

# Developer of San Pedro's Ponte Vista plan is ousted

By Gene Maddaus Staff Writer

Bob Bisno, the developer who polarized San Pedro with his plans for a 1,950-unit condo complex, has been ousted from the project's development team.

A division of Credit Suisse bank, Bisno's top investor, has assumed control of the controversial Ponte Vista project, the development team announced Friday.

Though Bisno's departure was hailed by neighbors who have battled him over density and traffic issues for three years, it may not mean the end of the project.

The project's lobbyist said Friday that Ponte Vista would still move forward under the direction of DLJ Real Estate Capital Partners, a subsidiary of Credit Suisse.

"Anyone who becomes a spokesman for a development project becomes a lightning rod," said lobbyist Steve Afriat, speaking of Bisno. "The temperature's going to be turned down now because there's a new sheriff in town. DLJ is committed to working with the community."

The Ponte Vista development, slated for 61.5 acres of former Navy land, has appeared to be in serious trouble since last month, when the Los Angeles Planning Department recommended that it be rejected.

Dispensing with Bisno's arguments, the planning staff found that no more than 1,200 condos should be built on the site, and perhaps as few as 775. Bisno initially seemed ready to fight that ruling at the Planning Commission this week, but later the developers asked to postpone the hearing to February.

Even if the project continues, Bisno's ouster is a major milestone in the history of the development. Community members said that his personal style was too obstinate and that he insisted on a massive project long after it became clear that doing so would split the community into warring factions.

"His business plan was 'My way or the highway,'" said Jerry Gaines, who served on a citizens committee that studied the project. "Now you got people that don't want to speak to each other, and a lot of unrest that was not necessary."

Bisno rallied support from local businesses that wanted more customers, and labor groups that were eager for more construction jobs. He also tried to sweeten the deal by offering to build a park for the Eastview Little League, and built a cadre of loyal San Pedro residents.

But many other residents said he was never flexible enough on their central concern: the number of condos. His initial proposal was for 2,300 units, which struck many in the community as wildly unrealistic because it would jam Western Avenue with traffic and put a strain on the city's services.

Neighbors in San Pedro and Rancho Palos Verdes, which is just across the street from the old Navy site, rallied against the project. In 2007, Bisno came back with a concession: he would cut the number of housing units to 1,950.

"That was no concession at all," said John Greenwood, who chaired the advisory committee. "I think he just fell in love with the plan. I don't think Bisno ever had a Plan B."

If he was inflexible, it may have been because he needed to recoup his \$125 million investment in the land. His margins must have tightened even further as the housing bubble popped - making it increasingly difficult to turn a profit.

"My guess is the people with the sharp pencils at Credit Suisse decided this is a losing proposition," said Doug Stern, a Rancho Palos Verdes councilman. "If a lender is stepping in, they think they're at substantial risk of not getting their money back."

In an interview, Afriat would not comment on the reason for Bisno's departure, or even confirm that he had been ousted by his investors.

But Los Angeles City Councilwoman Janice Hahn said Afriat had told her that Credit Suisse decided to remove Bisno.

"I feel very positive that Credit Suisse saw the writing on the wall," Hahn said. "I believe I'll have a better working relationship now. I would like the developer to go back to the drawing board, start over, and design a project that would have a better chance of being approved."

Allan Abshez, the project's attorney, said that nothing has changed and the development team still intends to go before the Planning Commission on Feb. 12.

Afriat said, however, that DLJ is willing to be flexible about the number of condos.

"Is it 1,950?" he asked. "No. It doesn't have to be 1,950. It's not 1,200 either, though. That's a little thin."

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