

**MINUTES OF A REGULAR MEETING OF THE  
COMMUNITY REDEVELOPMENT AGENCY OF HAWTHORNE,  
CALIFORNIA HELD APRIL 27, 2004.**

The Community Redevelopment Agency, Parking Authority, Housing Authority and City Council meetings were called to order jointly and concurrently by Chairman/Mayor Guidi at 6:00 p.m.

ROLL CALL-Present: Agency Members Catano, Lambert, Velez, Chairman Guidi.  
Absent: Agency Member Parsons (excused).

1.

During oral communications **Allen Richards**, 13828 S. Ramona Ave., was under the impression that a gas station and store would be put on this corner and feels that it is the wrong place for an apartment complex. **Frances Stiglich** stated that parking in the area is terrible and does not want apartment units, as there are too many already. **Pierre Alwan**, owner of parcel on Imperial and Inglewood, spoke in favor of building a gas station and drive through car wash. **Alan Amblin**, 11519 Gale Ave., spoke against any apartment development in the area.

Chairman/Mayor Guidi ordered oral communications closed.

2.

Chairman/Mayor Guidi recessed the Community Redevelopment Agency, Parking Authority and Housing Authority meetings to conduct the meeting of the City Council.

Chairman Guidi called the Community Redevelopment Agency meeting back to order following recess with all members present, except for Agency Member Parsons who was excused.

3.

Agency Member Lambert moved, seconded by Agency Member Catano, that the minutes of the regular meeting of the Community Redevelopment Agency of April 13, 2004 be approved and adopted with reading waived.

ROLL CALL-AYES: Agency Members Catano, Lambert, Velez, Chairman Guidi.  
NOES: None. ABSENT: Agency Member Parsons.

4.

City Clerk Daniel D. Juarez announced that this was the time and place for the public hearing regarding Proposed Disposition and Development Agreement submitted by B.T Imperial LLC for a proposed 38-unit project located at 4742-54 Imperial Highway.

**Recommendation:** Agency staff recommends that the Agency not approve the proposed Disposition & Development Agreement submitted by B.T. Imperial LLC based on all of the reasons specified in the Agency staff's report and analysis.

Planning Department's declaration publication filed. City Clerk's declaration of posting filed. Written communications filed. Call for oral comments. Motion-close hearing. Motion to Approve/Deny.

**Guidi:** I've received no cards, but I'm told that we have a presentation by BT Imperial LLC. Would you like to come forward?

**Mitch:** I don't have a full-fledged presentation because I've distributed tremendous amounts of information to the City Council and I'd like to rely on that, but I will start out by saying my name is Jim Mitch. I'm manager of BT Imperial LLC. On April 11<sup>th</sup>, I submitted a revised proposal performa and proposed disposition and development agreement to the City Clerk for distribution to the Redevelopment Agency members, Council and staff. On April 27<sup>th</sup>, I submitted an errata sheet with corrections to some of the typographical errors in the April 11<sup>th</sup> submission plus the inadvertently omitted attachments which include, attachment 1, a conceptual site plan; attachment 2, a legal description on assessor's parcel numbers; attachment number 3, schedule of performance; attachment number 4, scope of development; attachment number 5, the schedule of agency and

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city payments. I have also submitted additional comments in my five-page response, together with applicable code sections and statuettes to the staff report and recommendations dated April 27, 2004, which is today. I am formally asking that these documents be made **a part of the administrative record** in this case. I have submitted a proposed DDA for a project that is consistent with and furthers the aim of number 1, the City of Hawthorne's General Plan; number 2, the City of Hawthorne's zoning ordinance; number 3, the City's building standards and codes; number 4, the agency's redevelopment plan and 5, the agency's adopted implementation plan for redevelopment project area number 2. My submission is consistent with and will go a long way towards satisfying the goals of your general plan housing element, your inclusionary affordable housing requirements as mandated by state law. Your regional housing quota as indicated by local housing needs and market demands and is mandated by pertinent state and federal law, both statutory and decisional. All of my submissions are included **in the record** and are self-explanatory. So you have them all before you and they are self-explanatory. All of my responses are in my April 27, 2004 letter and in previous submissions and correspondence. I have nothing further to add. I would therefore request the Redevelopment Agency's approval on the disposition and development agreement at tonight's meeting of the Redevelopment Agency. Thank you.

**Guidi:** Is there anyone else who'd like to speak? Please...

**Allen Richards:** Allen Richards, 13828 S. Ramona Avenue, Hawthorne. Mayor Guidi, Council, on this subject I was under the impression that we were going to have a gas station and store on that corner and apparently that has gone by the way side. To put an apartment building three stories high up there, you've got a lot of apartments. Look what happened in Moneta Gardens. We don't need it on this end of town. It's just the wrong place. You're too close to the freeway, you're too close to Lennox. The parking situation is not going to be correct. Very limited spaces for parking for guests for all of these apartments is too limited and if you're going to have underground parking is it going to be just like all the other underground parking of the apartments in town where you pay a special price for parking? They'll be out on the street. They'll be covering Imperial and Inglewood Avenue. I'm sorry, I'm against this and I wish you would look at it closer. Thank you.

**Francis Stiglich:** Council people, I want to discuss this. I live in that area and believe me, the parking is terrible in that area. We have the street blocked off. But to have all these units in there, we had okayed for Arco and the station to go in there. This is what we want there. Now I don't want any more apartments in our area. We have too many to begin with. I'll go door to door and get a lot of signatures that you are going to approve this. I don't want this approved at all. We have enough apartments in our area and we have too many cars on our street. I've been there for 58 years and out that 58 years I have yet to come out of my driveway and drive straight through 120<sup>th</sup> Street without going behind several cars and then going out and I know that the Mayor and Ginny and a lot of them went on my street and this is what's happening. It's not wide enough and it's terrible to go out of there. And it's really kind of scary because what if we had a bomb thrown out and then we had to get out? It would impede. You'd have to use your legs and run wherever you could so I don't want any of this. So I oppose it very strongly and all my neighborhood opposes it very strongly. Thank you.

**Pierre Alwan:** Honorable Mayor and member of City Council, good evening. My name is Pierre Alwan. Me and my partner, we own the parcel on the corner of Imperial and Inglewood. Last year we were in front of you. We with Arco gave you a nice thing to do for the area. I built in the City of Hawthorne for many, many years and the Planning Commission approved our project. But the problem we have is the gas station, which we bought in January 2001 is contaminated. Now the first time about a year ago, the ah Jack Fleming supposed to take our whole property, build 125 units and I told the City Council and I guess they knew that Jack Fleming knew you cannot build on contaminated land. So they came back with another trick. Instead, then they took 25,000 from our land to build. In fact, they will cut our property. They take the good land and leave the contaminate alone. It's really a terrible thing what they are trying to do to us. I think we live in America, we don't live in other countries when human right, civil right and being trampled on. I came from that part of the world which is. So I am here in America. I want to tell you it's really unfair. If you want to build a school or something eminent domain I could see it, but just to build an apartment? I mean I'm a builder. I build in the City of Hawthorne and I would like to go on with our project, the gas station, drive through car wash and we've meant all the city requirement and by the way, last year when we had the problem with Jack Fleming. In fact, I have never met Jack Fleming. I have never met the guy named Mitchell, I just saw him tonight. If somebody wants to buy our property, at least let us know about it. But I mean, maybe I talked to the planning commish, he said well you don't really have to, which I understand. I am not a lawyer but I really talk common sense. Common sense tell me that maybe my lawyer... No, anyway, last year, me and my son went around and we got the neighborhood this is 216 signature, me and my son with the help of Francis. But Francis, she would not give me her stuff because she already got I think 35 she submitted to the City Clerk. This is a copy of those resolution. If you want, I will give you one or I will and the City Clerk...

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**Guidi:** Those are signatures?

**Alwan:** These are signature from the neighborhood.

**Guidi:** So that's a petition you passed around and

**Alwan:** Right.

**Guidi:** that supported or against it?

**Alwan:** All. All support it.

**Guidi:** What do they support?

**Alwan:** They support. Okay, may I read it to you?

**Guidi:** Sure. Go ahead. Whatever you do tonight, it's a public hearing. It **goes in the record**.

**Alwan:** Okay. To honorable member of the Hawthorne City Council. I am aware of the Fred Fiedler and Association on behalf of Mr. Pierre Alwan is requesting approval of a new ARCO service station, AM/PM convenience store, car wash and a free standing building to retail use at the corner of Inglewood Avenue and Imperial Highway. I also understand that the proposed facility would be open 24 hour a day. I support the applicant request for all necessary approval to develop this site into a new state of the art gasoline service station with a convenience store and a car wash. This site is presently vacant and these proposed uses would serve the convenience and necessity of myself and the community and will improve the appearance of this vacant site. Thank for your consideration of this matter and anticipated support for that project. Very truly yours.

**Guidi:** Are those individual signatures?

**Alwan:** These are individual signatures.

**Guidi:** Okay, can we have that stack **for the record**?

**Alwan:** Well, I tell you the City Council. This is a copy, but the clerk, they do have the original signed copy. I already call the clerk this week and they tell me they are in your possession.

**Guidi:** Is that? Okay.

**Lambert:** You make that again **a part of the record**.

**Alwan:** Also, you know, actually, I am really very happy and excited about what's happened in the city. You know, I drive on ah I live in El Segundo. I used to live, when I was going to school in Northrop University, I lived in City of Hawthorne, I owned property, I build in the City of Hawthorne. I'm a contractor. So now at this time, the planning commission approve, we're going to build next to El Pollo Loco, Inglewood and Imperial, six homes, individual homes. And we talking about the price. Next to El Pollo Loco, a house just being built was sold for 420,000. Next to El Pollo. Brand new.

**Velez:** That's the peach color one, right?

**Guidi:** Right next to the parking lot?

**Alwan:** Exactly, exactly. I will be building six homes like it next to that beautiful home you saw and believe me I owned that property for many, many years. First when I bought it, I bought one lot, then I bought six lots. I came to the city when way before your time. I'm much older than you. Okay, so anyway I was able to build 24 unit but I'm always short. I don't know if I'm going to take your time telling my story.

**Guidi:** Okay, we have to stick to the topic of discussion.

**Alwan:** Yeah, yeah, okay. So anyway, so this is it. If you want it, I'll give it to you right now, but this is the only copy. But the clerk have it. If you have any question, honorable Mayor, City Council, I would love to answer.

**Guidi:** Thank you. Thank you very much for coming. Is there anyone else who'd like to speak?

**Alan Amblin:** Mr. Mayor, ladies and gentlemen of the Council, my name is Alan Amblin. I live at 11519 Gale Avenue. This complex that we're trying to build down here, I'm totally against. We as your folks know, have a parking issue. Last night or the night before, I had the opportunity to once again call the police department to come out and investigate people parking in the red zone at the fire apartment at the fire hydrant and also reported at that time that there was people leaving going from the street over the fence into the underground parking of the apartment next door to me and I had no idea where they went. On an average I call the police department four times a month to come and have cars ticketed and or towed from this particular spot, the fire hydrant in front of the house. Last week or the week before, I called the city with regard to vehicles being left on the street for more than 72 hours. I had a motor home that was left there everyday except for 2 ½ to 3 hours on Wednesday when we get our street swept.

**Guidi:** Is that the white one that has the for sale sign in the window and a phone number?

**Amblin:** No, sir. No. This is a different one. This one that I finally, after the second call to the, I can't remember the department I spoke with, but they came out and they finally tagged it and it took until, that was on a Wednesday right after street sweeping, it took until the following Tuesday before the owner came out and finally removed the vehicle. Thank God it's gone, it hasn't been back. But these are the issues that we face down there. You cannot drive down the street without like Francis says, having to pull in, find a vacant spot so two vehicles can pass. I have got a couple of dings on the mirror of my truck from contacting other vehicle's mirrors on other motor homes and what not because you cannot pass on that street. I would like to see no more development of apartments. The people who own this apartment next to me, they have provided parking for their tenants and when I'm out there watering or doing whatever, I find that the people are leaving their apartments and going to their car on the street. They don't park in the provided parking. Whether it's paid or unpaid or whatever, is not our issue. Our issue is getting up and down that street safely. The night that the police had to leave after I called them Monday night, they had to go down and back up the unit. Had to back up until he could find a place to turnaround. I've had occasions when the emergency vehicles come down, the fire department, the guy has to back up that unit all the way down Gale Avenue until he gets to 118<sup>th</sup> and he has to have two walkers behind him all the way back to get that vehicle out of there. If we have any kind of emergency, gas leak, anything that we have to evacuate that place, we're in trouble. And I can see it now, they're going to build that building there and the people are not going to be able to park on Imperial. They're not going to be able to park on Inglewood Avenue. They're going to come around on Gale Avenue, they're going to park there and they're going to walk out of that apartment and even though the street is barricaded, the sidewalk isn't barricaded and they're going walk down there and they're going to take up all the remaining spots that we don't have available. So I'd like to **go on record** as saying I totally oppose any apartment development in that area. Thank you.

**Guidi:** Thank you. Is there anyone else who wishes to speak? Mr. Mitch, would you like to come back to the microphone? If you have any rebuttals or any more comments?

**Mitch:** No, I don't have any comments regarding any of the things. I can understand the plight of the people that are in the area. There has been parking problems for throughout the city for a long time. But I think that this is a good project. I think it provides adequate parking and I think that it will supply what the city needs. And I think it's a good disposition and development agreement. And I have really nothing further to add.

**Lambert:** Jim, can I ask you, do you own any part of that parcel at all?

**Mitch:** No.

**Lambert:** You own nothing?

**Mitch:** No

**Lambert:** So what are you anticipating, that we would take the land away from him and give it to you? Is that what your plan is? Essentially?

**Mitch:** There's been a long term series of negotiations and things that happen regarding the disposition and development agreement in accordance with the letter that was submitted and it included previous, before I got involved in it, it included indications by the City and ah coming up with an exclusive negotiating agreement that allowed for these things to happen. And that was the desire of the city at the time and I wanted to follow through with it and build a good project for the City.

**Lambert:** Okay, and have you already appraised the land?

**Mitch:** We have an appraisal that's in there, yes. In the documents. I don't have it in front of me.

**Lambert:** I didn't see it.

**Shishido:** Mr. Mitch, you're relying on the agency's appraisal in October of 2003, right?

**Mitch:** I don't have information in front of me, but it is included in most of the staff reports that you forwarded to me.

**Lambert:** Well, my question was, did you do an appraisal? I don't mean ours, but did you ever?

**Mitch:** No.

**Lambert:** You have not done...

**Mitch:** No. There was an appraisal done and we didn't find much fault with the appraisal.

**Catano:** To the chair. Mr. Alwan stated that the property was contaminated. Do you know the extent of the hazardous material that's there?

**Mitch:** No. I noticed that there's been previous work previous communications indicated that it was contaminated. I think that there was information that came before the City and I don't know which agency or anything else or which department, but indicated that there was definitely contamination in accordance with various applications were filed on his behalf before the City. And there was an indication by the City's retained consultant that there was contamination on sight.

**Guidi:** Mr. Mitch, hold your thought. Mr. Alwan, please have a seat for a moment. We'll give you an opportunity to come back. It's kind of uncomfortable if you stand behind the speaker. Sorry Mr. Mitch, go ahead.

**Mitch:** That's all right, I have nothing further to add on that.

**Catano:** How do the LLC intend to deal with this hazardous waste?

**Mitch:** Well, like anything ah, the ah, there's no building permits that are issued or anything else until there's...there's no agency in the City. The City of Hawthorne could not allow any type of building, unless there's remediation of the soils. You know, that's law. So that would have to be done prior to the issuance of the building permit whether it was for apartment house construction or whether it was for putting in ah a ah whatever use that he had to apply before the City for. That has to be done.

**Shishido:** Through the Mayor. Mr. Mitch, you want the agency to acquire the property for this project. There's been some discussion right now that the site's contaminated. You want us to acquire...

**Mitch:** Well, it's not discussion right now. This has been apparent to the City through the entire process. There's been much notification by your consultant and everybody else that indicated that there's a contamination problem.

**Shishido:** Do you know..

**Mitch:** But this isn't something that was just brought up now.

**Shishido:** Yes, that is true. But have you in using your due diligence, tried to ascertain the amount of any remediation cost for this contamination?

**Mitch:** No, I don't know the number of the remediation cost.

**Shishido:** But you want us to acquire the property, which may be contaminated. There's a statement from the property owner that it is and you don't know what the remediation costs are. Isn't that a risk for the agency to acquire the property that's contaminated?

**Mitch:** That was included in the reports that were indicated by your consultant.

**Shishido:** Are you talking about the report, the appraisal that was done by the City's, the agency's appraiser?

**Mitch:** And also, and also statements in the responses by Kaiser Marston and other people.

**Shishido:** Yeah. Mr. Mitch, you do know that appraisal that was done again by the City's consultant, which is Lee & Associates, appraised the property at \$1,000,050 with, assuming the site is clean. It says that it does not take into account any contamination.

**Mitch:** I don't have that appraisal in front of me, so I don't know.

**Shishido:** Have you ever saw any of the exclusions in the appraisal noting that they're not, they do not account for any contamination on the site?

**Mitch:** I don't remember seeing that, no.

**Shishido:** Isn't that something that you would want to know as a developer of property?

**Mitch:** I think that there was basic agreement between the cost, the acquisition cost, from your consultant and what it would cost us to do, so I didn't challenge it too much.

**Lambert:** That would change the cost quite a bit, wouldn't it ah...

**Shishido:** I think that's the basic issue. Do we have a handle on what the cost of the property is?

**Lambert:** That's the issue, yeah.

**Velez:** And I have some concerns on other discrepancies in regards to cost because, through the chair, I apologize. On the letter that you wrote on April 12, 2004, it states that you're requesting a lump sum of 1,800,000 correct?

**Mitch:** Yes.

**Velez:** Then on page 6 you're saying you need a direct one-time subsidy of \$2,362,880. What's the discrepancy there?

**Mitch:** There was an errata that indicated that it should have been the \$2,362,000 figure and number one. And number two, the report by Kaiser Marston indicated that that figure was in the ballpark basically from the ah from ah we were talking it was pretty close to the figures that were indicated in the Kaiser Marston report.

**Velez:** The figures I'm seeing in that, the Kaiser report is 3,518,000. And that's based on a clean project, a clean site.

**Mitch:** They indicate more. But it also includes the difference in the estimate as to the revenues and the net operating income and things like that. So I feel comfortable standing with the reports that I've given you and the reports that Kaiser Marston made and I think that the ah that I asked for approval on the DDA based on the figure of that \$2,000,000 figure.

**Shishido:** Okay, so the 1.8 million dollar listed on the cover sheet is out. The errata says that the subsidy you're requesting is a 2.3 million dollars?

**Mitch:** Yes, that's correct.

**Shishido:** And yet you're also saying that you agree with the Kaiser Marston report?

**Mitch:** No, only in the general figures that we have how we include the study for the gap. Now they came up with the 3.5. I think it's 3.59, I don't have the figures in front of me.

**Shishido:** Right.

**Mitch:** And that indicates that they that was based on not the acquisition costs, but in how they figure net income and so forth.

**Guidi:** Mr. Mitch, let me ask one quick question. So what I'm hearing here is you're asking the City to give you money to buy some land that could be which we now know is contaminated to build some homes on. So you're asking the City to buy land that we know is contaminated, but has a problem to be cleaned.

**Mitch:** That part, yes. That the contamination has to be solved.

**Guidi:** Okay, so in other words

**Mitch:** Whether it's developed by anything or whatever, it has to be solved.

**Guidi:** So you've done no testing by the LLC? The BT Imperial LLC has not done an independent test before making these big proposals and asking the City to advance you the money? So you really don't know how severe the contamination is?

**Mitch:** I don't have access to the property as it stands right now. I couldn't put testing on that.

**Guidi:** Are you aware that the article that just came out in the newspaper in Gardena on the Honeywell site? The residents that are being affected by contamination and they let them build? I think was it, Mr. Shishido was it a housing project.

**Shishido:** I think it was a mobile home on a Honeywell site.

**Guidi:** On a Honeywell site. So, our, I mean, we deal with DTSC a lot and you know that's Department of Toxic and Substance Control. I would think you'd do diligence before you would want to invest or invest our money to help you buy the property. That you would want to make sure that that property, number one, is buildable than spending all this time trying to put together a report because I'm really thrown off. You give me one document, you say this is the one I want you to use and then today around noon, you bring another document before a Council meeting saying let me clean up these mistakes. It kind of threw me off.

**Mitch:** No, the errata was given to you some time ago.

**Guidi:** Yeah, but we just got one of these today.

**Mitch:** Yes, you did.

**Guidi:** And it says and it doesn't match some of the other stuff, but the only concern that I have and under the health and welfare of our community, we all agree tonight that that property is contaminated. It has a problem. It has a toxin problem and needs to be cleaned. The second problem is that you want us to buy the property with City money that belongs to the people of Hawthorne to try to buy knowingly that the site is contaminated and then we would be on the hook, the City of Hawthorne, to clean it up and we just recently, well, a few years back, we saw the cost of what it costs the state to do a cleanup of contaminated property. So that's something you really needed to consider in my personal feeling.

**Mitch:** First of all, there's no there would be no City of Hawthorne direct money in this. This would be a housing set aside funds and other things that

**Guidi:** But who pays for that? Where does that money generate from? Is it taxpayers?

**Mitch:** It's generated from the taxpayers.

**Guidi:** Okay, so then people, residents of Hawthorne are really spending the money to build this for you, correct?

**Mitch:** Well, to build it for themselves, really. This is going to be a project that ah that's gonna like I say satisfy all of the housing community development needs. It's something that's mandated by virtue of the information I gave you before.

**Guidi:** But you do agree that the money that you want us to give to you comes from the taxpayers of Hawthorne? You do agree on that?

**Mitch:** I, I, you know, I've negotiated many disposition and development agreements with the City and this is the case on each and every one. That it comes from funds that are specifically designed for this purpose and they're included in a disposition and development agreement much like this one is, so I guess the answer is yes.

**Shishido:** Mr. Mayor, the funding that he is seeking is from the redevelopment agency's housing set aside funds, which are committed to housing, but that's to use to approve and improve

**Catano:** Is that low and moderate-income housing fund?

**Shishido:** Yes, the low and moderate-income fund. It's to approve, you know, improve, build low mod housing, but largely successful housing. We want a project that is capable of being built and not stalled because of some toxics problem.

**Catano:** Who's going to pay for to get rid of the contamination? Is he going to pay or is the LLC?

**Shishido:** Well, I asked Mr. Mitch and he said he does not have a handle on the remediation costs. He didn't have access to it. But I think that is a very crucial responsibility on behalf of anybody who wants to develop property. I mean, they're the experts. They're the developer. They're coming to us for the subsidy and but of course we don't have that information.

**Lambert:** Can I ask you a question, Jim? Oh, I'm sorry.

**Catano:** I'm not done. Anyway, I want to get this okay so we gonna pay for the, supposedly, not we but the citizens out there, the taxpayers are gonna pay for the clean up of this property. Well, and we don't know yet how much of the cost, well the financial feasibility that is going to cost either the LLC or the City we're going to pay for it. So actually, we aint got no idea of what. It could be 5 million to clean up right? I'm just saying. I don't know, but I'm just saying.

**Mitch:** The only amount asked for is the is a figure in the financial gap analysis, excuse me, a figure that represents the financial gap in the disposition and development agreement that I submitted to you before. Two point, I don't have the exact number here, but the 2.3 sum million dollar figure. That's what we're asking for.

**Shishido:** That assumes that the site is clean though, right?

**Catano:** What about if the contamination costs more? Who's gonna pay for that?

**Guidi:** You know what, there's too many people speaking at one time. Can we just one at a time so we can all understand this? So, okay, Mr. Shishido, you go first. What was your comment? That that was based if the site was clean, correct?

**Shishido:** Yes. The amount of the subsidy requested is based on the site is clean and I think Mr. Alwan and some of our staff reports have thrown into question what the actual subsidy would be because I think you have to add to the subsidy if the site is contaminated any remediation costs.

**Mitch:** The amount asked for is 2.36 million. The remediation costs such that they would kick it up past that figure. The ah in terms of the disposition and development agreement, would allow that the project be terminated. It would cost too much.

**Shishido:** Yeah, that is right.

**Lambert:** Would you say that again, please. I did not hear you. I didn't hear that.

**Shishido:** There is a provision that allows you to terminate the DDA should you reach a certain cap in terms of the acquisition costs.

**Mitch:** That's true.

**Lambert:** Are you saying that you have a limit of spending yourself and if it were to go over that, you would retreat? Is that what I understand you to say because you can't afford to clean it or finish the cleaning? Do I understand?



**Mitch:** We wouldn't spend the money.

**Lambert:** You wouldn't spend the money.

**Mitch:** Right.

**Lambert:** Thank you.

**Catano:** What would happen to the money (**unintelligible**)

**Mitch:** No, no there's no money already spent.

**Shishido:** But Mr. Mitch, again, you're requiring us to acquire the property and once we begin the acquisition process, you terminate, we have to follow through with the acquisition or we face abandonment costs.

**Mitch:** Not necessarily.

**Shishido:** Is there anyway once we start the eminent domain process where you terminate where uhm and you terminate we don't have the funding, that we must acquire the property or suffer abandonment costs? Are there any other alternatives?

**Mitch:** Well. It depends on. You have to have a good figure as to what it's gonna cost to do it and that should come in within the 2.36 million.

**Shishido:** How do you know that if you don't know what the cost of remediation is?

**Mitch:** Well, you'll have to get access to the site, figure out the remediation cost and go from there.

**Shishido:** We have to figure out the remediation cost is what you're saying?

**Mitch:** Yes, but the point is that there's a limit as to what the agency would be supplying because there's a cap there.

**Shishido:** Yeah, but it is true there's a limit which allows you to terminate. But once we begin the acquisition process, we either pay abandonment costs or we must complete acquisition. If we complete acquisition, we are liable for the property for any contamination that's on the property being in the chain of title.

**Mitch:** But you, as indicated in the staff report, you only have a problem if you make offers to the property owner for ah, if you make offers to the property owner for the property, you're going to make an offer to them either for something that would fit into the 2.36 million dollar cap or you would not go ahead with the project if it came up that high.

**Lambert:** Mr. Shishido, can I ask you a question regarding to what he just said? In making an offer for the property, are we also obligated to repay the owner for that amount of money he's already spent, aside from the value of the land and aside from the cleaning up properties? He obviously has spent quite a bit of money now.

**Shishido:** No, we would not.

**Lambert:** Are we obligated to include that in the offer?

**Shishido:** No.

**Lambert:** So that doesn't change that value, that 2.6?

**Shishido:** No, the value of the property would be on its appraisal at its highest and best use and so whatever that is, the appraiser sets that we pay that.

**Lambert:** I see, thank you.

**Guidi:** Well, listen, I'm a little confused right here. So this BT Imperial, LLC wants to use all the City money to purchase the land and to help them build it and then you get the profits from it? That's what you're asking us to do?

**Mitch:** That's not entirely true, no.

**Guidi:** Okay, how much money will this BT Imperial, LLC put into this?

**Mitch:** How much will the BT Imperial? We're putting soft costs, we're putting a lot of money.

**Guidi:** How much? Just give me a ballpark. 50 bucks, 60 bucks?

**Mitch:** I don't know. I don't know the amount. I don't know the number, but I know that the gap that we're asking is 2.36 million and that was done not because of, but because we were asked to come up with a lump sum as opposed to a periodic flow for the money and that was done just recently.

**Guidi:** So Mr. Mitch, let me ask you a question. You told us earlier you're a businessman and you've done a lot of this. If the City would not give you or there is no money, for example, we have no money. Would you as a businessman still take a chance with your own money? Number one, a bank won't finance it because it's contaminated. Would you, with your own money, go and buy this property?

**Mitch:** Well,

**Guidi:** Now think now, you gotta be honest, you gotta think like a businessman. Would you buy this piece of land knowing it's contaminated to build this apartment or whatever you want to build on it? Would you still do it if you had to do it out of your pocket?

**Mitch:** Yes, if the cost of the cost of the contamination would include

**Guidi:** Then why don't you do it?

**Mitch:** Huh?

**Guidi:** Why don't you do it?

**Mitch:** Because we're trying to satisfy the various things that I indicated in my proposal. The ah

**Guidi:** Okay, let's forget about that. You buy it all. Don't ask us for one dime. You buy it all.

**Mitch:** I've asked you for one dime. I've asked you for 2.36 million dollars in the proposal.

**Guidi:** Okay, but you're not answering my question. Would you as a businessman, off the street, walk up to that corner, see a for sale sign and buy the property as it stands, knowing that it's contaminated and you're going to have to clean it up? Would you buy it?

**Mitch:** Well, I wouldn't develop, I wouldn't buy it where I developed it the same way because I'm trying to get maximum housing units and affordable housing units in this particular place.

**Guidi:** You answered my question. Okay, thank you.

**Mitch:** But to satisfy those requirements, it requires a subsidy to be put in. That subsidy, I've indicated in my reports. DDA that I submitted to the agency.

**Lambert:** Jim, you want set aside money to assist you, but I was looking through your report and I couldn't find anywhere in it that indicated restricted or affordable housing. So I guess I should ask the city attorney when you advance a set aside money, doesn't it also have to also include affordable housing?

**Shishido:** Affordability covenant, yeah.

**Lambert:** I didn't see that in your

**Shishido:** Mr. Mitch, your project is a non-affordability restricted project. You don't have any restrictions on the kinds of tenants that could live there in terms of their income. Right?

**Lambert:** That's exactly what I was trying to explain to you.

**Mitch:** Would you repeat that please.

**Shishido:** Yeah. Your project is for the development of 38 multifamily units, right?

**Mitch:** Yes.

**Shishido:** There are one bedrooms, two bedrooms, three bedrooms. None of these units have any affordability restrictions on them, right?

**Mitch:** I think in the Kaiser Marston report it indicated that we met the affordability restrictions as far as rents and things of that nature, yes.

**Shishido:** Do you a covenant on it saying that I restrict these units for a period of 55 years?

**Mitch:** Do I have a covenant on it?

**Shishido:** Yeah.

**Mitch:** This is something that is done in the negotiations of the DDA. Never is there a covenant executed, can there be a covenant executed until there's title. If it was the desire of the City to enter into a covenant for 55 years, there'd be no problem in us doing that.

**Lambert:** But if we're, if we're, Mr. Shishido, if we're applying for set aside money, doesn't the government want to know that because that's where that money is coming from? From all the taxpayers and I would think that we would, I mean I don't know all the laws

**Shishido:** Absolutely, that's a requirement

**Mitch:** We would honor that commitment.

**Lambert:** Pardon me?

**Mitch:** We would honor that commitment. If to satisfy the use of housing set aside funds that had affordability requirements attached to it, we would work out with the city attorney a covenant that provided for the rules of the set aside funds.

**Lambert:** I understand, I was just

**Mitch:** 55 years or so forth. We have no objection to that.

**Lambert:** Okay, I was surprised that I did not see that in there in as much as you are asking for setaside money because that is a requisite. Okay, thank you.

**Mitch:** Okay, thank you.

**Velez:** I still have a couple of questions. I'm the new guy on the Council, so I don't know much about the history, but I was looking through some of the stuff and where does Jack Fleming tie into all this because he's the one that originally started this and now you, I think when you were talking earlier, you're the managing, what do call it member?

**Mitch:** No, Jack Fleming is no longer involved. He resigned in accordance with the report that was submitted some time ago. I don't have the dates in front of me, but it's in the report that I gave you.

**Velez:** Why did he withdraw from the LLC?

**Mitch:** I don't know.

**Velez:** Well, I see his name. I've seen his name on stuff, you know, looking at the documents where he started things and then all of a sudden he kind of just drops off and you pick up so I didn't know.

**Lambert:** Well, that's why I felt the Mayor's question was kind of interesting 'cause he asked and now I'm going to ask it again. How much money is this LLC or whoever you all are, what are you putting into the project if we were able to come up with this?

**Mitch:** All of the soft costs, all of the project of putting it together.

**Lambert:** You don't know what that amounts to?

**Mitch:** I don't know. In all of the costs that it would take us to build the project recognizing that we would only get a 2.36 million dollar thing, we'd have to with ah if the cost came in higher than that, then we'd we have to put it up ourselves.

**Lambert:** Can you kind of give us an idea of what you calculated the financial benefit would be to the City?

**Mitch:** I think there's a tremendous financial benefit to the City. Not financial benefit, I think there's a benefit to the City that it would satisfy all of the requirements of the mandated housing that you have to provide and is not being provided.

**Guidi:** Mr. Mitch?

**Mitch:** Yes.

**Guidi:** Are you sure we're not providing? Do you know how many more projects we have coming forward to us? You keep referring back

**Mitch:** (unintelligible) pipeline? No I don't. And I have no access to that number.

**Guidi:** Okay, but you don't know how many more projects we're working on and you keep referring that you're telling us right here that we're not fulfilling our commitment. I think if the months to come, unfortunately you can't see the projects we're doing or what we're fulfilling, but in the next several months you'll probably see more and more of this coming forward with different developers that are going to work with the City so I find it strange that you, the only argument you keep throwing back to us is saying that we're not fulfilling our housing element, but you don't know what other projects that are going to be coming forward to us.

**Lambert:** Well, **for the record**, that's not correct. If I may say that. It's just not correct Jim.

**Guidi:** It is not correct. And the LA. You look at the LA Airforce housing right there you'll see that we're taking care of some of our housing element. We've got two more projects that are coming forward to us that have not made it to the planning commission to work with our housing element. So all I've heard you say is you've really not answered anybody's question but keep coming back with saying that we're not fulfilling our requirements on housing when you don't even know what other projects that are coming forward to the City.

**Mitch:** Nobody has a crystal ball and if you say I got something and that, what you're saying is even though I don't, haven't satisfied it yet, I got some vague plans for doing something in the future.

**Guidi:** No,no,no. We don't have vague plans, we have projects coming forward.

**Lambert:** We have 1,000 units.

**Mitch:** Why don't you tell me what they are then.

**Guidi:** We're not required by law even to give CDBG funds or housing set aside funds to anyone. It is not required for us to give those monies out. We use those monies for different programs in the City, that's number one. Number two, we are here as a City looking to better the community and we're working on projects right now that will be coming forward to this Council in the next few months. I think one may be coming as close as the next Council meeting and they're not asking for anything from the City or to work to subsidize it. We're also working on rehabbing properties. We're also working on enhancing quality of life in

apartment buildings where we are taking an apartment building and putting two units together and creating a three bedroom for quality of life. And this drawing here was very similar that was given to us by another architect who's local, a couple of years ago, that he wanted to do the same thing so we just. Who's the architect that designed this?

**Mitch:** There is no architect that designed. I with my (**unintelligible**) people and so forth put it together.

**Guidi:** So this is basically what you want to build on that corner? That's your drawing?

**Mitch:** Yes.

**Guidi:** Okay, so you know Mr. Mitch, I think it's unfair if you're coming here to talk to us, to keep referring back to you're telling us we're not fulfilling our housing element and I don't think there's a time line to do it tomorrow or the next day. Mr. Shishido, what is our time line to fulfill our housing element?

**Shishido:** With regard to the OPA, just for the Air Force inclusionary housing under, in that document we have like maybe a total of nine months from whenever it was implemented to come up with a housing catalog and a plan. So we have nine months to figure out how do we meet the affordable housing obligation, which by the way, under the OPA, is entirely the obligation of the developer. Of course we have to work with him to approve these developments, but it's not that, you know, we have to do it ourselves. The obligation is on the developer, of course we have to cooperate with him.

**Guidi:** Right and we are working with the developer to fulfill that OPA.

**Shishido:** Otherwise, the requirements are under redevelopment law that, you know, you're supposed to build low mod within five years after five years you can make findings if possible to extend to ten, you know, that's the parameters, but of course, we take our obligations very seriously and you know, but we're fine.

**Guidi:** And we are taking it very seriously because there is a project, I think, will be coming on the next Council meeting, am I correct? We're going to have some projects coming forward so I'm lost of your comments that you're making to this body and we are working on projects and you just heard the time table of this body and the developer is not asking us for any money to do the same thing you want to do. So I'm lost by a lot of your comments that you've just thrown and the only thing you keep falling back on is you're trying to tell us we're not fulfilling. So if we're not fulfilling this, why don't you spend your money and build it all and help us fulfill it.

**Mitch:** because to meet the requirements for affordability and things like that, the project has a requirement that ah. It has certain requirements that require in our estimated cost, 2.23 2.32 million dollars or whatever the figure happens to be and it costs that much to do the project. To build the projects in accordance with what's necessary.

**Guidi:** So what is your total estimate if this goes forward? What is your total estimate start to finish, your soft costs and any other costs total?

**Mitch:** I don't have that figure yet.

**Guidi:** So how can you expect us to put money out?

**Mitch:** Because you have a cap of the money that's not really

**Guidi:** But how do we, what if there's overruns or you don't make a profit back on this? Do we end up having to run this?

**Mitch:** We ask for 2.36 million dollars.

**Guidi:** Okay, but I'm asking for a business plan.

**Mitch:** You want simply the subject matter of a DDA negotiation.

**Guidi:** But Mr. Mitch, you should already know your cost or what your anticipated cost. I can tell you what it will cost to build a school, even though I haven't built it yet, but I know all the cost of construction, land, cleanup. There was a parcel that took a million dollars to clean up and it was less than

a half an acre of green dirt. So, I don't, I didn't see a business plan, an estimated business plan. Here's what your. Okay. If you're a businessman and I'm a businessman, I'm going to come to you and say you know what, I need 2 million dollars because these are some of the costs we're going to need but I'm not sure what it's gonna cost to build the rest of the project. If I'm a good businessman, I will say, please show me your estimated business plan which you've done this before, I mean, you worked here and you saw this and I don't think you'd ever approve a project like this. And you'd say well wait a minute, let me see your estimated cost and if you use a cap program and you build this, the cap program will do all your estimates for you. It will tell you how much lumber is gonna to cost you, a light fixture, a toilet.

**Mitch:** The estimates that were figured were somewhere basically the same. Based on the estimates that were given when the Kaiser Marston report and what I put together was I think I put together \$75 a square foot for construction costs and there were other figures that were indicated in the proposal.

**Guidi:** So you do know the cost.

**Mitch:** Kaiser Marston, pardon me?

**Guidi:** You do know the costs.

**Mitch:** I don't have those in front of me.

**Guidi:** No, but you've already \$75 a foot. This is

**Mitch:** And the ones that indicated by Kaiser Marston were \$80 a square foot.

**Guidi:** This is twenty, say twenty six thousand square feet at \$75, so anybody got a calculator? I can only count up to 10 feet.

**Mitch:** The breakdown and that was done by Kaiser Marston

**Guidi:** Okay, but still, at least we get an understanding. If you're asking. We're a bank and you're asking to borrow money from us, do you think I'm just going say here's my checkbook, here's 2 million because I like your suit.

**Mitch:** Are you going to say what's the estimated cost and I come up with the net figure and it was indicated in the figures that I gave you and it was substantiated by the, in the Kaiser Marston figures and those come up roughly the same cost.

**Guidi:** And how much is that?

**Mitch:** I don't have those numbers in front of me but I would think you might refer to Kaiser Marston because those figures were given.

**Guidi:** Can you give us some figures please?

**Unidentified speaker:** Um he, let's see. His indirect and financing costs were \$915,000. The direct costs were 6.1 and the land assemblage cost was 711,000 for a total of \$7.7 million. That was 203,300 per unit.

**Guidi:** How much a unit?

**Unidentified speaker:** 203, 300 per unit.

**Lambert:** You know, your units are only like 500 square feet at a few of them, so that doesn't add up does it?

**Guidi:** I want to hear the young lady what she's got to say.

**Unidentified speaker:** It's in the report on page 6 if you look.

**Lambert:** That 200, say that again. One more time.

**Unidentified speaker:** 203,300 per unit.

**Guidi:** Okay, let's do something simple. You said \$75 a foot? You got 26,000 square feet.

**Mitch:** No, there was a lot of other costs including acquisition costs that were indicated.

**Unidentified speaker:** Those \$80 a square foot for just the building shell costs is what he estimated Kaiser Marston estimated at \$75, but that's just for the residential shell. It doesn't count all the other costs.

**Guidi:** 2 million bucks. So that's the 2.8 you're asking for us to put up?

**Mitch:** I think it's 2.36.

**Guidi:** 2.36 would pay to build this whole thing.

**Mitch:** There was an indication by Kaiser Marston that their figures was something like 3.5.

**Unidentified speaker:** Right. We estimate to actually do the project how it's proposed that it would actually need 3 ½ million dollars.

**Guidi:** So you're going to put up the other million and a half?

**Mitch:** No, we have the opportunity according to the DDA of putting up if we didn't get the estimate in time, I mean if, that we would estimate it if it came in, that we have a cap of 2.36 million and we wouldn't be able, we wouldn't follow

**Guidi:** It's our money. Our money is the cap. If they couldn't come up with the rest, they could walk away, correct? That goes back to Glen's question that if we start the ball rolling, you say I can't make the cap, we're stuck with the land, we're stuck with the toxic clean up and then we get sued who pays all the legal fees in this?

**Mitch:** That's not true though. There can be, it can be taken as long as there's no firm offer made to a developer once the costs are involved and that 2.36 million dollars is substantiated, we would go ahead with the project.

**Guidi:** Do you have anything you would like to add to this?

**Unidentified speaker:** Just I guess that I just want to reiterate the point that our estimate of 3 1/2 million dollars was without any affordable restrictions put on there. So if there were low or very low income restrictions put on the property, it would end up increasing the gap by another 48,500 per unit that was restricted for low. If you look on page 10 and then another, so what this announce is actually saying for a market rate project, it would need 3 ½ million dollars.

**Guidi:** To do this just

**Unidentified speaker:** Just as a market rate project so it's not, we don't consider it a feasible project.

**Shishido:** And that 3 ½ million assuming the site is clean?

**Unidentified speaker:** Right and if there's any remediation, one dollar, it would increase that gap.

**Guidi:** By how much more?

**Unidentified speaker:** Dollar for dollar.

**Shishido:** By the amount of the remediation

**Unidentified speaker:** Right.

**Guidi:** So 500,000 would be a million.

**Unidentified speaker:** Increase about 500,000

**Shishido:** A million, two million, would increase it by two million more.

**Unidentified speaker:** Right.

**Shishido:** The problem is Mr. Mitch told us he doesn't know what the remediation costs are after close to a year of negotiating.

**Guidi:** You needed to do a business plan. You really needed to lay this out because what you just told us contradicts what she just told us and the gap, Jim, and you are a businessman you said, would you really, if you were sitting on this side, would you do this?

**Mitch:** Well, if I had other things that I had to do, if I wanted to make affordable units that were, that satisfied all of my housing needs within the City of Hawthorne and I could do it, wait, wait, a minute and I could do it

**Velez:** How did I know you were going to say that.

**Guidi:** Jim, let's just talk about, forget this housing need, it's a good line to use. Would you, sitting in this seat, do this project saying that you're a businessman?

**Mitch:** Would I do the project? If my requirements were to do the other things that I mentioned before, to find affordable units and so forth like that, then I would do it, yes. And I would do it with especially if there were funds available that provided specifically for

**Guidi:** Okay, no funds available. Would you still do it? Your own money. Using your own money, would you do it?

**Mitch:** No.

**Guidi:** Okay, thank you. So you're asking us

**Mitch:** But I would only do it if I had to do it a normal project, I would do it with my own money, but to satisfy these other requirements for affordability and so forth like that, there's a gap required. A gap required on every DDA that I negotiated.

**Guidi:** Jim, just like this document you gave us one day and then the next day you change it? You just, first you told me no, you wouldn't do it, now you're trying to jump back and say yes you would do it.

**Mitch:** No, I said I would do it if there, to satisfy the needs that I've indicated there, yes.

**Guidi:** Is there any other questions?

**Lambert:** Jim, I sure appreciate your time to explain all that stuff.

**Guidi:** Yeah Jim, I appreciate it. Thank you. You've kind of enlightened me.

**Lambert:** Very, very ah. Yeah, it's very enlightening. Thank you.

**Guidi:** Is there anything further?

**Shishido:** Mr. Alwan wanted to speak.

**Guidi:** Did you?

**Alwan:** Actually, after I listened to the previous speaker, evidently he really doesn't know the history of that property. We bought the first property right in the middle. We have no corner. 1977. In 1978 we bought the corner of Gale and Imperial. In 2001 we bought the corner Imperial and Inglewood. Now we have a big piece of property it total around 58,000 square feet. We didn't make a dime from 1977 til now. It's a loss because we need the corner, Inglewood and Imperial. That's a key corner. After we bought the corner, evidently the previous owner is supposed to clean it. Now when Jack Fleming came on board and submitted the City Council 125 unit affordable unit and later on, after we objected and I told the City Council it's unbuildable. You cannot build on that contaminated land. So what happened, out of 58,000 square feet total area, the BT Imperial or Mr. Mitch, I don't know who they are. They want to take only a little bit over 25,000 square feet and for 24 years we've been building, buying, 24 years with me and my



partner we were waiting to have some good property to develop it and now they want to dissect the property almost in half. They are not going to, they are not dealing with contamination. They're going to leave the contamination to us. They're only taking 25,000 and they going to leave us the junk. They're going to build on the good and you know what? You know, I'm not a lawyer as I told you before, but to me it doesn't smell right. It doesn't look right and I really hope the honorable Councilman, the Mayor, it's really unfair.

**Shishido:** Through the Chair, please. Mr. Alwan, can I ask you some questions? I got a document that was attached to a submittal to Mr. Mitch dated February 13, 2004. I want to make sure this is **part of the record**. I want to ask you some questions about it. And again, if it's not **part of the record**, I want to make it a **part of the record** now. It's Carlin Environmental Consulting Inc. report. It's called a quarterly groundwater monitoring report third quarter of 2002 and it's prepared for Francis Tuch.

**Alwan:** Francis Tuch, that's the previous owner. We did not buy the property until we have a **(unintelligible)**

**Shishido:** And this one is dated September 10, 2002, okay. You recognize this document? Are you familiar with it?

**Alwan:** Of course. We get phase one and phase two study.

**Shishido:** Okay. I just want to read a portion of it. You just tell me if it seems right to you, because again, it's going to be **part of the record**. I'm looking at, I guess, the last page here, which is the cover sheet first page second page and then what it talks about is that they talk about the water samples in 5 of 6 wells indicating these chemicals, I don't know, TPHG present above method detection limits with the highest concentration in some area. In 4 of the 6 wells, BTEX is present above method detection limits with the highest concentration being at some, you know, whatever location. And it says MTBE is present above method detection limits in one, two, three, four, four areas. It goes on to say this. It says detective concentrations of TPHG, BTEX and MTBE, these sound like gas additives, right? At increase of January 2002, a detail site investigation report and site conceptual model is being prepared for the site so on and so forth. Here's the thing. You just tell me if it's accurate or if you have more information? We feel vertical extent of MTBE impact has not been adequately defined. In addition, based on current data and well configuration, lateral definition of the ground water impact has not been sufficiently delineated and CEC, which is this firm, Carlton Environmental Consulting. recommends additional wells be placed down gradient. Okay, does this sound accurate to you?

**Alwan:** Well, I'm not geologist. I don't know this number you gave me. But actually we talked to the Quality Southern California Water Quality Control Board and they ordered to drill two more holes to really check the amount of contaminate. According to Carlton Environmental, the contaminate is moderate, not excessive. We already put underground the pipe to extract the fume and the **(unintelligible)**

**Shishido:** Yeah, but according to. Correct. And that's all interesting, but according to this report, you don't have a handle on the full, you know, the nature. It sounds like you have the nature, but you don't know the full extent, do you?

**Alwan:** Well, we just submitted. I've talked to the geologist. We've submitted a big study, another study report to the Water Quality Control Board. Hopefully, we will get the answer soon. But that this is neither here nor there. To build something we didn't buy the property until we find out we have enough land to leave the contaminate alone, we will go drill pipe underground. We going to do the gas station or the c store away from the contaminate and we going put a heater to extract and in one year after we finish then, we will remove it.

**Shishido:** But this is all an ongoing process, isn't?

**Alwan:** It is. It's ongoing process.

**Guidi:** I need to ask something. You read something about they want to install two wells? Monitoring wells? Is that what I heard you say?

**Alwan:** There is already five wells.

**Guidi:** You have five wells on that?

**Alwan:** No, no, no. Five drilling hole.

**Guidi:** Core, you've cored.

**Alwan:** Right, right

**Guidi:** No, no there's a big difference. When he says Water Quality Board and you put a well, it's a (unintelligible) well that goes into the water plume. Yeah, so

**Shishido:** Yes, it's a, wording is it's going to be **part of the record**, you know, it says what it says. CC recommends additional wells be placed down gradient.

**Guidi:** Down gradient means down stream so you really need to look into this because we deal with this all day and but you did he answer your questions?

**Shishido:** Yeah, he did.

**Guidi:** okay. Is there anyone else who would like to speak on this topic, please..

**Francis:** For somebody to come up here like Mr. Mitch did and doesn't know what's going on, I don't know where he's coming from either. But believe me, I don't want you people to okay this because we're living in that area. I live there for 58 years and I don't want to see anymore apartments around there and I will okay the Arco station. I think that will improve our property a lot and we don't need anymore apartments. I am sick and tired of these people putting out it's to come over there there'll be bedding, I mean, bed mattresses, furniture and I have to call where's? Every week, two, three times, come and get this, come and get that. There's junk on street all the time, so we're going to have more junk because those people that are going to be in that apartment when they want to get rid of something, they're going to put it in front of our place. Believe me, that vacant lot has always as much as half of the lot full of junk and we don't need that anymore and I'm tired of it and our whole neighborhood has been tired of it. And like he said, there's 216 signatures and I'll get 500 more, believe me I will.

**Guidi:** Mr. Mitch, would you like to rebut any of the statements that were made? So you're satisfied with this hearing? Your satisfied with the closing of this hearing?

**Mitch:** Oh yes, I'm satisfied with the closing.

**Guidi:** Okay, thank you very much. If there's nothing further, the agency meeting is adjourned and I call to order the parking authority with all members, oh. You need us to move?

**Lambert:** You need a motion on this

**Shishido:** Yes, agency item 24 has a recommendation on it.

**Velez:** I'd like to make a motion to deny.

**Lambert:** Mr. Mayor.

**Guidi:** The recommendation from staff is not to approve the proposed agreement. This came from our planning department director?

**Shishido:** Yeah, it comes from redevelopment staff.

**Guidi:** Okay.

**Lambert:** Mr. Mayor, I want to just **add for the record** such as we had other things before. We up here and I'm going to just speak for myself, but I know they represent you and hundreds of people have already opposed this development of an apartment and they have very good reasons in their own mind, but I'm here to represent your vote and even though there's only 8 or 9 people here present tonight, you have a combination of 200 and some odd signatures. And as I said to you last week, every person who signs a piece of paper really equals another 10 people who are not here. And that's been a pretty good measure in the years gone by. So I would recommend that we do not pass this or accept this disposition and well what is it? Disposition and development agreement submitted by BT Imperial? I would deny it. That's my motion.

Mayor Guidi ordered to close the public portion of the hearing. MOTION CARRIED.

Agency Member Lambert moved, seconded by Agency Member Velez, not to pass this or accept this disposition and well what is it? Disposition and development agreement submitted by BT Imperial

ROLL CALL-AYES: Agency Members Catano, Lambert, Velez, Chairman Guidi.  
NOES: None. ABSENT: Agency Member Parsons.

5.

There being no further business, Chairman Guidi adjourned the meeting.

Daniel D. Juarez MMC  
Secretary