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Latest Feud in Malibu Centers on L.A. Mayor

■ **Coast:** Plans by Riordan and friends to build houses turn into epic controversy over beach access.

By JIM NEWTON
TIMES STAFF WRITER

It is an epic struggle even by the standards of Malibu, where the cost of a mere spite fence can exceed the price of a single-family home in less lush environs.

This time, the fight involves not just commonplace things—like huge sums of money—but more valuable, if less tangible, commodities: power, influence and the stuff that comes with them. Contentious little Malibu's latest controversy involves Los Angeles Mayor Richard Riordan and his wife, along with a couple of their very richest friends. They're opposed by some of Hollywood's historic figures,

along with a would-be home developer and some local activists. Between them, the two sides have hackles raised high in Southern California's toniest beach town, an incorporated city that sits up the coast at the western edge of Los Angeles County.

The unenviable task of sorting it out falls today to the Coastal Commission, which will consider the strongly held views on both sides of the flap.

The conflict started conventionally enough. Trusts established by billionaire Eli Broad, television magnate Haim Saban and Nancy Daly, Riordan's wife, picked up six Malibu parcels from Pepperdine University and set out

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MALIBU: Plans for Beach Houses Ignite Feud Over Access

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to demolish the houses that stood on them and then to replace them with three larger homes.

Given the size and configuration of what they had in mind, that meant cutting off the view of the ocean from Pacific Coast Highway. The Coastal Commission begged to differ, and demanded that each of the three home sites—which average about 100 feet along the highway—include 20 feet of "view corridor."

That didn't sit well with the trio. Broad, for instance, envisioned a house designed by Pritzker Prize-winning architect Richard Meier, the man behind the Getty Museum, and understandably was not happy with the idea of his landmark home constrained by a corridor so that passing motorists could glance at the water as they shot by at 50 miles an hour.

So Broad and his friends made the Coastal Commission an offer: If the panel would let them cut off the ocean views around their homes, they would buy an 80-foot stretch of a nearby beach and protect it from development. Their argument: The Riordan, Sabans and Broad would get their houses, and the public would not only get more view—in many ways, a better view, since it would be in one chunk rather than three 20-foot intervals—but also public access to that beach.

"That was all well and good for them, and it satisfied the Coastal Commission staff. But for the

neighbors who live near the beach, it was no good at all. Why, they asked, should their beach be made more accessible to the public just so their famous and powerful would-be neighbors wouldn't have to put up with anyone looking over their shoulders at the sunset?

And, this being Malibu, the neighbors who complained—though not necessarily of the stature of a big-city mayor and a couple of business titans known for their political savvy and lavish contributions to candidates and causes—are no slouches.

One, for instance, is Freddy Fields, a legendary Hollywood agent who founded Creative Management Associates and later served as president of MGM.

"This is a runrod job," Fields said Tuesday. "It's totally immoral to take your problem and dump it on someone else. That's what they're doing."

Broad declined to comment on the flap, as did Riordan.

Meanwhile, Malibu's abuzz. Some residents learned about the proposal in recent months; more discovered some of the details last week when the local paper, the Malibu Times, carried a story about it.

"You know the expression 'hop-ping mad?'" one local real estate agent asked. "That's what you have here."

Lou Adler—a renowned record producer who grew up in Boyle Heights and handled such recording artists as the Mamas and the

Papas, Carole King and Sam Cooke—seconds that emotion. "What these people are doing is not nice. It's rude," he said. "And it's really rude to the people who live out here all the time, not those who just come out for a few weekends a year."

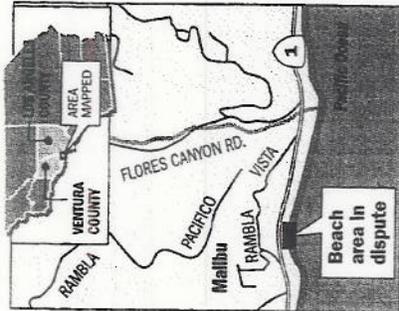
Adler lives two doors away from the site that would be preserved in order to clear the way for the Riordans and their friends to maximize their home sites. He and others argue that not only is it wrong for Riordan, Broad and Saban to duck the view corridor requirement, but that it is doubly ill-advised for them to have picked the property they did.

That's because Adler and other local residents say the proposed site is on a dangerous curve with no beach parking.

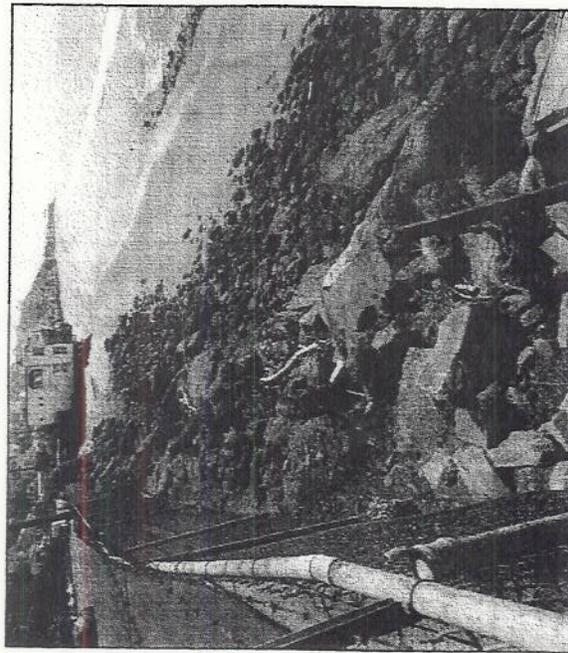
Developer Who Lost Out Cries 'Fraud'

"I'm fearful that some kid is going to get hurt trying to cross the street to get to this beach," said Richard Gitlin, an independent film producer who lives in Malibu. "The mayor and the others are just asking for hatred from everyone. Someday, someone is going to get hurt, and then everyone is going to say: 'This is what you guys did because you wanted to enlarge your properties.' That'd be blood on their hands."

As if all that weren't complicated and intense enough, there's still another angry party—Jeff



Los Angeles Times



Site that would be preserved under deal proposed by L.A. mayor. KEN HIVELEY / Los Angeles Times

Greene, a developer whose deal to buy 80 feet of beach from Pepperdine collapsed after 18 months in escrow. When Broad and his friends bought it instead, he felt cheated and complained loudly.

"It's a fraud," Greene said. "I can't believe they did this."

Greene suggested that Pepperdine officials had either been pressured by his high-powered advertisers or that the university had bent over backward to accommodate them.

In fact, Pepperdine Real Estate Director Dennis Torres acknowledges that he did try to do Broad a favor—just not the one Greene thinks he did. In an interview Tuesday, Torres said Greene had previously been granted extensions in order to complete his purchase of the Malibu site, but had been told that March 1 was the

deadline. After that, Torres said, both sides understood that either Greene would own the property or it would revert to Pepperdine, which would look for another buyer.

When Broad and company later indicated their interest, Torres said they asked him to grant a 30-day extension to Greene, if Greene would agree to sell to Broad.

"I figured there are worse people to do a favor for than Eli Broad," Torres said. "But that fa-

vor was also a favor for Jeff Greene."

Greene, however, says the only reason escrow did not close on March 1 is that Pepperdine failed to provide survey material due by that date.

In any case, Greene did not close the deal on that date, so Pepperdine sold it to Broad. He owns it now, and intends to turn it over to a conservancy as part of the deal with the Coastal Commission—if the commission votes today to approve the deal.

Controversial Malibu Plans OKd

■ **Houses:** Coastal panel votes 12-0 in favor of Mayor Riordan's wife, Eli Broad and TV magnate. Critics claim favoritism.

LAT 4/13/00

By BOBBY CUZA
TIMES STAFF WRITER

Plans by Mayor Richard Riordan's wife, businessman Eli Broad and television magnate Haim Saban to build three sprawling homes on the beachfront in Malibu won unanimous approval Wednesday night from the California Coastal Commission, despite neighborhood opposition.

Under the plan worked out Wednesday and approved 12-0 by the commissioners, the homes will block a total of about 300 feet of public ocean view. In exchange, the partners will buy a nearby 80-foot stretch of beach and donate it to the Coastal Conservancy for public use.

"The total package we're getting here is very positive from the public perspective," said Coastal Commission Chairwoman Sara Wan.

Residents who spoke at the hearing disagreed, saying the commission was bending the rules for well-connected citizens.

"The state of California has charged you with the responsibility for looking out for the interests of all the citizens of this state, not just the interests of three exceedingly rich and very powerful people trying to rush their applications through," said Jeff Greene, a developer whose plans to buy the 80-foot stretch of beach were quashed.

The residents also cited safety concerns about the project, because the proposed public-access beach is on a curved stretch of Pacific Coast Highway with no parking.

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"People are going to die there," said resident Brady Westwater. "I've seen cars demolished beyond recognition. It's almost a monthly occurrence."

The residents cited statistics from the Los Angeles Sheriff's Department showing that 20% of all vehicle crashes on Pacific Coast Highway from Topanga Canyon Boulevard to the western city limits occur along that curve.

A Coastal Conservancy spokesperson told the commission the conservancy will conduct a study of safety issues in the next several weeks and determine how best to resolve them.

The whole conflict started when trusts established by Broad, Saban and Nancy Daly Riordan, the mayor's wife, acquired a total of six parcels and made plans to demolish the houses on them and replace them with three larger homes.

Because of the size and design of the three proposed homes, the ocean view from Pacific Coast Highway would be cut off at each of the sites.

The Coastal Commission opposed the new plans and demanded that each of the three home sites, which average about 100 feet along the highway, include 20 feet of "view corridor."

The partners, displeased with that scenario, made the Coastal Commission a counteroffer: If it would let them cut off the ocean views around their homes, they would buy an 80-foot stretch of a nearby beach and protect it from development. They would then get their houses, they said, and the public would not only get more view—in many ways, a better view, because it would be in one chunk rather than three 20-foot intervals—but also access to that beach:

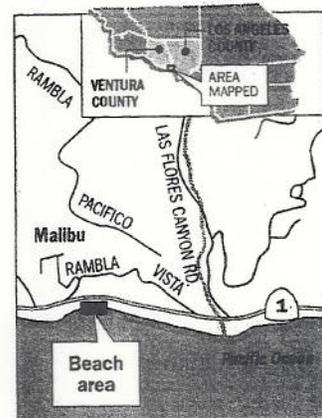
But resident Todd Sloan asked commissioners: "If this is such an act of high altruism, then why don't they offer the public access through their own view corridors?"

Another angry party to this agreement is Greene, a developer whose deal to buy 80 feet of beach from Pepperdine University collapsed after 18 months in escrow. When Broad and his partners bought it instead, he complained loudly.

"Pepperdine secretly sold the property using a hidden escrow . . . because of high-pressure tactics by representatives" of the partners, Greene said Wednesday.

Pepperdine Real Estate Director Dennis Torres denied that any pressure was brought against him or the university to sell the property to Broad and his friends.

For his part, Mayor Riordan angrily objected Wednesday to the suggestion that he had anything to do with the proposal that has riled some Malibu residents. He said the transaction involved the separate property of his wife, and vehemently disputed the suggestion that he had any role in the episode.



Los Angeles Times

Malibu's Beach Uproar and the Art of the Deal

It is possible, driving down the coastline that has made Southern California so famous, to forget entirely that, from end to end, it's a public coastline. There are stretches of beach frontage where you can roll for miles with no more than an occasional glimpse of the blue Pacific—just fences, walls and "private property" signs.

But the property rights only go so far—a fact that, while often ignored by the rich and sunbanned, actually is encoded in state law. Generally speaking, if you enter via a public access and stay on the wet sand, you can follow it to Mexico and not be trespassing. Everything beyond the "mean high tide line"—which, in most spots on most days, roughly translates as whatever was under water last night—belongs, with rare exceptions, to everyone.

This is useful in considering last week's beachfront uproar in Malibu. In a vote destined to become a full-employment act for real estate lawyers, the California Coastal Commission gave a thumbs up to a fresh obstacle between you and me and our public coastline—three new mega-mansions on the sand.

Ell Broad (the home builder and investment deal-maker), Haim Saban (the TV deal-maker) and Nancy Daly Ritoran (wife of L.A.'s deal-making Mayor Richard Riordan) got permission to scrape three lots along Pacific Coast Highway and erect



SHAWN HUBLER

lot-line-to-lot-line beach estates. The homes will block former "view corridors" that used to offer mini-glimpses of that wet strip of coastline that, remember, is our real estate.

To compensate, the deal-makers bought and donated what was billed as a whole new beach, with not only a

peek of coastline for the public, but access for sunning and swimming too. The catch was that this philanthropy was in somebody else's neighborhood. Hence, uproar. But misleading uproar, in that the arguments involved didn't ring entirely true. The donated lot, for example, was cast as a gift and the neighbors' outrage as the sour grapes of rich NIMBYs. But it turns out that the lot—which belonged to Peppertine University before Broad and friends got it—has actually been more or less public for many years.

"They call it 'The Cove,' a friend who grew up there told me. 'As in, Dude! 'The Cove is cookin'! Let's go check it out!' It's a hangout, though surely not destined to be a rabble magnet. A good-sized beach blanket would cover the honky-dry sand, and at high tide, it's almost completely submerged. If asked, the neighbors will concede that, OK, they've put up with visitors there forever. But what about the health hazard? they ask. 'The Cove is barred off with a rusty, locked, chain-link fence and has no official parking adjacent. Its neighbors say that nonlocals will end up parking along one of the worst blind curves of PCH.

But 'The Cove, as it turns out, is easy to get to—and without setting foot on the dead-end highway. You just park behind a nearby county fire station, walk down to a gully that runs next to the building, and within steps, you'll come to a concrete tunnel that serves as a storm drain. It's maybe a minute-long walk to the wet sand next to the big, view-blocking house of the famous record producer Lou Adler. Firemen say the locals use the passage constantly.

The fact that this "new" beach was neither new as a gift nor as an intrusion didn't come up at the commission hearing, but it has fueled much

speculation in the aftermath of the vote. If the fight—and it runs deep—isn't based in some sudden risk of wrecks and rabble, what's the deal here? Inquiring minds want to know.

Some say status envy: The deal-makers' lots are on swanky Carbon Beach, where some major moguls have second homes. The donated land is one beach down, at the far edge of a beach called La Costa, which—though Ryan O'Neal has lived there, and Aaron Spelling is said to drop by sometimes—is slightly narrower and thus lesser. Ergo, simmering resentment between the haves and have-mores.

But a personal theory is that it's the deal that's bugged people. By this I do not mean the complaint of another developer who claims he had dibs on 'The Cove until Peppertine sold it out from under him. No, it was the way in which the whole swap was conducted, the chutzpah, the breathtaking ease of it. It was the blocking of this priceless beach and the horse trading of that priceless beach and the certain understanding that the public would, of course, leap at even the semblance of having been cut in. It was the reminder of that other fact that's so farmed yet oft forgotten: that Southern California is, above all, a land built on deals, from end to shining end.

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