

Planning Commissioners and audiences



Hello Planning Commissioners and participating audiences,

It has been three and a half years since the Sand Canyon Resort Project was planned. For those who are curious about the background in which the project began, I would like to briefly explain the history.

I was born in Korea and immigrated to the America in 1976. I was able to successfully lead two IT startups and achieved early success.

In 2005, I made an investment in Robinson Ranch Golf Course with a few other investors. When I first visited the golf course, I was very surprised by the beauty of the golf course. Due to the long drought that began in early 2010, the beautiful course gradually became desolate.



As a result, the golf course was losing money each year and investors decided to sell. When I heard the news while I was living in Korea, I felt

really sad to find that this 300-acre golf course could be turned into someone's hands at bargain price. After thought I decided to take it over myself.

After I took it over in Apr 2016, I tried to save as much water as possible by renovating it to the desert course. In July 2017, the Sand Canyon fire broke then floods and landslides followed.



It was very difficult to overcome the unexpected disasters, but the golf course remarkably recovered with hard work and lots of rain. Even now, we devote our efforts to maintain the golf course as best as we can.





Since 2000, the golf population also greatly reduced and in preparation for a possible drought, I reduced it from 36-hole to 27-hole golf course. Then, I was wondering what to do with the remaining 9-hole. I thought it was a good idea to develop the golf resort because there was no such resort in LA County. When I shared my thoughts with some of the neighbors, they cheered and expressed great anticipation.

After the decision was made, I worked with consultants diligently and put together the detail plan. One year later, we submitted the Sand Canyon Resort & Spa Development Plan to the City in 2018. Since then, I have been working closely with the City's planning department and experts in the field of architecture.

Formal project submittal in February 2018

- 308 hotel rooms & villas
- Spa & Sauna 25,000 sf
- 2 ballrooms and 8 meeting rooms
- 3 types of restaurants
- 9 hole executive par 3 golf course
- 2 tennis & 4 pickle ball courts
- Adult and Kids swimming pools



I want to outline this project's goals and objectives

First, create a comfortable and enjoyable space for all family members and create lasting memories for both adults and children.

Second, build a resort that is in harmony with the special surrounding landscape that cannot be easily seen in other places and suits the local sentiment.

Third, minimize environmental pollution and shortening the construction period by designing eco-friendly materials and construction methods by adopting Prefabricated Cold Form Steel frames, 100% Solar Powered and Gray Water systems.

Fourth, provide 5-star amenities which will enhance the quality of life and give pride not only to hotel guests but also to local residents.

Fifth, create hundreds of new jobs for many local people and further contribute to the local economy.

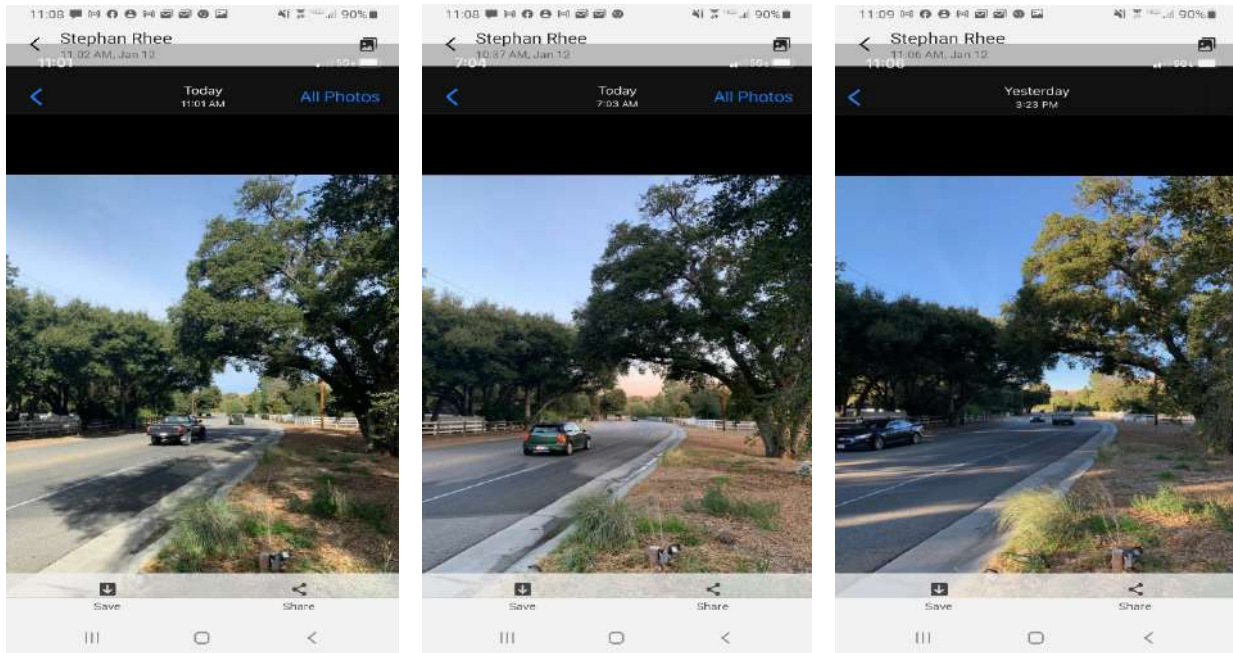
From the beginning of the project, it took about 3 years and more than \$3 million to meet the various design criteria and obtain technical analysis reports necessary for the environmental impact assessment.

Nevertheless, there were a few concerns raised by the local residents. And I'd like to address their concerns one by one from my perspectives even though those concerns had been dealt by the draft of EIR.

For those who are concerned that increased traffic on Sand Canyon Road will cause inconvenience to local residents.

Although Sand Canyon Road is a two-way street, as you can see in the photos, you can find very few vehicles traveling on Sand Canyon Road except early morning hours. We monitored Sand Canyon Road for several days from 7 o'clock in the morning till 6 at night. There is slightly difference traffic at different time, but we observed 80 to 120 vehicles traveling each hour.

Typically, the check-in and out times used by resort guests are from 10am to 2pm. Once inside the resort, guests will remain inside occupied by many resort amenities. Additionally, we plan for resort employees to work in two shifts, first from 6am-2pm then 2pm-10pm. Therefore, resort guests and employees will not add additional traffic to the rush hour.



For those who are concerned that in the event of a fire in the vicinity hotel guests will cause bottlenecks and local residents will not be able to evacuate in time.

If a fire breaks out like 2016 Sand Canyon fire, guests will be asked to check out long before the evacuation order is given to local residents.

With the opening of the resort, a security company will closely monitor for possible fires and will handle the evacuation for the safety of the guest.



For those who are concerned that the resort will create noise in nearby areas.

Most resort guests come looking for a quiet and peaceful place away from the city and everyday noise, so I don't believe loud noise should be much of a concern. Most events will be held inside banquet halls and even if there are events outdoors, it is uncommon that noise would spread to the neighboring homes approximately 300 feet away.

For those who are concerned about water shortage and sewer system.

Even in the early stages of remodeling the golf course, we inquired with the SCV Water division and learned that there is a sufficient amount of water reserve in Santa Clarita. According to the sewer study report, only 3% of the existing usage will be added and all the gray water will be recycled for irrigation for landscapes.

For those who are concerned about the scale and scope of development is too large.

Some people think that the size of the project or the number of rooms is too many, but most resorts in Southern California are larger than ours. For example, Terranea Resort, which opened in Palos Verdes in 2010, has 459 rooms.

From the initial planning of this project, the building in the resort follows the California Rustic guideline as much as possible to harmonize with the surrounding natural environment and neighboring houses. The main hotel was set at 3 floors and the height of the building was limited so as to not harm the view.

The resort cannot be seen from either highway 14 or from Sand Canyon Road because too far a way or views are blocked by trees.



The parking lots is sitting 7 feet below the main hotel and cannot be seen from the guest areas.

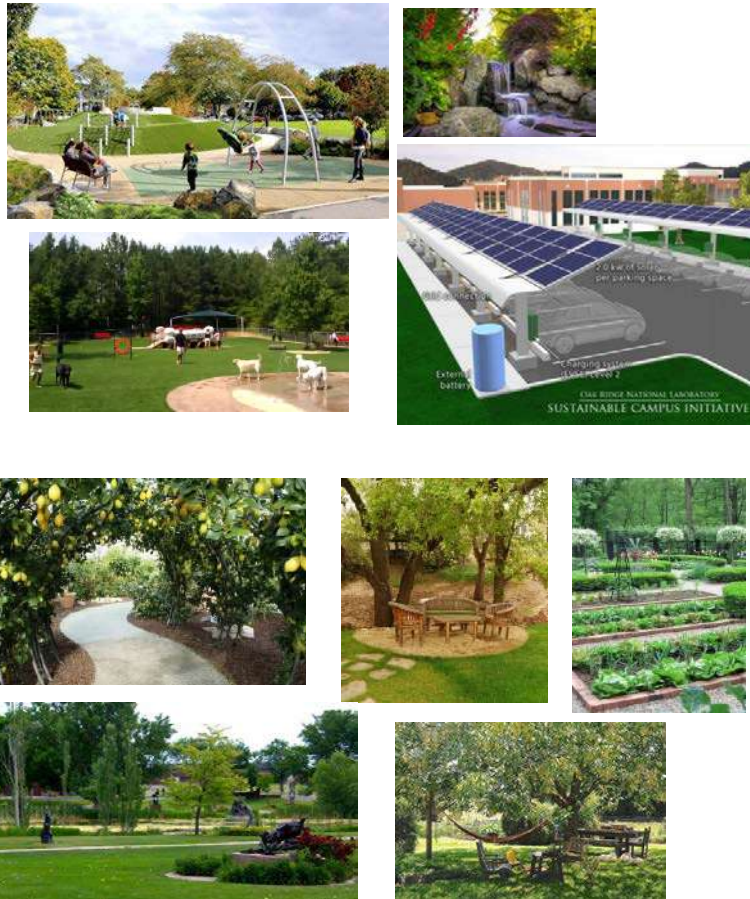




By not building the originally planned Oak Villa and reducing the size of the entire project to 25 acres, the open space can be increased to 50 acres and 15 additional oak trees can be preserved.



I want to propose that the 50-acre open space will be made into an ecological park that preserves the natural environment as much as possible, providing not only hotel guests but also local residents with an extraordinary space for rest and leisure. Here, we can build a wonderful space with pickle ball and tennis courts, a children's playground, dog park, herb garden, organic vegetable farm and sculpture garden. Additionally, we can add 8 Solar Powered EV Charging stations for local residents.



To those who are concerned about the viability of the business.

This is probably the most important thing to keep in mind before starting a new business. From the time this project was initially planned, the surrounding resorts have been sufficiently benchmarked and market studies performed by CBRE consulting company.

When it comes to resort management, there are people who have suggested hiring a hotel management company like Four Season or Ritz Carlton. However, the owners of Ojai Valley Inn, Terranea, and Pelican Hill Resort, as we know them, remain operated by the owner with in-house teams of experienced experts. These resorts have

established themselves as their own brands and have become so well known that weekend reservations are difficult to come by.

Looking back to when I bought the golf course, there were people who expressed concern because I had no experience in this field. However, by putting together the right management team, the golf course has become a distinctly different golf course from the time when it was lavishly managed by people without a sense of ownership. It is now praised by many golfers as a favorite golfing destination.

As you can see, I have no experience in resort projects. However, a successful company will be achieved by appointing a general manager who has excellent capabilities and forming a team of experts with exceptional qualifications and experience to operate the newly established resort.

At the previous meeting, there were several claims that the acreage subject to rezoning was to be open space “in perpetuity”. This claim arose from the following language in Resolution 96-120: “Preserving approximately 300 acres of land in perpetuity as recreational/open space.” It is helpful to examine the language in context.

First, the 1996 Hunters Green Project was approved after several other projects that had previously been approved for residential housing over the 300 acres.

Second, knowing the extensive history of residential development in this area, the City felt it was important to assure the 73 homes approved by Tract 52004 were accompanied by the generic “open space” provided by the golf course and that the golf course would not be replaced by housing.

Therefore, the Owner’s Statement on the tract gave the City the right to restrict **residential construction** over the lots zoned “Open Space”. The Owner’s Statement does not give the City the right to restrict all development; just residential.

Third, the application does not ask for residential development. The application asks for Community Commercial.

Fourth, the resort would assure the continued viability of the open space golf course.

Fifth, we will replace on a one-to-one basis the acreage rezoned to Community Commercial.

Sixth, the project would assure 300 acres of open space in perpetuity.

It is my hope that this project will improve the quality of life by allowing local residents to take advantage of the best facilities and relax in 50 acres of well-established parks without having to go far.

Even though the Sand Canyon area is a rare sight to see, those who haven't actually been here don't know that such a beautiful place exists near LA. I believe that if this resort is visited by a large number of people and becomes widely known, Sand Canyon will become a landmark and value of local real estate will increase accordingly.

The hired security team will randomly patrol the entire Sand Canyon community 5-6 times throughout the night, which will enhance safety of the surrounding neighbors. With the creation of a resort, The Sand Canyon community will be safer place to live.

I learned that the Ojai Valley Inn Resort in Ventura County has 320 rooms and had 900 employees working prior to the COVID-19 pandemic. I think we will also have to hire hundreds of employees.

In particular, it is expected to be a new hope for many people who are suffering and losing their jobs due to the pandemic. The Santa Clarita Economic Development Cooperation predicts that our resort will generate an economic impact of over \$57 million per year in Santa Clarita.

12% of the resort's accommodation fee is bed tax, which will increase the city's tax revenue by a few million dollars a year, which will greatly contribute to the City development.

The city of Santa Clarita is LA County's third largest city but it has no large banquet halls for big events. Our over 10,000sqft large banquet halls would meet their needs.

In closing, my vision is not just to build a five-star hotel resort, but to offer a memorable experience to anyone visiting this resort by providing the best facilities and services.

With your support for this project and approval of this EIR, we hope to commence construction activities as soon as possible. The project is self-funded and we have been preparing documents and getting ready to break ground on the 1st phase of construction which includes the 250-room Main Hotel, Functions, and Spa buildings, and we look forward to welcoming our first guests with a soft opening by the Summer of 2022.

We ask again for your help and support in bringing this exciting project to Canyon Country and make it a better place to live as soon as possible.

Thanks for listening.