be quitclaimed back to the City as rightful owner. Given that the City was deeply involved in planning for this facility, and spent resources maintaining it for the benefit of the public for over twenty years, it is our hope that we can move swiftly to ensure that the public is able to again recreate safely in this area.

Sincerely;

A handwritten signature in black ink, appearing to be 'HJ' with a horizontal line extending from the end.

Heather Johnston

Statewide Enforcement Analyst

cc: Aaron McLendon, Deputy Chief of Enforcement

Alex Helperin, Deputy Chief Council

Palisades Highlands Vicinity Hiking Trails and Trailheads

