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Judge halts Millennium Hollywood skyscraper project



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A judge on Thursday halted a developer's plan to build two massive skyscrapers in the heart of Hollywood, ruling that the city of Los Angeles failed to fully assess how the \$1-billion project would affect surrounding neighborhoods.

The decision was a blow for the Millennium Hollywood development, which is backed by most of the city's elected officials but opposed by community groups who fear increased traffic and the project's proximity to the Hollywood earthquake fault. The proposed 39- and 35-story buildings — the largest development in Hollywood history — were seen as a major piece of the district's ongoing revitalization.

In a 46-page decision, Los Angeles County Superior Court Judge James C. Chalfant said Los Angeles inappropriately disregarded the concerns of Caltrans that traffic on the 101 Freeway might significantly worsen with the development and be unsafe.

The ruling prevents the city from granting building permits for the project and prevents Millennium from starting construction. The order means that the developer will have to draft a

new environmental impact report if the company wants to move forward, according to the city attorney's office. Writing a new report is a lengthy, complex process that can take more than a year.

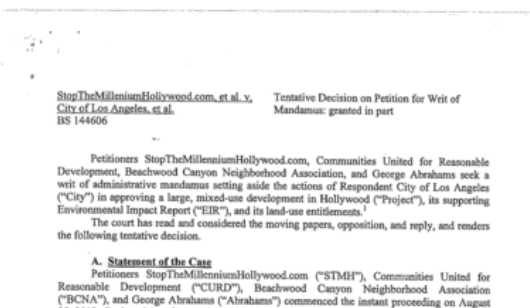
Philip Aarons of New York-based Millennium Partners pledged to continue the effort to build the project, which would replace parking and rental car lots next to the iconic Capitol Records tower.



“The project is certainly not dead,” Aarons said as he got into an SUV outside the Stanley Mosk Courthouse in downtown Los Angeles. “We’re excited to keep it going. We’re not discouraged by today’s court hearing.”

Aarons said later in a statement that he is considering options for addressing the issues cited by the court.

The development has faced controversy for years. It was approved by the City Council on a 13-0 vote and backed by Mayor Eric Garcetti in 2013 — even after state geology officials said the project site might lie in an active earthquake fault zone. Last fall, the state geologist concluded the fault does run through the Millennium site.



Amid mounting criticism, Garcetti and city officials said they would require the developer to prove that the building would not be on top of an earthquake fault before issuing permits allowing construction. The developer has disputed the state's map as inaccurate. No building permits have been issued.

Court Ruling on Millennium Hollywood Project

The judge affirmed that city officials have generally acted properly in addressing the seismic risk. But Chalfant threw out the

project's environmental impact report because the city failed to properly study traffic effects as outlined by state transportation officials, concerned about backups around the 101 Freeway.

Chalfant also criticized Millennium's project description as overly vague. The judge wrote that the developer's summary merely mentioned "some combination" of residential uses as well as hotel rooms, offices, restaurants, retail stores and a health and fitness club. That isn't good enough, Chalfant wrote.

“A developer must present an accurate and stable picture of the project so that the public and decision-makers can decide whether its environmental consequences are outweighed by its public benefits,” Chalfant wrote.

The ruling marks the fourth major court victory by various neighborhood groups opposed to dense development in Hollywood. They've all been represented by the same lawyer, Robert P. Silverstein.

Two years ago, a judge struck down a new zoning plan that the City Council approved in 2012, which would have allowed the construction of larger buildings in parts of Hollywood.

Last summer, Silverstein persuaded a judge to halt construction on a 74-foot-tall, partly built Target shopping center near Sunset Boulevard and Western Avenue, arguing that city laws barred structures taller than 35 feet there.

And last October, a court ruling set into motion an extraordinary chain of events that led to a developer, CIM Group, being ordered to remove all tenants from a newly completed 22-story residential tower, called Sunset and Gordon, by May 21.

Chalfant said the city should not have approved the construction of the 299-unit building on Sunset Boulevard near the 101 Freeway because officials improperly allowed the demolition of a historic facade on a 1924 building that until recently housed the Old Spaghetti Factory.

Councilman Mitch O'Farrell, who represents part of Hollywood, repeated his support Thursday for the Millennium project.

Preparing a new environmental impact report could easily cost a developer an additional \$1 million and take at least two years, said Carol Schatz, president and chief executive of Central City Assn., a downtown-based business group that focuses heavily on real estate development.

"This is a victory for NIMBYs and abusers of the state's environmental laws," she said.

Development forces said Thursday's ruling shows that the state's environmental laws need to be rewritten so that development projects cannot be struck down so easily.

"Our laws have gotten so byzantine, there's no project that's safe from this sort of attack that looks likely to kill this project," said Mott Smith, who is on the board of a developers group, the Council of Infill Builders.

Councilman Tom LaBonge, who opposed how high the Millennium skyscrapers would have been, said development needs to happen, particularly for the influx of jobs they would bring. But it should be done in the right way, he said.

"It's kind of a sore spot, that here in the entertainment capital of the world we've got three black eyes sitting on projects that should be well underway or completed in some form or fashion," LaBonge said.

Opponents of Millennium were jubilant at the decision.

George Abrahams, who lives in the Hollywood Hills north of the proposed skyscrapers and was a plaintiff in the case, said Hollywood is ill-equipped to turn into a new downtown. Allowing Millennium to proceed would create a nightmare for commuters in an area that is hemmed in by the Santa Monica Mountains and was originally designed to have three freeways instead of one, he said.

"So Hollywood streets serve as two freeways for all the pass-through commuter traffic," Abrahams said. "How can that handle all that traffic, plus all that massive development they want to put in Hollywood?"

The string of victories for Hollywood development opponents shows the city needs to do a better job following zoning and environment laws, said community activist Mike Eveloff.

“This should send a message to City Hall: Rules matter,” he said.