January 27, 2011

Kurken Alyanakian DDCM Incorporated 2455 Colorado Blvd., Suite 400 Los Angeles, Ca. 90041

Re: 2451 - 2453 Colorado Boulevard / aka Colorado Terrace East

Dear Kurken:

The Board of Directors of The Eagle Rock Association has approved the following statement regarding TERA's position relative to the proposed Colorado Terrace East project.

TERA Position on Phase II of Colorado Terrace (aka Colorado Terrace East)

January 26, 2011

TERA conditionally supports the development as currently proposed as follows:

- Zoning Change Opposed: TERA strongly opposes the request to change the zoning from C4 to C2. Since all of the commercial property within the boundaries of the Colorado Boulevard Specific Plan is zoned C4-1, this requested change to C2 would represent spot zoning and is not consistent with the adopted Specific Plan. TERA strongly believes the Applicant should design the proposed project to be in full compliance with the requirements of the Specific Plan.
- Proposed Residential Density: TERA believes that the residential density provided in the proposed project should be consistent with the adopted Specific Plan. The number of residential units proposed is not the issue. If the Applicant can develop 41 dwelling units and be in compliance with the Specific Plan, TERA has no objection.
- Scale and Scope: Although the current structure, located at 2455 Colorado
 Boulevard, is fully permitted, it is the strong perception of many Eagle Rock residents
 that the scale and scope of the existing structure is inconsistent in design, size and
 scale with the surrounding neighborhood. As the developer has acknowledged, the
 unfortunate color chosen for the exterior accents the magnitude of the development
 and establishes an aesthetic disconnect with the surrounding neighborhood.

In order to respond to the concerns regarding the current perceptions of an inappropriate scale and scope of the existing structure, and a similar expected response to the planned phase II, TERA requests that the developer take the following actions.

- Finish the exterior of Phase II with colors compatible to the Phase I structure, but more neutral colors. Doing so would be consistent with current architectural design practice, reduce the perception of the size of the new structure, and provide an aesthetic bridge to the structures to the East on Colorado Boulevard.
- Changing at least portions of the exterior finish of the existing building at Colorado Boulevard to those more neutral colors, complimenting those to be used in Phase II.
- Implement the proposed landscaping for Phase I immediately in order to further soften the impact of the Phase I structure. Include in Phase II a streetscape landscaping plan consistent with Phase I.
- Adherence to Current Plans: It is TERA's understanding that the project, as described
 in the documents provided to TERA, represents the final development plan. Based on
 the documents provided to TERA, it is our understanding that the Colorado Terrace –
 East project complies fully with the Colorado Boulevard Specific Plan. Any alteration to
 these plans and/or lack of compliance with the Colorado Boulevard Specific Plan would
 invalidate TERA's conditional support of the proposed project and would require TERA
 to reassess its position regarding the proposed project...

Our thanks to the owner / developer, Kurken Alyanakian, for his courtesy and cooperation. Mr. Alyanakian spent considerable time with the TERA Board, explaining his plan for Phase II, and promptly responded to all our requests for additional information. In addition, we were impressed with the quality of the Colorado Terrace building that exists today and the excellent level of maintenance.

Please allow me to personally reiterate our appreciation of your cooperation and courtesies as we have gone through this deliberative process.

Sincerely,

Robert F. Gotham.

President