



J City of Anaheim, Referendum Measure Approving Development Agreement No. 2016-00001

Shall Anaheim City Council Ordinance No. 6376, which would approve a Development Agreement and provide a vested right to develop a Four Diamond 580-room, eight-story hotel on property located at 1700 S. Harbor Blvd. during the five-year term of that Development Agreement in accordance with governmental approvals and entitlements granted by the City, be adopted?

What your vote means

YES	NO
A "Yes" vote by a majority of those voting on Measure J means that Ordinance 6376 and the Development Agreement will go into effect.	A "No" vote by a majority of those voting on Measure J means Ordinance 6376 and the Development Agreement will not go into effect.

For and against

FOR	AGAINST
<p>Lucille Kring Anaheim City Councilmember</p> <p>Michelle Lieberman President, Anaheim Neighborhood Association</p> <p>Anthony Novello Business Manager, Plumbers & Steamfitters Local 582</p> <p>Alden Esping Retired Educator, Former Vice Chairman, Anaheim Budget Advisory Commission, YMCA Volunteer</p> <p>Jim Cain Chairman, Anaheim Hills Community Council</p>	<p>Cynthia Ward</p>

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City of Anaheim

ORDINANCE NO. 6376

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANAHEIM APPROVING THAT CERTAIN DEVELOPMENT AGREEMENT NO. 2016-00001 BY AND BETWEEN THE CITY OF ANAHEIM AND GOOD HOPE INTERNATIONAL, A CALIFORNIA CORPORATION, AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT FOR AND ON BEHALF OF THE CITY.

(DEV2015-00120)
(1700 SOUTH HARBOR BOULEVARD)

WHEREAS, Article 2.5 of Chapter 4 of Division 1 of Title 7 (commencing with Section 65864) of the Government Code of the State of California (herein referred to as the "Statute") authorizes a city to enter into a contract which is called a development agreement in order to establish with certainty what regulations will govern the construction of a development; and

WHEREAS, the City Council of the City of Anaheim (herein referred to as the "City Council"), as a charter city, enacted Ordinance No. 4377 on November 23, 1982 (herein referred to as the "Enabling Ordinance"), making the City subject to the Statute; and

WHEREAS, pursuant to subdivision (c) of Section 65865 of the Statute, the City Council adopted Resolution No. 82R-565 on November 23, 1982 (herein referred to as the "Procedures Resolution"), establishing procedures and requirements for consideration of development agreements by the City upon receipt of an application therefor; and

WHEREAS, pursuant to the authority set forth in the Statute, the Enabling Ordinance and the Procedures Resolution (herein referred to collectively as the "Development Agreement Law") and the City's inherent power as a charter city, the City of Anaheim received a verified petition from Good Hope International, a California corporation (the "Developer"), requesting that the City consider and approve a Development Agreement, designated as "Development Agreement No. 2016-00001" and herein referred to sometimes as the "Development Agreement", in conjunction with the Developer's application for Conditional Use Permit No. 2016-05858, Variance No. 2016-05060 and Final Site Plan No. 2016-00001 to permit the construction of a 580-room, eight-story hotel with 50,000 square feet of meeting space, 25,600 square feet of restaurant space, 20,188 square feet of concierge lounge space, and fewer parking spaces than required by the Anaheim Municipal Code (the "Code") (herein referred to collectively as the "Proposed Project") for certain real property located at 1700 South Harbor Boulevard in the City of Anaheim, County of Orange, State of California, as generally depicted on the map attached hereto as Exhibit A and more particularly described in Exhibit B attached hereto and incorporated herein by this reference (the "Property"); and

WHEREAS, the Property, consisting of approximately 8.8 acres, is developed with a 300-room hotel and accessory uses. The Anaheim General Plan designates the Property for Commercial Recreation land uses. The Property is located within the boundaries of both District A and the Anaheim GardenWalk Overlay of the Disneyland Resort Specific Plan Zone (the "SP 92-1 Zone"). The land use and site development standards for District A of the SP 92-1 Zone permit the Property to be developed with uses set forth in Chapter 18.116 (Anaheim Resort Specific Plan No. 92-2 (SP 92-2) Zoning and Development Standards) of the Code. The Proposed Project is a permitted primary use and structure on the Property subject to the limitations prescribed in subsection .020 of Section 18.114.095 (Land Use and Site Development Standards - District A) of Chapter 18.114 (Anaheim Resort Specific Plan No. 92-1 (SP 92-1) Zoning and Development Standards) of Title 18 (Zoning) of the Code and Section 18.114.105 (Anaheim Gardenwalk Overlay) of said Chapter 18.114; and

WHEREAS, in support of the adoption of the Disneyland Resort Specific Plan ("DRSP"), the City Council certified Final Environmental Impact Report No. 311 ("FEIR No. 311") by the adoption on June 22, 1993 of its Resolution No. 93R-107; and

WHEREAS, on September 20, 1994, the City Council adopted the Anaheim Resort Specific Plan ("ARSP") to provide a long-range comprehensive plan for future development of approximately 549.5 acres surrounding The Disneyland Resort and Hotel Circle. The ARSP includes zoning and development standards, design guidelines, a streetscape program, and a public facilities plan, intended to maximize the area's potential, guide future development, and ensure a balance between growth and infrastructure. The ARSP permits the development of hotel, convention, retail, and other visitor-serving uses, as well as the infrastructure improvements that are needed to support future development; and

WHEREAS, on September 27, 1994, the City Council adopted Ordinance No. 5454 for the purpose of amending the zoning map to reclassify certain real property described therein into the Anaheim Resort Specific Plan Zone (the "SP 92-2 Zone"), subject to certain conditions as specified therein. The City Council concurrently adopted Ordinance No. 5453 for the purpose of establishing zoning and development standards for the ARSP in the form of what was then known as Chapter 18.48 of Title 18 (Zoning) of the Code and is now known as Chapter 18.116 (Anaheim Resort Specific Plan No. 92-2 (SP 92-2) Zoning and Development Standards) of Title 18 (Zoning) of the Code; and

WHEREAS, in support of the adoption of the ARSP, the City Council certified Master Environmental Impact Report ("MEIR No. 313") by the adoption on September 20, 1994 of its Resolution No. 94R-234; and

WHEREAS, by Resolution No. 2012-158, the City Council certified Final Supplemental Environmental Impact Report No. 2008-00340 for Amendment No. 14 to the Anaheim Resort Specific Plan ("SEIR No. 340"), which reevaluated all of the environmental changes that had occurred in and around the ARSP area since its adoption in 1994 and contained an analysis of the potential environmental impacts of various entitlements and actions referenced therein, including, *inter alia*, entitlements permitting the maximum build-out of the ARSP, including an increase of to 406,359 square feet of convention center space, 180,000 square feet of commercial development, 900 hotel rooms, and 40,000 square feet of hotel meeting/ballroom space; and

WHEREAS, an Addendum to FEIR No. 311 and SEIR No. 340, dated April 2016 (herein referred to as the "Addendum"), a copy of which is on file in the Planning Department and incorporated herein by this reference as though fully set forth, has been prepared pursuant to the provisions of Section 15164 of the CEQA Guidelines in order to determine whether any significant environmental impacts which were not identified in FEIR No. 311



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and/or SEIR No. 340 would result from the Proposed Project or whether previously identified significant impacts would be substantially more severe in connection with the Proposed Project. FEIR No. 311, SEIR No. 340, the proposed Addendum and Mitigation Monitoring Plan No. 329 ("MMP"), which MMP has been prepared for the Proposed Project, collectively constitute the environmental documentation under and pursuant to CEQA, the CEQA Guidelines, and the City's Local CEQA Procedure Manual relating to the Proposed Project and shall be referred to herein collectively as the "CEQA Documents"; and

WHEREAS, the Planning Commission of the City of Anaheim (hereinafter referred to as "Planning Commission") conducted a public hearing on the Proposed Project, including, specifically, the proposed Development Agreement, at the Civic Center in the City of Anaheim on April 18, 2016, notice of said public hearing having been duly given as required by law and in accordance with the provisions of Chapter 18.60 of the Anaheim Municipal Code, and considered information presented by City staff and evidence for and against the Proposed Project; and

WHEREAS, by the adoption of its Resolution No. PC2016-030 on April 18, 2016, the Planning Commission found and determined and recommended that the City Council also find and determine that, due to the nature of the Proposed Project, the CEQA Documents satisfy all of the requirements of CEQA and are adequate to serve as the appropriate environmental documentation for the Proposed Project, subject to approval and adoption of the Addendum and Mitigation Monitoring Program No. 329 for the Proposed Project; and

WHEREAS, by the adoption of its Resolution No. PC2016-030 on April 18, 2016, the Planning Commission also found and determined that the Developer has demonstrated eligibility to enter into the proposed Development Agreement and that the proposed Development Agreement meets the criteria set forth in the Development Agreement Law and, therefore, recommended to the City Council that said proposed Development Agreement be approved; and

WHEREAS, upon receipt of said Resolution No. PC2016-030, summary of evidence, report of findings and recommendations of the Planning Commission, the City Council did fix the 12th day of July, 2016, as the time, and the City Council Chamber in the Civic Center, as the place, for a public hearing on the Proposed Project and for the purpose of considering the CEQA Documents, and did give notice thereof in the manner and as provided by law; and,

WHEREAS, by the adoption of a resolution concurrently with but prior in time to the introduction of this Ordinance and pursuant to the provisions of CEQA, the CEQA Guidelines, and the City's Local CEQA Procedure Manual, this City Council has found and determined, among other things, the following:

1. That CEQA Documents collectively constitute the environmental documentation under and pursuant to CEQA relating to the Proposed Project;
2. That, pursuant to the findings contained in said concurrent resolution, the CEQA Documents satisfy all of the requirements of CEQA and are adequate to serve as the required environmental documentation for the Proposed Project; and
3. That no further environmental documentation needs to be prepared under CEQA for the Proposed Project.

WHEREAS, this City Council, after due inspection, investigation and study made by itself and in its behalf, and after due consideration of and based upon all of the evidence and reports offered at said hearing, including the evidence presented at the Planning Commission hearing and Planning Commission Resolution No. PC2016-030, does find upon review of the land use aspects of the proposed Development Agreement, as follows:

1. The proposed Development Agreement is consistent with the City's General Plan and with the goals, policies, programs and objectives specified in the General Plan;
 2. The proposed Development Agreement is compatible with the uses authorized in, and the regulations prescribed for, the applicable zoning district in which the Project is and will be located;
 3. The proposed Development Agreement is compatible with the orderly development of property in the surrounding area;
 4. The proposed Development Agreement is not otherwise detrimental to the health and safety of the citizens of the City of Anaheim;
- and
5. The approval of the proposed Development Agreement constitutes a lawful, present exercise of the City's police power and authority under, is entered into pursuant to, and is in compliance with the City's charter powers and the requirements of the Development Agreement Law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANAHEIM DOES ORDAIN AS FOLLOWS:

SECTION 1.

That Development Agreement No. 2016-00001 by and between the City of Anaheim and Good Hope International, a California corporation, be, and the same is hereby, approved.

SECTION 2.

That the Mayor be, and is hereby, authorized to execute Development Agreement No. 2016-00001 for and on behalf of the City.

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THE FOREGOING ORDINANCE was introduced at a regular meeting of the City Council of the City of Anaheim held on the 12th day of July, 2016, and thereafter passed and adopted at a regular meeting of said City Council held on the 26th day of July, 2016, by the following roll call vote:

- AYES: Mayor Pro Tem Kring and Council Members Murray and Brandman
- NOES: Council Member Vanderbilt
- ABSENT: Mayor Tait
- ABSTAIN: None

CITY OF ANAHEIM
s/ Lucille Kring
MAYOR PRO TEM OF THE CITY OF ANAHEIM

ATTEST:

s/ Linda Andal
CITY CLERK OF THE CITY OF ANAHEIM

If you desire a copy of Exhibit "A" and "B" of Ordinance No. 6376 and Development Agreement No. 2016-00001, please call the election official's office at (714) 765-5166 and a copy will be mailed, emailed, or provided at no cost to you. You can also visit www.anaheim.net/elections for a copy.

Impartial Analysis City of Anaheim Measure J

Overview: Measure J is a referendum regarding Anaheim Ordinance 6376, adopted by the City Council on July 12, 2016. Ordinance 6376 approved a Development Agreement between the City of Anaheim and Good Hope International ("GHI") for the construction of an eight-story, 580 room hotel located at 1700 S. Harbor Boulevard ("Development Agreement"). The measure was placed on the ballot by a petition signed by the requisite number of voters. If approved, the measure would affirm Ordinance 6376, and the Development Agreement with GHI will take effect. If the measure fails, then Ordinance 6376 and the Development Agreement will not go into effect.

Development Agreement with GHI: Ordinance 6376 and the Development Agreement, which are on file with the Anaheim City Clerk, were adopted in compliance with local and State laws, including the California Environmental Quality Act. The Development Agreement, together with a Conditional Use Permit, a Variance, and a Final Site Plan that have all been approved by the City ("Existing Approvals"), are intended to permit the demolition of existing buildings and the construction of an eight-story AAA Four Diamond Hotel containing 580 rooms, 75,600 square feet of retail, restaurants, and conference/meeting space, and a parking structure with 1,021 parking spaces, on an 8.8 acre property located at 1700 S. Harbor Boulevard ("Project").

Under the Development Agreement, GHI would agree to develop the Project, consistent with the Existing Approvals, and to pay the City \$100,000 for various public improvements near the Project. In exchange, the City would agree not to revoke the Existing Approvals, and would agree that GHI has a vested right to develop the Project in accordance with the Existing Approvals.

Vested Rights: Under the legal doctrine of "vested rights," if a property owner receives a permit from a public agency to construct a project, and then incurs substantial costs in reliance on that permit, the property owner has the right to develop the property consistent with the permit regardless of changes in the public agency's land use regulations. Entering into a development agreement that secures the right to proceed with a project in accordance with its terms is another way a property owner can secure vested rights. Here, GHI has entered into the Development Agreement for the Project. If the measure passes, GHI will have a vested right to develop the Project consistent with the Development Agreement and the Existing Approvals. If the measure fails and the City changes its land use regulations, GHI would either have to conform to the new regulations, or establish that it has a vested right to construct the Project as originally approved even though it does not have a development agreement.

Summary:

A "Yes" vote by a majority of those voting on Measure J means that Ordinance 6376 and the Development Agreement will go into effect.

A "No" vote by a majority of those voting on Measure J means Ordinance 6376 and the Development Agreement will not go into effect.

s/ Robert Fabela
Anaheim City Attorney



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Argument in Favor of Measure J

For more and better jobs in Anaheim, and revenue for vital neighborhood services – vote Yes on Measure J!

Measure J and its companion, Measure K, are simple questions – should we reaffirm the vote of a bipartisan majority of the Anaheim City Council and allow the redevelopment of an older hotel into a larger, nicer hotel that creates thousands of new, well-paid jobs and brings in hundreds of millions of dollars of new tax revenue to the City paid by tourists, not residents.

Measure J means we can move forward quickly with tearing down a fifty-year-old hotel at Harbor Boulevard and Disney Way and replacing it with a new, four-diamond hotel.

Everyone knows that the hotels in the Anaheim Resort bring in jobs and tax revenue for the City, and those resources go to pay for police and fire protection, keeping our streets paved and maintaining our parks and other public facilities.

Construction of this new hotel will create over 2,000 well paid construction jobs for highly skilled workers – with guaranteed preferences for Anaheim residents and veterans.

Once this hotel opens its doors, it'll be home to over 600 new permanent jobs which will be higher paying jobs than those at the old hotel being replaced.

This hotel also means hundreds of millions of dollars in revenue for the City, over and above that which was generated by the older hotel. This gives the City the revenue needed to face challenges related to public safety and homelessness, while still maintaining funding priorities for streets, parks, and community services. Best of all, tourists provide this tax revenue, meaning City leaders won't come to residents for higher taxes.

The benefits Anaheim will reap through these new hotels can't be disputed.

Get the facts at www.JobsForAnaheim.org, and vote YES on Measure J and Measure K!

s/ Lucille Kring
Anaheim City Councilmember

s/ Michelle Lieberman
President, Anaheim Neighborhood Association

s/ Anthony Novello
Business Manager, Plumbers & Steamfitters Local 582

s/ Alden Esping
Retired Educator, Former Vice Chairman, Anaheim Budget Advisory Commission, YMCA Volunteer

s/ Jim Cain
Chairman, Anaheim Hills Community Council

Rebuttal to Argument in Favor of Measure J

Vote NO on Measure J to send a message to Anaheim leaders that **big subsidies** should be matched with big benefits for Anaheim residents. Supporters of Measure J do not mention that the ordinance in question would grant a development agreement to a real estate developer that, through a separate agreement, **will receive a \$145 million subsidy** over 20 years of operation for its luxury hotel.

Under the separate agreement, **70% of the tax revenue generated by this proposed hotel over 20 years will go back to the developer.** This means that \$145 million that could go to our parks and firefighters will instead go to Good Hope International, an affiliate of a Hong Kong-based real estate developer. A **NO vote** on Measure J will overturn the ordinance that granted a development agreement to Good Hope International to build an eight-story, 580-room luxury hotel.

Supporters of Measure J say that the development of this new hotel will create hundreds of permanent jobs and generate tax revenue for the City. However, in their direct ballot argument, they do not specify whether any of these jobs will be guaranteed for Anaheim residents, nor do they provide any guarantee that these jobs will pay livable wages with benefits.

Send the right message to Anaheim leaders and **VOTE NO** on Measure J.

s/ Cynthia Ward



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Argument Against Measure J

During the summer of 2016, over **nearly 13,000 Anaheim residents** signed a petition so they could have an opportunity to vote on the development agreement for the luxury redevelopment of the Anaheim Plaza Hotel, which the Anaheim City Council previously approved by ordinance. Measure J provides voters with that opportunity.

Voters should **vote NO** on Measure J to overturn an ordinance that would give the hotel's owner – Good Hope International, an affiliate of the Hong Kong-based Wincome Group – land use and zoning protections through a development agreement. Earlier in 2016, the City Council approved another agreement that will give Good Hope International a **\$145 million subsidy** for the hotel over 20 years of operation. Rather than going to the owner, that **\$145 million** should instead benefit the **residents** of Anaheim *directly* by going to our parks, police officers, and firefighters.

By voting NO on the project's development agreement, Anaheim residents can send a message to Anaheim leaders that **we do not want big subsidies to go to development projects like this one**. A NO vote would revoke the 5-year vesting of the developer's rights to develop a hotel at 1700 S. Harbor Blvd., so a future council could reconsider entitlements for the project, further calling the subsidy into question. Vote **NO** on Measure J And say **NO** to the development agreement for this hotel.

s/ Cynthia Ward

Rebuttal to Argument Against Measure J

Facts about Measure J that aren't seriously disputed:

FACT – Measure J helps ensure that a 50-year-old hotel at Harbor Blvd. and Disney Way will be replaced with a nicer hotel that contributes much more to Anaheim.

FACT – Measure J helps ensure that **thousands of well-paid construction jobs** will be created, with preferences for local residents and veterans.

FACT – Measure J will **triple the permanent jobs** at the new hotel, compared to the existing hotel, and the **jobs at the newer hotel will be better paying**, because pay at four-diamond hotels is higher than budget hotels.

FACT – Measure J means **hundreds of millions of dollars of new tax revenue** over the life of the hotel for vital city services like public safety protection, park maintenance, road repair, and addressing homelessness, compared to the existing hotel.

FACT – The company building the new hotel is **Anaheim-based and has been operating in Anaheim, providing jobs and paying taxes, for 30 years**.

FACT – Measure J reaffirms an approval granted by a bipartisan majority of the City Council to move this hotel forward in the most efficient way possible and keeps a promise our City made not to change the roles on a local hotel company if they agree to build the hotel as presented to the City.

Don't be fooled by arguments against Measure J that talk vaguely about "sending messages." Measure J is about jobs for Anaheim and new tax revenue for vital services by replacing an old hotel with a new hotel at the same site.

Yes on Measure J!

s/ Lucille Kring
Anaheim City Councilmember

s/ Michelle Lieberman
President, Anaheim Neighborhood Association

s/ Anthony Novello
Business Manager, Plumbers & Steamfitters Local 582

s/ Alden Esping
Retired Educator, Former Vice Chairman, Anaheim Budget Advisory Commission, YMCA Volunteer

s/ Jim Cain
Chairman, Anaheim Hills Community Council