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Up Front



It's a snap for Ian Stikeleather to add magnetic collars to his shirts. **PAGE 3**

News & Analysis



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MAIL TO:

Safety, Scenery Come to Fore in Golf Ball Fight

CONDOS: Tower builder, country club divided over super-high fence.

By **HOWARD FINE** Staff Reporter

It's an eye-popping proposal: a 166-foot-high fence – as tall as a midrise office tower – to keep errant golf balls from flying off a golf course. And it's at the center of a spat between the famed **Los Angeles Country Club** and developers looking to build two luxury condo towers on the old Robinsons-May site next door

166 ft.

Golf fence would be as high as the tallest commercial building in Beverly Hills – and block views of planned condos.

800-foot-long mesh fence – with palm fronds on top – near the 16th hole of the south course to keep wayward balls from hitting the luxury condos, thereby shielding itself from potential costly lawsuits.

in Beverly Hills.

The country club operates the 103-year-old golf course straddling Wilshire Boulevard just west of Beverly Hills. It wants to build the

But the condo development company, **BH Wilshire International** of Coral Gables, Fla., says the fence is way too high and will block the view for prospective condo owners, making the residences harder to sell. The fence would be more than five times the 30-foot height allowed under the city of L.A.'s zoning code.

Late last year, after two city of L.A. planning bodies approved a variance to allow the super-tall fence, BH Wilshire filed an appeal to block its construction, calling the fence a last-ditch attempt by the country

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Homed In: City Planner Mark Gallatin at the Skycourts project in San Gabriel.

RINGO H.W. CHIU/LABJ

Build Boom

Influx of Asians driving San Gabriel development

By **KAY CHINN** Staff Reporter

SOME things in San Gabriel have stayed pretty much the same over the last 20 years.

The population of the bedroom community about 12 miles east of downtown Los Angeles has remained relatively constant at 40,000. Its commercial core is still very much a local affair – dominated by mom-and-pop operations with no Starbucks or chain grocery stores.

Despite all that, the city is undergoing a cultural makeover, one that has led to more than \$225 million in hotel, retail and residential development planned or under way.

The rush to build, city officials said, comes partly because the easing of the recession has

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Booze-Filled 7-Eleven Left Reeling

RETAIL: City ups shop's alcohol content then bans late-night sales.

By **ALFRED LEE** Staff Reporter

The 7-Eleven on the west side of sleepy La Cañada Flintridge might have a soda fountain and two-for-a-dollar doughnut deals, but it is not a normal convenience store. In fact, it is not a convenience store at all.

Customers are greeted upon entrance with rows of alcohol in all varieties – \$4 red wine blends and pricy Pinot Noirs from historic Santa Barbara vineyards, Coors Light 12-packs and craft IPA beers. Here is the only 7-Eleven in the country where the stock is mostly alcohol – a liquor store with a Slurpee machine.

Dallas' **7-Eleven Inc.**, which owns and runs the store, does not even want to sell liquor there.

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RINGO H.W. CHIU/LABJ

Cheers: La Cañada Flintridge's 7-Eleven Liquor.

Tide Finally Turns In San Pedro for Residential Project

By **BETHANY FIRNHABER** Staff Reporter

A long-stalled 61-acre residential project in San Pedro has been given the go-ahead by the Los Angeles City Council, paving the way for work to begin on one of the largest infill residential developments in the city.

New York real estate investment trust **iStar Financial Inc.** last week received unanimous approval to move forward with Ponte Vista, a 676-unit development at a former U.S. Navy housing community that has lain fallow for 17 years. The vote came after iStar, which took control of the

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For more information, see page 27

Condos: Towers Developer Not High on Fence

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club to kill the condo project. BH Wilshire is forging ahead with plans to build two towers of 14 to 16 stories containing 235 luxury condos and 16,400 square feet of ground-floor retail and restaurant space on the 8-acre former Robinsons-May site. (See sidebar.)

The dispute is set to land before a Los Angeles City Council committee next month – unless the two sides can hammer out an agreement first.

The proposed fence would range in height from 150 feet to 166 feet, depending on ground topography. (The fence would be level on top, so it would be shorter where the ground slopes higher.) It would be composed of a partly transparent black-screen mesh, with supporting poles; one drawing shown early on at a public meeting had the poles adorned on top with faux palm fronds.

Most golf ball containment fences range between 30 and 50 feet high; one of the tallest in the region is a 70-foot-high mesh fence, supported by 100-foot poles, at the Westlake Village Golf Course next to the 101 freeway.

The Los Angeles Country Club fence would be significantly taller than the seven-story **Beverly Hilton Hotel** next door and would match the height of the nearby **Four Seasons Beverly Wilshire Hotel**, the tallest commercial structure in Beverly Hills. It would be almost as tall as Century City's first skyscraper, the 180-foot, 13-story Gateway West office tower just down Santa Monica Boulevard from the golf course. Another comparison: It would be taller than Hollywood's Capitol Records building, not including the spire at the top.

Towering shots

At the center of the spat is a simple question: Is a 160-foot-high fence really necessary to keep those errant golf balls from hitting neighboring condos?

The answer, according to the country club, is yes. It has trotted out studies saying that when golfers hit their drive shots, balls can reach heights exceeding 200 feet. And to show that it's not just the **Tiger Woods** of the world that drive golf balls so high, during a recent visit by Los Angeles City Councilman **Paul Koretz**, whose district includes the golf course, country club executives brought out a radar device to track hit balls. Several routine drives shots hit 180 to 200 feet; even one of Koretz's staff members managed to hit a height of 160 feet on one of his shots.

Because the 16th fairway is close to the west-facing portion of the planned condo project, the concern is what liability could be incurred when balls slice toward the residential building. If a ball hits a condo resident or visitor, or causes significant property damage, it could result in a costly lawsuit.

"If that ball I hit had sliced just 40 or 50 feet to the right, it would have hit the location where the condos are to be built," said **Shawn**



Driving Concern: Former Robinsons-May parking lot, site of proposed condo towers, with the L.A. Country Club in background.



Bayliss, planning deputy for Koretz.

But the attorney representing the condo developer said liability concerns are overblown, that only rarely are golf balls hit so high. He said the city of L.A. zoning administrator got it wrong in granting a variance to allow construction of the fence.

"The zoning administrator said that if there's a chance of a single ball impacting the property, then the 166-foot height is justified," said **Timothy McOsker**, partner with the law

firm of **Glaser Weil** in nearby Century City, who took over the case last year. "We think that's an inaccurate interpretation of law. Otherwise, every course in L.A. would have fences that high."

Blocked views?

In his appeal filed in December, McOsker said the fence would block views and cast shadows on the condo towers, "thereby inhibiting BH Wilshire's ability to sell condominiums." Furthermore, "the real motivation behind the requested variance is Los Angeles Country Club's opposition to the two mixed-use luxury condominium buildings that were lawfully permitted by the city of Beverly Hills. ... Rather than accept this decision, LACC has instead sought to misuse the Los Angeles variance process to kill BH Wilshire's redevelopment project."

Mark Armbruster, the attorney for the country club, said the fence won't be an eyesore.

"It won't be a fence like you see at other golf clubs," said Armbruster, a partner at **Armbruster Goldsmith & Delvac** in Brentwood. "The public won't see it at all and for the condominium owners that can see the fence, it will be a transparent screen. It will

also be lower than the proposed mixed-use condo towers."

Armbruster said that because he's in talks with McOsker and other representatives of BH Wilshire, an entity set up by Hong Kong investment group **Joint Treasure International**, he did not wish to comment further on the arguments raised in the appeal.

"The new owners of that property are responsive and willing to work with us to work out a mutual resolution to this," he said.

One possible compromise could involve a partial or total release of liability for the country club in exchange for a significantly lower fence.

Both sides indicated that reconfiguring either the golf course or the placement of the condo towers is not likely, since either move would entail considerable expense and government approvals.

The Los Angeles City Council's planning and land-use management committee is set to consider the fence at a meeting April 8.

"We hope an agreement can be reached before that meeting," said **Paul Neuman**, spokesman for Koretz. "We've encouraged both sides to talk and they seem to be doing just that."

Third Time the Charm for Ex-Robinsons-May Site?

COULD it be that at long last – after more than a decade and three ownership changes – work is about to begin on redevelopment of the shuttered Robinsons-May department store in Beverly Hills?

BH Wilshire International Ltd., the Coral Gables, Fla., developer of the property, said last week that demolition of the old department store and adjoining parking structure is set to begin this summer. Groundbreaking on two luxury condo towers is slated to take place during the first half of next year.

But such pronouncements have been made before. Indeed, this is the third try to develop the 8-acre site – considered one of

the most valuable in all of Los Angeles County because of its location between Beverly Hills' Golden Triangle and Century City. Federated Department Stores sold the site to **New Pacific Realty** in 2004 for \$23.5 million and closed the Robinsons-May store in 2006. New Pacific, a Beverly Hills developer, also proposed to build luxury midrise condos, but then sold off the parcel to **Candy & Candy**, a London development company run by brothers Christian and Nick Candy, near the height of the market for a whopping \$500 million.

In 2008, the city of Beverly Hills approved plans calling for two towers of 14

to 16 stories with 235 luxury condos and 16,400 square feet of ground-floor retail and restaurants. Candy & Candy estimated construction would cost \$600 million and would take 30 months.

But the company ran into trouble with the 2008 collapse of the financial markets as its equity partner on the project, **Kaupthing Bank** of Iceland, filed for bankruptcy protection. Candy & Candy defaulted on a \$365 million loan and the property was put up for auction by creditor **Grupo Financiero Inbursa**, run by Mexican billionaire **Carlos Slim Helu**.

In 2011, **Joint Treasure International**, a Hong Kong-centered investment group, pur-

chased the property from Inbursa for \$149 million. Joint Treasure soon announced it would revive the approved development plans, with demolition set for 2012 and construction beginning in 2013. Joint Treasure also brought in additional investors and set up BH Wilshire as the development entity for the site.

But BH Wilshire encountered additional delays, including this latest dispute with the Los Angeles Country Club over the golf fence.

More delays are possible: BH Wilshire must still get construction permits from the city of Beverly Hills. As a result, the company declined to give a target date for completion.

—Howard Fine