

# SAN FERNANDO VALLEY BUSINESS JOURNAL

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## Up Front



Find out why this couple decided to give away 10 acres in Santa Clarita. **PAGE 3**

## News & Analysis



Rodney Singh will soon have a place for you to hang your hat in Simi Valley. **PAGE 5**

## List

Property management firms. **PAGE 8**

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## Post Office Project Not Delivering

**DEVELOPMENT:** Critics pan idea for housing at Woodland Hills site.

By **KAREN E. KLEIN** Staff Reporter

Developer **Amcal Multi-Housing Inc.** hoped that a courtesy presentation before a community group would guarantee smooth sailing for its planned 335-unit luxury apartment complex on the site of the current Woodland Hills post office.

Instead, the Agoura Hills developer got sucked into

a whirlpool of criticism that swamped its Jan. 15 talk with the Planning and Land Use Committee of the Warner Center-Woodland Hills Neighborhood Council.

Over the course of about 90 minutes, council members grilled Amcal representatives on the impact that yet another multi-family residential project would have on traffic congestion and quality of life in the West Valley. The developers defended the plan.

"We're very confident that the proposal we're sharing with you today is workable, and we'd love for

Please see **DEVELOPMENT** page 40



PHOTO BY DAVID SPRAGUE

**Waning Days?:** Woodland Hills post office.

## REAL ESTATE QUARTERLY

SPECIAL REPORT



PHOTO BY DAVID SPRAGUE

## LET'S MAKE A DEAL

Looking for a place to move a growing company? Boosters like **Kimberly Maevers**, above, say go no farther than the Antelope Valley. But are low costs enough to jump start desert development? **BEGINNING ON PAGE 11**

## CEO Proves Mettle in Deal

**ACQUISITIONS:** Signature chief sees Fortune 500 future.

By **JOEL RUSSELL** Staff Writer

**Signature Group Holdings Inc.** announced its \$525 million acquisition of a Cleveland-based aluminum recycler in October, making it one of the Valley's largest deals of last year.

But for **Craig Bouchard**, chief executive of the Sherman Oaks acquisition company, the deal for Global Recycling and Specification Alloys was far from done.

In fact, the last several months have been nothing but a series of meetings as he scrambled to finance the purchase with a \$28.5 million secondary stock offering and the issuance of \$305 million in senior notes.

And that's not to mention the sale this month of Signature's only operating subsidiary, **North American Breaker Co. LLC**, a Burbank distributor of electric circuit-breakers. The \$78 million in proceeds will also help finance the Global Recycler purchase.

**\$525 million**  
Signature Group's acquisition costs for Cleveland aluminum recycler

Please see **ACQUISITIONS** page 41

## Drilling Plan Hits Heavy Friction

**ENERGY:** Oil firm stunned by strong Porter Ranch opposition.

By **OLGA GRIGORYANTS** Contributing Reporter

When **Termo Co.** decided to expand oil production at its Aliso Canyon field near Porter Ranch, it expected the typical regulatory oversight and community concern. But nothing like it has received in the upscale Valley neighborhood.

The proposal to drill 12 wells by the Long Beach company in the canyon north of the neighborhood has not only sparked calls for a full environmental impact report and protests – but questions about its existing drilling operation.

"There are so many people reporting nosebleeds,



PHOTO BY DAVID SPRAGUE

**Wary:** Resident and activist **Matt Pakucko**.

Please see **ENERGY** page 42

## La Brea Bakery Rising in Valley

By **CHAMPAIGN WILLIAMS** Staff Reporter

The bakery credited with popularizing the artisan bread trend in Southern California has completed an expansion that will bring more than 100 jobs to the Valley.

**La Brea Bakery** opened a 60,000-square-foot addition to its Van Nuy facility at 15963 Strathern St. Construction on the \$50 million expansion started in May, and the plant was up and running in December. A grand opening was held Jan. 15.

**Arytza**, a global food and specialty bakery company headquartered in Zurich, Switzerland,

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# Energy: Drilling Proposal Might Need Full EIR

Continued from page 1

headaches and asthma symptoms who can't figure what is going on," said **Matt Pakucko**, a Porter Ranch resident who launched a group called Save Porter Ranch.

Those kinds of comments parallel a situation in South Los Angeles where federal Environmental Protection Agency officials and Sen. **Barbara Boxer** were sickened by toxic fumes during a visit to wells drilled by **Allenco Energy Co.**, a small driller from Signal Hill.

In that case, residents had long complained about nosebleeds and headaches, prompting the visit. After that, Boxer requested the company to halt operations, which it did.

Officials with **Termo**, which operates wells in Long Beach, Granada Hills and Northridge, say they are baffled by the community concerns.

They contend there is no way drilling operations, which are a mile and a half from the closest homes, have bothered residents. They note they have expanded other oilfields in the past and not run into this kind of buzz-saw opposition.

"We've done exactly the same thing all over the Southern California," said company spokesman **Lou Baglietto**. "A few people with some opposition is not unusual, particularly in California. But this is not an unusual project. It's an extension of the existing field. There is nothing new about this project."

But in an era where hydraulic fracturing has expanded oil-and-gas operations across the nation, raising environmental and health concerns, no expansion of drilling is simple anymore – especially in urban areas and even if it doesn't involve fracking, which is a method for stimulating a well by injecting it with a mixture of water, chemicals and sand.

In November, a group of Aliso Canyon residents delivered a petition with more than 1,000 signatures during the Los Angeles County Board of Supervisor's public comment period, demanding Supervisor **Michael Antonovich**, whose district includes the oilfield and Porter Ranch, to address their con-



PHOTO BY DAVID SPRAGUE

## Neighborhood Feud?: Aliso Canyon oil field seen from Porter Ranch.

cerns about Termo's operations, which lie on unincorporated county land.

The opposition even prompted L.A. City Councilman **Mitchell Englander** to call for a full environmental impact report on the project even though it's outside city limits. Englander didn't comment on the project as it's still under review but last year he urged the county to "conduct a thorough environmental review of the Termo Company's drilling proposal, a vital step to protecting the health and welfare of the residents and the environment."

## Long history

Termo bought the 3,200 acres in Aliso Canyon in 1989 and shares the field with **Southern California Gas Co.**, which operates a natural gas storage facility there.

The company currently has 18 wells on the site producing 500 barrels a day. Its new proposal is to install three more well pads occupying 5.3 acres and widen access roads. It also will prune 131 oaks and remove one.

Plans call for drilling two vertical wells a year – up to a total of 12 – that will tap down

7,500 to 9,900 feet. The company said the wells will not involve fracking, though it acknowledges fracking at two of the existing wells in 2007 and 2011.

**Ralph Combs**, manager of corporate development at Termo, said his company plans to produce between 150,000 and 200,000 barrels of oil and spend about \$3 million to drill and outfit each well.

In order to expand operations, the company will need approval from the state, and a conditional use permit from county supervisors, but before that can be given an environmental assessment must be done – which is the current sticking point.

**Paul McCarthy**, a county planner, said Termo is still revising its proposal. Once that is done, an initial environmental study must be conducted by multiple county agencies to determine if a full environmental impact report is needed.

**Tony Bell**, a spokesperson for Antonovich, said the supervisor would make no decision on the project until all environmental reviews are complete and the planning department

makes a decision on whether to move forward with the proposal.

Combs said the company does not believe a full environmental impact report is necessary. "This is a conventional, simple extension of an existing field," he said.

## Falling prices

There are more than 3,000 active oil and gas wells in Los Angeles County, according to the Division of Oil, Gas and Geothermal Resources of the California Department of Conservation. And the state produces up to 546,000 barrels of crude oil and natural gas every day, according to the U.S. Energy Administration.

But residents are questioning why Termo would want to expand operations at a time when oil prices are plummeting and there is a pullback in new oil and gas drilling nationwide.

With falling oil prices, energy analysts wonder how oil prices will affect domestic drilling plans. As the international benchmark for crude oil has dropped below \$50 a barrel, well below the peak of \$115 last year.

**Tupper Hull**, a vice president of strategic communications at Western States Petroleum Association, a Sacramento oil industry trade group, said recent drilling plans could be shelved.

"There is no question that these low oil prices that we're seeing right now are causing a lot of producers to evaluate projects that they're in the process of developing, projects that are on the planning board for development," he said.

Still, Hull said it's hard to make any predictions on specific projects such as Aliso Canyon because every well presents unique circumstances and associated costs.

"We're in the middle of the unprecedented energy renaissance," Hull said. "While we are in a period when oil prices are low for a while, I think people who make these investments are looking at 30 and 40 year timelines, not three or four years."

In Aliso Canyon, Combs said it's hard to predict for how long Termo will be extracting oil.

"You don't know until you get down there," Combs said.

## Advertising Feature

# People on the Move

## Hirings, promotions and special accomplishments in local business

### CONSTRUCTION



**W.E. O'Neil Construction**, a nationally recognized general contractor since 1925, recently acquired SouthLand Constructors, a Nashville, Tennessee based Construction Company specializing in Commercial, Healthcare, and Multi-Family projects. SouthLand will operate as a subsidiary, allowing O'Neil to expand into new markets and broaden its existing market share.

"The acquisition will be of great benefit to both employees and customers. It sends a message that the future is secure for SouthLand Constructors for years to come." - Clay Stacker, President, SouthLand Constructors

### NONPROFIT

The Arthritis Foundation has appointed **Dennis M.P. Ehling, Esq.**, as chair of the Pacific Region Board of Directors. Ehling is a partner at Blank Rome



**Ehling**



**Bianchini**

LLP, Los Angeles. Region Board member **Diana Bianchini**, owner of Di Moda Public Relations, was also named to Board Chair of the Arthritis Foundation's Los Angeles Advisory Board.

### REAL ESTATE



**Gryczman**

Regent Properties announces that **Daniel Gryczman** has been named a partner and President of Regent Land Development Partners. Gryczman brings two decades of experience to the position with an extensive background acquiring and developing a wide range of projects. Prior to Regent, Gryczman was a multifamily housing development executive and a land use attorney with a national firm. Regent, founded in 1989, is a diversified development company with over \$750 million of assets under management.

### HEALTHCARE



**Pacini**

The Cooperative of American Physicians, Inc. (CAP) named **Sarah Pacini** as its new chief executive officer. Pacini is a dynamic health care leader with extensive experience in law, patient safety, insurance, claims and risk management, and medical professional liability. She will focus on enhancing CAP's core

businesses, Mutual Protection Trust (MPT) and the CAPAssurance Risk Purchasing Group, which provide access to superior medical professional liability protection, patient safety education, and risk management services. [www.capphysicians.com](http://www.capphysicians.com)

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