

# Assembly measure is tailored for L. A. firm

Legislation was written with input from an L.A. builder hoping to develop a 229-home Verdugo Hills project.

By Patrick McGreevy, Los Angeles Times Staff Writer  
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SACRAMENTO -- A developer and major campaign contributor who wants to build homes on what is now the Verdugo Hills Golf Course has arranged state legislation that would stymie an effort by the city of Los Angeles to block the project.

The legislation was written by Assemblyman Felipe Fuentes (D-Sylmar) in collaboration with a company that has an agreement with the property's owner to develop the site.

The company, MWH Development Corp., wants to construct 229 homes to replace the 63-acre golf course in Tujunga, which is not in Fuentes' Assembly district. The firm is headed by San Fernando Valley developer Mark Handel, who said former Los Angeles Building Commission President Scott Z. Adler is a partner in the project.

Handel, Adler and other business associates backing the bill have given more than \$16,000 to Fuentes' political campaigns in the last two years -- much of it three months before the bill was rewritten -- sparking criticism that Fuentes customized legislation for his donors.

"An Assembly person should not be writing exceptions to the city law to benefit donors, friends or any other person," said Kathay Feng, president of California Common Cause.

The bill has outraged members of the City Council and the Los Angeles County Board of Supervisors, who have voted to oppose the legislation and have asked their Sacramento lobbyists to try to kill the measure.

"I was disgusted," said Councilwoman Wendy Greuel. "We believe Sacramento should not be trying to dictate land-use policy on city matters. We also don't believe legislation should be designed to benefit one developer."

Fuentes said one of his priorities as a lawmaker is to address the Los Angeles housing crisis. His bill, he said, responds to a concern of home builders that projects allowed by a city's long-term planning guidelines can be blocked by local officials through changes to the plans.

"It's about giving people who are building homes some continuity when they submit their applications," Fuentes said.

He said the legislation was an early draft, and he plans "on working with [city officials] and hearing their concerns."

The dispute, which began about a year ago, involves Los Angeles community plans, which are long-term blueprints for how property in an area should be developed.

After Handel and neighborhood groups held community meetings on his proposal, Greuel, who sympathized with area residents' desire to preserve the golf course as open space, proposed a change to the city plan to limit construction to 20 homes. Despite Greuel's move, Handel filed his application for 229 homes in June 2007.

Four months later, Fuentes wrote the bill to restrict what the city could do.

The bill, AB 212, does not identify the golf course but was written so it applies only to the city of Los Angeles and makes changes that would specifically address Handel's wish to build on the golf course site.

The legislation, set for its first committee hearing June 18, would require the city to consider any change for the property according to the standards of the community plan at the time the development application was filed. Those standards allow 229 homes.

"It is frustrating to read and review the city's general plan and then purchase property based on the general plan, only to find out that the city 'changed its mind,'" Handel wrote to the state Legislature. "The city of Los Angeles needs to play by its own rules that it lays out for land owners to follow."

Greuel said Handel's true goal is not to develop the property but to sell it at a profit. At the same time he is pushing the legislation, he is talking to the city about a possible sale of the land to the city, which would maintain it as open space. Greuel says Handel wants permission for the high-density development to raise the property's value so he can get a better price.

"We are actively working with the council office to find a methodology by which to sell the golf course to the city," Handel said.

He dismissed as "ridiculous" the idea that his campaign contributions have bought him custom-tailored legislation.

Fuentes said his own actions are independent of contributors. "I'm certainly not doing anything for any one person with this bill."

The contributions are not the assemblyman's only ties to Handel's company. The firm also employs Mark Dierking, who worked under Fuentes when Fuentes was chief of staff to former City Councilman Alex Padilla.

And Handel is no stranger to controversy. In 1998, his wife, an employee of his firm, lent City Councilman Richard Alarcon \$38,000 to pay for a pool and other yard improvements to Alarcon's home in Sylmar.

Alarcon subsequently voted to approve an interest-free \$1.1-million city loan to a development partnership that included Handel and Adler.

Last month, Alarcon attempted to delay a council decision to oppose the bill. When that effort failed, he joined his colleagues in voting to oppose the bill.

Adler resigned as president of the Los Angeles Building and Safety Commission in 1996, shortly before pleading no contest to a misdemeanor charge of solicitation of prostitution involving an incident with a Van Nuys masseuse.

The conviction led to a public reproof by the State Bar of California.

Adler was also accused of impersonating a police officer by flashing his city commissioner's badge and offering to help the masseuse get a city business license.

The city attorney decided there was insufficient evidence to file charges on the badge issue, but the episode led the City Council to adopt new rules limiting the use of badges.

Adler did not return calls to his office for comment.

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