

Mrs. Emma Howard
Regional Planning Department, Room 1354
320 W. Temple Street
Los Angeles, CA 90012

January 2, 2013

RE: Release of the December 2012 Draft SEA Ordinance Plan

Dear Emma:

We are writing in response to your email with the release of the December 2012 Draft SEA Ordinance Plan to provide our comments and concerns. We are the owners of the following Parcel:

APN: 3258-009-007

Description of Parcel: 80 acres of vacant land located in 160th Street West & Avenue B, Los Angeles County, California

Owners: (1) Frank Kao & Grace Hu – 45% ownership; (2) Vidyasagar & Vineeta Deshpande – 45% ownership; (3) IRA Service FBO James Chewen Chang – 10% ownership

I. Background

We, individual inexperienced land investors, purchased this parcel from a land banking company back in 2006. Relying on this Company's expertise and representation of the land's promising future, we put in our hard-earned money designated for our children's college education and our retirement savings into this parcel at a premium price for investment purpose. Not until late 2010, we found out that this parcel has 50% of its acreage sitting on a SEA zone which was NEVER disclosed to us when we purchased the parcel. It has been devastating to the 3 families who co-own this parcel as we realized that this designation significantly and adversely impact the value of the parcel.

Moreover, mega development of Solar projects set up by multi-billion companies have been completed adjacent to our parcel, leaving us sandwiched in-between their projects without contacting us. After several unsuccessful attempts to try to understand why they did not purchase our parcel to include in their solar projects, we concluded that it must be the zoning and SEA designation that prevent them from buying our parcel. We later learned that SEA designation is considered a significant barrier to development as it requires extra time and resources to obtain approval and hence costly to potential developers.

As inexperienced, innocent individual investors, we do not have any power, leverage or resources to develop or change the status of our parcel. With the two major solar super companies surrounding us, we are at an even more disadvantageous position to hope for any future interest of our parcel with its SEA designation by any other potential developer/buyer.

II. Comments of Issues and Concerns on the December 2012 Draft SEA Ordinance Plan

Pleading to Emma to request for removal of SEA designation from our parcel, we were told that the new Plan will call for an even worse outcome for our parcel to change the SEA designation from 50% to 100%. We are just at a complete loss to see our investment value decline even further as this investment was meant for savings and returns for our kids' college fund and our retirement in the future.

We again demand for a complete removal of SEA designation from our parcel as the LA city has no right to harm our investment value purely for its own agenda. Unless such SEA designation can be proven to help mitigate our investment impairment if the LA city can guarantee meaningful economic value will be derived from such designation to compensate for our loss.

III. Conclusion

If ecological preservation is critical in the City Planning staff's mind, regulation should be designed so that the economic burden of such preservation is put on either the City or the super developers/companies who established mega projects to profit in the local area and not on individual, innocent land owners like us. If the City staff insists on designating our parcel as SEA, we demand that you either buy back the land from us or require the adjacent companies to purchase our parcel at a fair price that's no inferior to any other parcel without such SEA designation as mitigation.

Thank you for your efforts to gather our comments. We believe it is not your intention and it is unwanted by you to harm individual investors like us in implementing new city plan. We trust that you will carefully review our input and develop mitigating actions & regulations to help us restore our investment value for our hard-working families.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Frank Kao and Grace Hu", written over a light blue horizontal line.

Frank Kao and Grace Hu

cc. Vidyasagar & Vineeta Deshpande ; James Chewen & Jenny Chang