



VIA FACSIMILE AND ELECTRONIC MAIL

February 14, 2013

Elena I. Popp, Esq.
Law Offices of Elena I. Popp
633 West Fifth Street, Suite 2800
Los Angeles, CA 90071

Re: Unauthorized Event on Wyvernwood Property

Dear Ms. Popp,

I have been made aware of an "Event" that you have created on Facebook that includes an invitation to a so-called "community potluck" on the Wyvernwood property at Camulos Place on the Mall. The invitation indicated that there will be a drum circle, music, activities for children, and the presentation of a documentary about Chávez Ravine. To say I am shocked that you would plan an event open to the public on land you do not own, and as to which you have no permission to occupy, is an understatement. To be clear, we own, operate and are responsible for the Wyvernwood property. Like any other property that is privately owned, written permission from the lawful owner is absolutely required before any special event of the type you describe could be held on the premises.

As a property owner, we need to balance the needs of all the tenants at Wyvernwood. We have adopted and enforce the regulations governing large gatherings in order to ensure all tenants' peaceful enjoyment of the premises. Sections 8 and 11 of the Property's Rules and Regulations, as incorporated into each tenant's lease, expressly prohibit large parties and live music at the Property. To the extent property management did not consent to such events in the past, written notices of violations were issued.

Lest there be any doubt, neither you nor any Wyvernwood tenants have permission to host the event described on the Facebook invitation, or any other similar event. Moreover, the holding of any unauthorized event would be both a breach of the participating tenants' leases and a trespass by any non-residents under Section 41.24 of the Los Angeles Municipal Code.

Your Facebook post was also disturbing in the amount of distorted, false, misleading and offensive information it contained. First, I have never boasted of hitting "a home run in the slums" and I find that suggestion malicious. Years ago, there was a header in an article about our purchase of Wyvernwood that used those words, but they were not my words, and I found them offensive at the time, and still do.

Second, as we both know, the New Wyvernwood will not contain 4,400 units of "luxury housing." Instead the project will create a substantial increase in much-needed affordable housing units available in the community. Contrary to your post, currently, Wyvernwood's 1,187 units are rent-stabilized, but the current site has no designated affordable housing. At the time the EIR was



prepared using Los Angeles Housing Department criteria, 221 units had rent levels that would qualify as affordable to low- or very-low income residents. As part of the redevelopment proposal, 15 percent of all units will be designated as affordable housing for low and very low-income tenants. This will total up to 660 covenanted, affordable units, or the equivalent of 55 percent of the number of units currently on the site.

Fifteen Group has developed an extensive Resident Retention Plan that provides Wyvernwood residents with numerous protections that allow them to continue living in the redeveloped community at rent levels they can afford. This is due to the fact that, in addition to the designated affordable housing units, the proposal includes as many rent-restricted units (RSO) as necessary to accommodate all current tenants, regardless of income. In short, Wyvernwood residents who can afford to live on the current property will be able to live on the redeveloped site. On top of that, residents are also protected by the City's Rent Stabilization Ordinance (RSO), which provides for a mandatory payment of \$18,650 per unit for those who decide to leave. The Resident Retention Plan gives current tenants priority access to new units, including designated affordable housing. As a result, many low-income tenants who currently live on the site will actually pay less in rent at the redeveloped site than they're paying now.

Your post boldly asserts that the Resident Retention program cannot be enforced. I do not know why you persist in these subversive scare tactics. *The rent guarantee will be backed by a development agreement with the City, and the City Attorney has already exhaustively vetted the plan.* Moreover, the City Attorneys of Los Angeles and San Francisco (who reviewed a similar plan at Park Merced) agree that that is enforceable notwithstanding Costa Hawkins. And, if that were not enough, Fifteen Group is also guaranteeing this commitment by agreeing to record covenants on the land enforceable by each and every tenant independent of the development agreement or any other City regulation. Contrary to inflammatory assertions, the truth is that you cannot point to any evidence that current Wyvernwood residents will not be able to exercise these important rights – because no such evidence exists.

Lastly, by hosting and promoting a screening of the film "Chávez Ravine, A Los Angeles Story" and ending your post with the tagline: "When history repeats itself, whose side will you be on?" you are clearly asserting similarities between that highly regrettable chapter in Los Angeles history and the redevelopment proposal currently before the City. You are directly linking the experience of families at Chávez Ravine in the 1940s and 1950s with the experience of current Wyvernwood residents.

Make no mistake -- to suggest that the two experiences are in any way analogous is beyond the pale and demonstrates a level of insensitivity and poor judgment that is far below any ethical standard. Perhaps even more shocking is that someone admitted to the bar could create such irresponsible comparisons and knowingly mislead clients about the benefits of the project.

The impact of our project is clear: when it comes to improving housing options and affordability for the people of Boyle Heights, The New Wyvernwood delivers in a meaningful way. That's just one of the many reasons this project has been endorsed by a majority of Wyvernwood households as well as a large number of respected community leaders, nonprofit groups and others. Ms. Popp, these are some of the facts. We continue to be open to meeting with you to share more. In the meantime, you must desist from holding any events on our property and you

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must put an end to the false and distorted messages you are conveying to the community. Wyvernwood is no Chávez Ravine.

Please do not hesitate to contact me should you have any additional questions regarding this matter.

Sincerely,

FIFTEEN GROUP

Mark Sanders

MS/kk

CC: Steven Fink, Fifteen Group
Councilmember Jose Huizar
Amy R. Forbes, Esq., Gibson, Dunn & Crutcher LLP