

The Agua Dulce Residential Project

Agua Dulce Town Council meeting

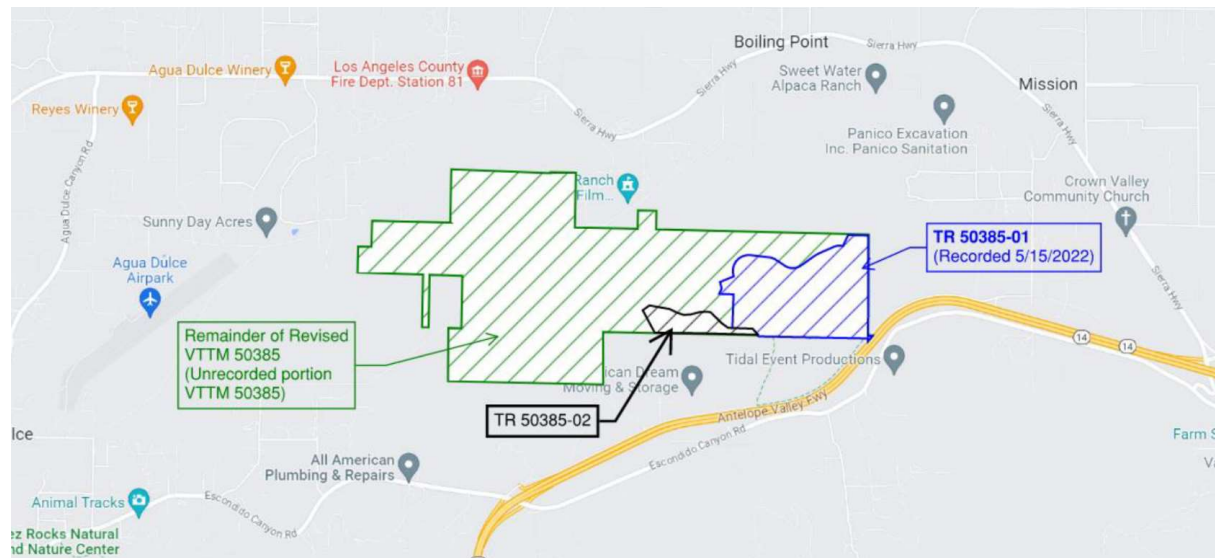
Wednesday October 11th, 2023

Agenda

- Recording of 'Open Space' on Tract 50385-02 approved at the Board of Supervisors meeting on October 3rd 2023
- Question about apparent grubbing/clearance on the unrecorded portion of the project near Shady Lane
- Disclosures from Public Works re 20" water main project
- Next steps

Open Space recording of Tract 50385-02

- Approximately 38.5 acres to the Southwest of Phase 1



Public Works recommendation

- Public Works provided a recommendation to the Board of Supervisors
 - Nowhere in the recommendation was the name of the developer mentioned
 - Along with the construction of the offsite waterline, the submitted map was reviewed by County departments and determined to be in substantial compliance and to meet applicable conditions of approval as required to approve TR 50385-02
 - Pursuant to the State Subdivision Map Act, a local agency must approve a final map if the subdivider has complied with all applicable requirements of State and local law and the legislative body finds that the final map is in substantial conformance with the approved tentative map
 - Recording TR50385-02 extends the recording for the unrecorded Phase 2 map for a further 4 years until October 2027

Public comments submitted to Supervisors

- 1 comment received in favor (but with no actual comment)
- 10 Comments received in opposition
 - Extends the “sixth and final discretionary map extension” for 50385 approved in September 2022
 - Required bonding and Multiple Agreements are not in place for infrastructure that is under development
 - The developer is under the indirect ownership of a Russian company, Rutsog Invest, and under the direct control of its CEO, Ruben Grigoryan
 - The funding is coming via a Swiss bank account under the control of a Cyprus company
 - By approving this map, the Board of Supervisors becomes complicit in breaching sanctions regarding doing business with Russia and Federal law

Public comments submitted to Supervisors

- Comments received in opposition (continued)
 - This map recording has been contrived for the sole purpose of extending the expiration date of a project first approved over 30 years ago that is being constructed in a High Fire Hazard Severity Zone with outdated environmental assumptions
 - In the past 16 years, no work has been done on the wastewater treatment plant that is a key requirement of the development of this subdivision
 - Vendors working on the first recorded Phase of the project have filed liens on the first phase due to non-payment of invoices by the developer
 - The bonds for the first phase of the project have expired under California Code of Civil Procedure Section 338(a) and 337 after the Multiple Agreement was not extended in 2016

Public comments submitted to Supervisors

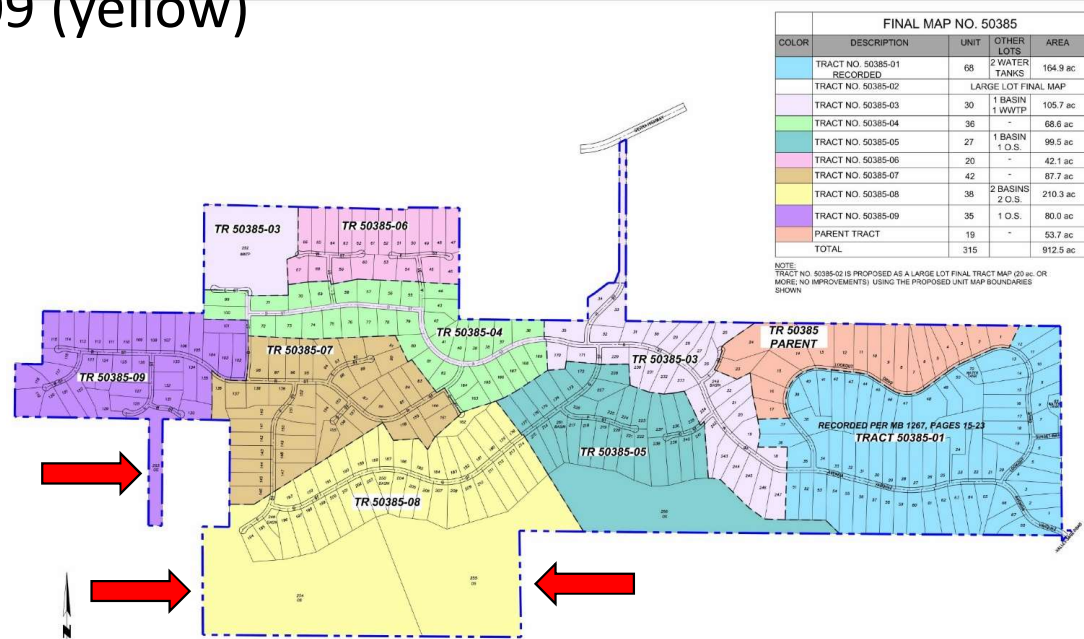
- Comments received in opposition (continued)
 - As a company under the indirect ownership and direct control of individuals and entities based in the Russian Federation, RTG Investment is subject to the broad Federal restrictions listed in Executive Orders 14024 and 14071
 - Public Works' failure to identify the developer by name in their recommendation prevents the Board of Supervisors from making an informed decision
 - Any approval conflicts with a motion passed by the Supervisors in March 2022 that directed the County CEO to investigate prohibiting County contracts with companies doing business with Russia – it is not OK for other companies that the county contracts with to do business with Russia, but the County can itself?

The Board of Supervisors' decision

- Kathryn Barger abstained from the vote since she has received campaign contributions totaling more than \$250 from Sikand Engineering who are working on The Agua Dulce Residential project as the civil engineers
 - Mark and Lynette Sikand and Sikand Engineering have contributed \$9,000 to Supervisor Barger's election campaigns since 2015
 - https://efs.lacounty.gov/public_search.cfm?pubsearchstep=2&rept_type=ALLCon
- This is disappointing in view of the previously expressed comment that 'the Supervisor shares the community's concern that development based on a 30 year old map is being allowed to proceed.'
- The remaining Supervisor's approved the motion unanimously
- The approval and public comments were covered in The Signal on Oct 6th
<https://signalscv.com/2023/10/supervisors-approve-final-map-for-open-space-on-future-site-of-247-home-development-in-agua-dulce/>

This could happen again in 2027, 31 and 35

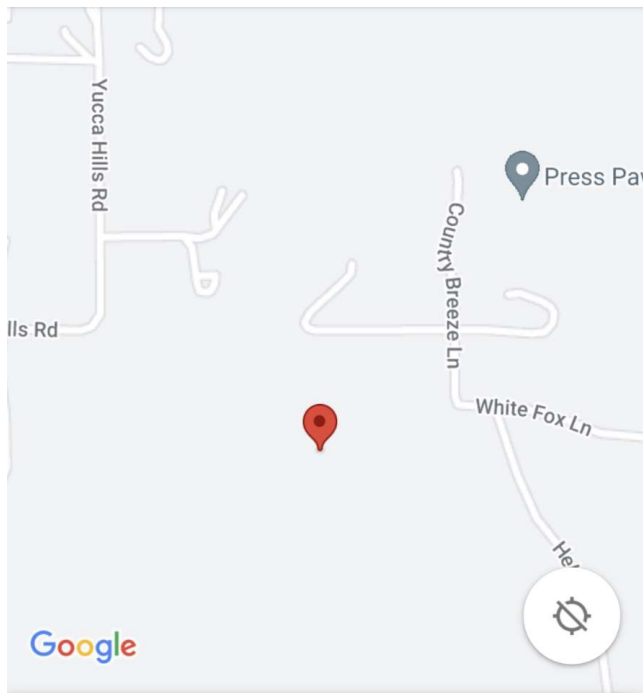
- There are three further open space lots that comprise TR 50385-08 (purple) and TR 50385-09 (yellow)
- The recently approved open space was part of TR 50385-05
- Could extend the Phase 2 map until Oct 2039
- 55 years since approval



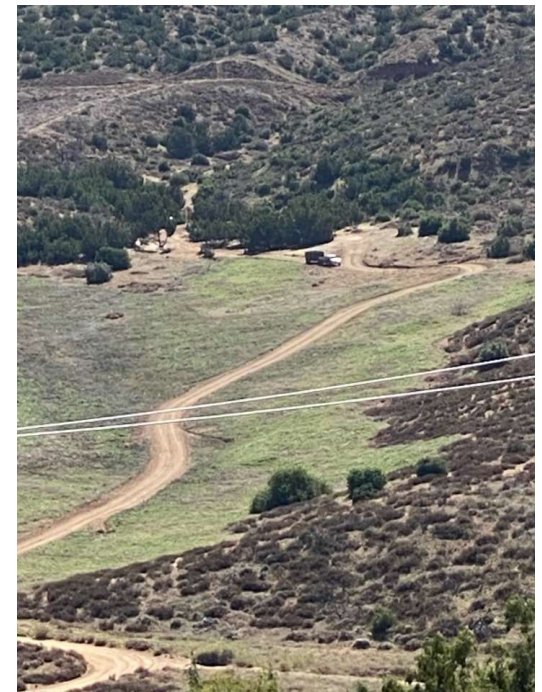
Recent activity on unrecorded project phase

- In the week of October 9th, a resident reported seeing removal and chipping of junipers on an area that appears to comprise the project
- The resident described the location as South of Shady Lane/White Fox on the side of the hill before Shady Lane dead ends just before Yucca Hills Road
- Using Google maps, the resident approximated the location at 34.509307 N, -118.294427 W

Recent activity on unrecorded project phase

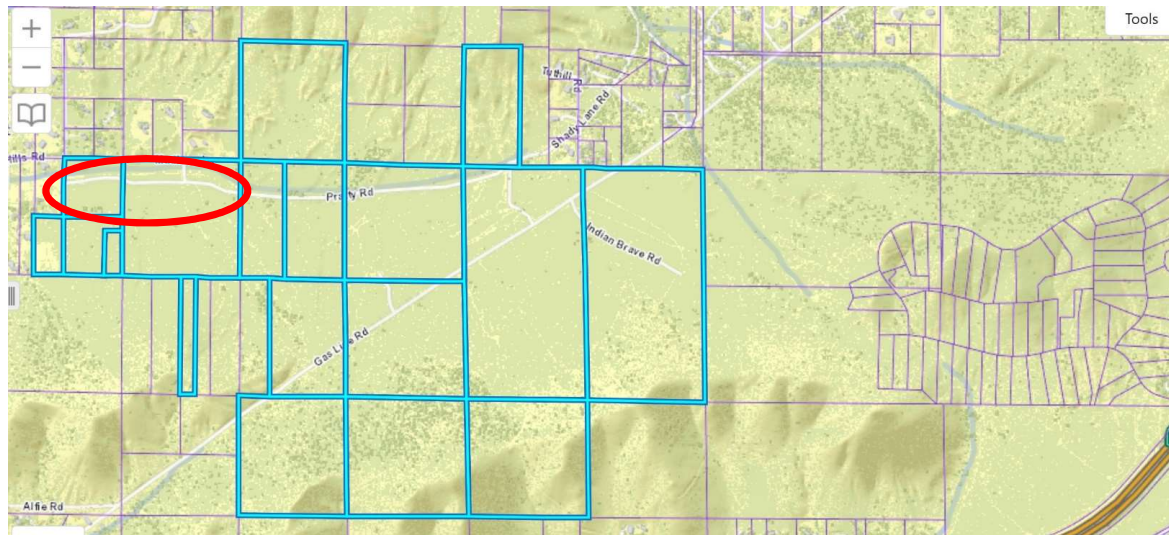


34.509307, -118.294427



Recent activity on unrecorded project phase

- Matching the resident's estimate of the location, it appears to be in TR-50385-09 which is unrecorded and has no issued permits
- Possible matches for the APN are 3213 027 007 or 3213 027 014



Public Works water main disclosures

- Public Works response to PRR 5610 received on Oct 3rd and 4th
- Initial review summary
 - The 2002 bonds have been revised based on 2022/23 bond rates
 - Total bonding appears to be \$21,258,800
 - March 2023 email exchange indicates that RTG estimated it would take 2 weeks to put the replacement bonds in place
 - The Insurance Broker, Modab Insurance, was attributing the delay to interest rates, banking crisis etc.
 - Sikand email to RTG notes that “DPW has been supportive of the project, especially as it relates to the Agua Dulce Town Council”
 - Still no progress on the bonds by mid May

Next steps

- Write to Art VanderVis and Anish Saraiya seeking clarification on the apparent clearing activity reported on or near 3213 027 007 or 3213 027 014 that comprise part of the unrecorded TR 50385-09