Los Angeles County
Department of Regional Planning

Planning for the Challenges Ahead

Richard J. Bruckner
Director

April 23, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

PROJECT NO. TR068565-(3)
NBC UNIVERSAL EVOLUTION PLAN
SPECIFIC PLAN CASE NO. 200700001
PLAN AMENDMENT NO. 200700001
ZONE CHANGE NO. 200700001
DEVELOPMENT AGREEMENT NO. 200700001
APPLICANT: UNIVERSAL CITY STUDIOS LLC
100 UNIVERSAL CITY PLAZA
UNIVERSAL CITY, CA 91608
UNIVERSAL CITY ZONED DISTRICT
(THIRD SUPERVISORIAL DISTRICT) (3 VOTES)

SUBJECT

The applicant, Universal City Studios, LLC, ("Applicant") is proposing what is called the NBC Universal Evolution Plan Alternative 10 – No Residential Alternative ("Alternative 10"). This environmentally superior alternative eliminates the 2,937 units of residential housing initially proposed by the applicant. Alternative 10 analyzes a wide array of media and entertainment uses, subject to new regulations governing the future studio, theme park, hotel, and entertainment operations of Universal City within both City of Los Angeles ("City") and County of Los Angeles ("County") jurisdiction. Alternative 10 provides for significant investment and expansion of employment at Universal City Studios in the media, tourism and hospitality sectors of the regional economy. The Applicant is requesting approval of a Specific Plan for proposed development on approximately 323 acres; a Plan Amendment from Category I (Major Industrial) and C (Major Commercial) to SP (Specific Plan), removal of the east/west road extension of Forest Lawn Drive and a northerly extension of Forman Avenue from the County Highway Plan, and re-designation on the Urban Form Policy Map from Multipurpose Center 3 (lesser intensity) to Multipurpose 2 (greater intensity); and a Development Agreement to establish public benefits greater than those provided by the project alone

and to provide vested rights to the applicant for the 25 year life of the Development Agreement. The Regional Planning Commission (Commission) conducted a public hearing on this matter on February 27, 2013. At this meeting, the Commission considered a Certified Environmental Impact Report (EIR) prepared by the City of Los Angeles (City) and the County of Los Angeles (County) by way of a Memorandum of Understanding (MOU) with the City as Lead Agency and the County as Responsible Agency, adopted the County's California Environmental Quality Act (CEQA) Findings of Fact, Statement of Overriding Considerations (SOC), and Mitigation Monitoring and Reporting Program (MMRP) and adopted resolutions recommending approval of the entitlements requested above at the February 27, 2013, public hearing. The project has been called for review by your Board due to the Specific Plan, Plan Amendment, Zone Change, and Development Agreement requested.

IT IS RECOMMENDED THAT YOUR BOARD; AFTER THE PUBLIC HEARING:

1. Review and consider the information contained in the Environmental Assessment No. 200700014 Certified Final EIR SCH No. 2007071036, adopt the Findings of Fact and SOC in accordance with the CEQA for Project No. TR068565-(3), and approve Specific Plan No. 200700001, General Plan Amendment No. 200700001, Zone Change No. 200700001, and Development Agreement No. 200700001.

2. Determine that the provisions of the Specific Plan and required mitigation measures, discussed in the Final EIR and MMRP, reduce the project's significant environmental effects to less-than-significant levels except for certain specified unavoidable effects, which have been reduced to an acceptable level and are outweighed by the benefits of the project as identified in the CEQA Findings of Fact and SOC and the terms of the Development Agreement for the NBC Universal Evolution Plan.

3. Consider the Final EIR and adopt the CEQA Findings of Fact, SOC, and MMRP for the NBC Universal Evolution Plan.

4. Indicate the Board's intent to approve Specific Plan No. 200700001, General Plan Amendment No. 200700001, Zone Change No. 200700001, and Development Agreement No. 200700001.

5. Instruct County Counsel to prepare the final documents for these entitlements and bring back to the Board for its consideration at a future Board meeting.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The applicant proposes to develop a 323-acre project site through a Specific Plan to construct and regulate approximately 1.9 million square feet of net new uses (after demolition) including studio, studio office, office, entertainment (including theme park and tram tour), entertainment retail, hotel, and amphitheater uses. The proposal requires amendments to the Los Angeles Countywide General Plan (General Plan) to amend the Land Use Policy Map to establish the Universal Studios Specific Plan to regulate the development of the project site and amend the Highway Plan to delete planned roadways no longer needed and change the Urban Form Policy Designation from a moderate intensity to a higher intensity of multipurpose uses.

Implementation of Strategic Plan Goals

The proposed project promotes the following Strategic Plan Goals:

Community and Municipal Services
The project provides a proposed 1,888,540 square feet of studio, studio office, office, entertainment, entertainment retail, hotel, and amphitheater space which will provide an investment into media, entertainment, and tourism jobs and services for the region. Utilities, infrastructure, and police and sheriff services would be expanded to service the project. The Development Agreement associated with the project includes additional public benefits, such as committed funds for planning and construction of a bike path along the Los Angeles River adjacent to Universal City and additional landscaping and buffering provisions for certain neighboring communities.

FISCAL IMPACT/FINANCING

Adoption of the proposed Specific Plan and General Plan amendment, as well as the approval of the Zone Change and Development Agreement, should not result in any significant costs to the County as the project will construct adequate infrastructure to serve the project and, through payment of connection and service fees, will cover its fair share to develop new infrastructure as determined to be necessary. No request for financing is being made. As part of the Project, the developer anticipates an additional hotel, office buildings, and improvements to the theme park and CityWalk retail that have the potential for generating additional revenue for the County, including sales tax, property tax, and transient occupancy tax.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 14, 2012, the City as Lead Agency certified the EIR in accordance with CEQA.

On February 27, 2013, the Commission conducted a public hearing for the NBC Universal Evolution Plan with its associated entitlements. The Commission opened the public hearing and took public testimony. At that time, the Commission found that there were overriding public benefits associated with approval of the Specific Plan and Development Agreement; including, among others, designation of large buffer areas and landscaping to further screen development from neighbors and retain undeveloped hillside for views from the adjacent freeway and streets, provide lighting and sound attenuation regulations stricter than existing County Code, and commit funds to plan and construct a bike path along the Los Angeles River adjacent to Universal City.

At the conclusion of testimony, the Commission expressed appreciation to staff and the applicant's team for addressing community concerns prior to the hearing and working out mitigation measures, Specific Plan provisions, and Development Agreement terms favorable to protecting neighborhoods surrounding the project site. The Commission discussed various issues presented at the public hearing and then closed the public hearing and unanimously voted to recommend consideration of the Final EIR to the Board of Supervisors to adopt the MMRP, CEQA Findings of Fact and SOC, and adopt resolutions recommending approval of the subject Specific Plan as amended, Plan Amendment, Zone Change, and Development Agreement as amended.

ENVIRONMENTAL DOCUMENTATION

An EIR was prepared and certified by the City as Lead Agency with the County acting as Responsible Agency. Through a MOU with the City, the County fully participated in joint preparation of the EIR to evaluate the potential environmental impacts of project development proposed in both jurisdictions. The Department of City Planning in consultation with the County's Department of Regional Planning (Department), determined by way of an Initial Study, identified in the Notice of Preparation sent to agencies that an EIR was necessary for the project. As identified in the Draft EIR, after implementation of the project design features and required mitigation measures, the project would result in the following significant and unavoidable impacts to the environment: traffic/access-traffic/circulation, noise (construction), air quality, and solid waste.

Joint-Jurisdiction Public Meeting
A joint-jurisdiction public meeting was held on December 13, 2010, by the County's Hearing Examiner and the City's Hearing Officer at the Universal City Hilton Hotel located at 555 Universal Hollywood Drive, Universal City. Public testimony was taken on the Draft EIR during the public review period of the Draft EIR. Representatives from the Department, the City Planning Department, and the project applicant's team were present. A total of approximately 480 members of the public attended and approximately 80 people testified on the Draft EIR.

Alternative 10 – No Residential Alternative
The original project included 2,937 residential units and associated neighborhood-serving commercial uses proposed to be located within the City's jurisdiction. In response to comments on the Draft EIR an additional project alternative, Alternative 10, was included in the Final EIR. All of the proposed 2,937 residential units were withdrawn from the project, along with the associated neighborhood commercial development, and a second 450,000 square-foot hotel (500-room) and 222,000 square feet of additional commercial development were included in the project. The City, as the Lead Agency, determined that Alternative 10 was the environmentally superior alternative and was determined to be the project pursuant to CEQA. Alternative 10 eliminated the residential portion of the project presented in the Draft EIR and added a lesser amount of development to other uses already proposed, such as studio, office, hotel, and entertainment. The Final EIR incorporated Alternative 10, and the City certified the Final EIR and adopted the MMRP, CEQA Findings of Fact, and SOC for the project. The SOC indicated that the benefits of the project outweigh the remaining significant impacts after all Project Design Features and Mitigation Measures had been incorporated. The Commission considered the merits of the project and the Lead Agency's decision and concurred that Alternative 10 was the environmentally superior alternative and recommends the Board approve the project as defined by Alternative 10.

County MMRP, CEQA Findings of Fact, and SOC
CEQA allows Responsible Agencies to consider a Certified EIR and to prepare an MMRP, CEQA Findings of Fact, and SOC for the portion of the project located within the Responsible Agency's jurisdiction.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Action on the proposed Specific Plan, General Plan Amendment, Zone Change, and Development Agreement requests is not anticipated to have a negative impact on current services, as the applicant will construct adequate infrastructure to serve the project and, through payment of connection and service fees, the project will cover its fair share to develop new infrastructure as determined to be necessary.

Respectfully submitted,

Richard J. Bruckner
Director

RJB:JS:SZD:KKS:lm

Attachments:

1. Environmental Assessment No. 200700014 Certified EIR SCH No. 2007071036 (discs)
2. RPC Hearing Package (disc)
3. Universal Studios Specific Plan and Guidelines with RPC Directed Changes
4. Four Resolutions with RPC Proceedings Added
5. Revised Development Agreement

c: Executive Office, Board of Supervisors
Assessor
Chief Executive Office
County Counsel
Public Works