

RESOLUTION NO. PC 19-___

A RESOLUTION OF THE MANHATTAN BEACH PLANNING COMMISSION AMENDING A MASTER USE PERMIT TO AMEND CERTAIN CONDITIONS OF APPROVAL PREVIOUSLY IMPOSED ON THE MANHATTAN VILLAGE SHOPPING CENTER LOCATED AT 2600 THROUGH 3600 NORTH SEPULVEDA BOULEVARD AND 1180 THROUGH 1200 ROSECRANS AVENUE AND ADOPTING A THIRD ADDENDUM TO THE EIR FOR THE SHOPPING CENTER (RREEF AMERICA REIT CORP BBB II)

THE PLANNING COMMISSION HEREBY RESOLVES, FINDS AND DETERMINES:

SECTION 1. On December 2, 2014, the Manhattan Beach City Council adopted: (1) Resolution No. 14-0025 Certifying an Environmental Impact Report (“Final EIR”) and adopting a Mitigation Monitoring Reporting Program (“MMRP”); and (2) Resolution No. 14-0026 approving an application submitted by RREEF American REIT Corp II BBB (“Applicant”) for a Master Use Permit Amendment, a height variance, and amendment to the Master Sign program/sign exceptions (collectively “MUP”) for the Manhattan Village Renovation and Expansion project (“Project”) located at 2600-3600 North Sepulveda Boulevard 1180-1200 Rosecrans Avenue. At that time, the City Council determined that the Project was consistent with the General Plan and the City’s Zoning Code and made all of the necessary findings to approve the MUP.

SECTION 2. In December 2016, the City approved a modified site plan (“Approved Site Plan”) for the Project. Pursuant to the California Environmental Quality Act (“CEQA”), an independent environmental consultant hired by the City performed an environmental analysis of the Approved Site Plan and prepared an addendum to the Final EIR. That addendum (hereinafter the “First Addendum”) concluded that none of the conditions requiring a subsequent or supplemental EIR was present because the Approved Site Plan did not contain any substantial changes that would require revisions to the Final EIR.

SECTION 3. On September 6, 2017, the City Council adopted Resolution No. 17-0119 approving an amendment to the MUP, to refine certain conditions of approval for the MUP to facilitate the physical construction and construction sequencing of the approved project and Approved Site Plan. Pursuant to CEQA, an independent environmental consultant hired by the City performed an environmental analysis of the changes to the Conditions of Approval and prepared an addendum (hereinafter the “Second Addendum”) to the Final EIR. That addendum concluded that none of the conditions requiring a subsequent or supplemental EIR was present because the changes to the conditions of approval did not contain any substantial changes that would require revisions to the Final EIR.

SECTION 4. On February 19, 2019, the applicant submitted an application to modify two conditions of approval for the MUP in order to facilitate the establishment of fitness studios and to allow up to four restaurants to have ancillary off-site alcohol sales. Pursuant to CEQA, an independent environmental consultant hired by the City performed an environmental analysis of the revisions to the Conditions of Approval and prepared an addendum (hereinafter the “Third Addendum”) to the Final EIR. The Third Addendum concluded that the amendments to the conditions do not result in new significant impacts and do not require revisions to the Final EIR. In addition, substantial evidence supports the conclusion that the circumstances under which the approved Project will be undertaken have not substantially changed, and there is no evidence of new or more severe environmental impacts arising out of any of the proposed changes. No changes to the mitigation measures set forth in the adopted Mitigation Monitoring and Reporting Program (“MMRP”) are proposed. In addition, there are no substantial changes in the existing conditions on or around the Shopping Center site that affect the analyses presented in the Final EIR, First Addendum or Second Addendum. Therefore, the proposed amendments to the conditions do not meet the standards for preparation of a subsequent or supplemental EIR pursuant to State CEQA Guidelines Section 15162.

SECTION 5. On October 9, 2019, the Planning Commission conducted a duly noticed public hearing at which time it provided an opportunity for the public to provide oral and written testimony.

SECTION 6. Based on substantial evidence presented at the public hearing and pursuant to Manhattan Beach Municipal Code (MBMC) Section 10.84.060, the Planning Commission hereby finds:

- A. In its independent judgment, and based upon the analysis contained in the Third Addendum, the Planning Commission hereby finds that none of the proposed amendments to the conditions of approval involves substantial changes that would require revisions to the Final EIR, as the amended conditions do not propose any physical changes to the Project. The amended conditions will facilitate the establishment of Fitness Studios up to 5,000 square feet per use and to allow up to four restaurants to have off-site alcohol licenses. No other “Personal Improvement Services” will be allowed by the proposed modifications. No physical changes are proposed as part of the development of the Project or the Approved Site Plan. All of the mitigation measures required by the MMRP for the Project are unaffected, and will continue to apply and will be implemented. The findings contained in the Third Addendum are hereby incorporated by this reference.

- B. The amended conditions do not in any fashion change or alter the findings that were made in 2014 at the time the MUP was approved because the findings contained in Resolution 14-0026 still apply to the Project, with the amended conditions of approval and are hereby incorporated by reference.

SECTION 7. After considering all of the evidence in the record, the Planning Commission, hereby **ADOPTS** the Third Addendum and **APPROVES** the Master Use Permit Amendment application subject to the following conditions:

1. The Applicant shall comply with the following modified conditions:

Condition No. 18:

18. Land Uses and Square Footages. The existing Shopping Center contains approximately 572,837 square feet gross leasable area (GLA). The Project may add a maximum of 79,872 net new square feet GLA (89,589 square feet with the Equivalency Program) within Phases I and II in the Development Area. The Shopping Center property may not exceed 686,509 square feet GLA (696,226 square feet with the Equivalency Program). **Any increase in the floor area of non-retail uses above 20 percent of GLA for the Shopping Center shall require Equivalency Program review. Retail Sales as well as Banks and Savings and Loans uses, shall be classified as retail uses.**

For any proposed square footage that exceeds 686,509 square feet, up to the 696,226 square foot cap, RREEF shall submit traffic and parking data for review by the Community Development Department and the City Traffic Engineer to determine if the proposal is consistent with the trip generation and parking thresholds established in the Certified Final EIR and the Equivalency Program. The study shall include an update of the site wide list of tenants in Exhibit "A", uses and GLA, and RREEF shall pay the cost of the City Traffic Engineer's review.

The following land uses are allowed in the Shopping Center, provided that no land use type exceeds the applicable maximum square footage for each type:

- a. Retail Sales (including drug stores)
- b. Personal Services (e.g., Beauty salons, Dry-Cleaners, Shoe repair)
- c. Food and Beverage Sales (including Grocery Stores, but excluding high traffic generating or high parking demand land uses such as liquor or convenience stores as determined by the Director)

- d. Offices, Business and Professional - 69,300 square feet maximum for Business and Professional offices. Additionally, 28,800 square feet maximum for Medical and Dental offices (existing square footage rounded, plus an additional 7,000 square feet allowed). The 3500 Sepulveda Boulevard building may be occupied with 100% Business and Professional and/or Medical and Dental offices, as long as the total combined office square footage on the entire Mall site does not exceed 98,100 square feet, and the parking requirements are met.
- e. Banks and Savings and Loans - 36,200 square feet maximum (existing square footage, no additional square footage allowed). If any of the existing bank operators in stand-alone buildings adjacent to Sepulveda Boulevard terminate their bank operation for a period longer than 6 months (except for suspended operation in the event of fire, casualty or major renovation), they may not be replaced with another bank or savings and loan use. This clause is not intended to govern business name changes or mergers or acquisitions among bank operators, commercial banks or savings and loans. No new bank or savings and loan uses are permitted in existing or new stand-alone buildings. New banks or savings and loan uses are limited to a maximum of 2,000 square feet in area.
- f. Eating and Drinking Establishments (restaurants) - 89,000 square feet maximum, which includes outdoor dining areas for restaurants that provide full table service.
- g. Personal Improvement Services (limited to Fitness Studios and their ancillary components)- 25,000 square feet maximum for fitness studios. No individual fitness studio use (including any ancillary components) shall exceed 5,000 square feet.
- h. Uses identified as permitted (by right) in the underlying zoning district (CC) which are not included in this Master Use Permit shall be left to the discretion of the Director to determine if the use is a retail or non-retail use, and if Planning Commission review is required.

The following uses are not permitted by this Master Use Permit:

- a. Personal Improvement Services (Gyms, Dance studios, Trade schools, etc), except for fitness studios as provided in 18.g. above.

- b. High traffic generating or parking demand land uses, including but not limited to, liquor stores and convenience stores as determined by the Director of Community Development.
- c. Bars.

Condition No. 20:

20. Alcohol Off-site Sales. An amendment to the Master Use Permit must be approved by the City prior to the sale of alcohol other than for on-site consumption at an eating and drinking establishment, unless specifically permitted by this Resolution. Tenants with existing ABC licenses and City approval for off-site alcohol sales and/or on-site tasting - i.e., Ralphs, CVS, and the Vintage Shoppe - may continue to sell alcohol for off-site consumption and/or on-site tasting in accordance with their approvals. **In addition to these tenants with existing ABC licenses and City approvals, this Master Use Permit authorizes up to four (4) restaurants to offer ancillary off-site alcohol sales provided that such ancillary sales are conducted pursuant to an approved ABC license. Specific proposals for ancillary off-site alcohol sales for any restaurant at the Shopping Center are subject to the administrative approval by the Director to determine consistency with the Master Use Permit.**

- 2. The Applicant shall comply with all other conditions of approval contained in Resolution No. 14-0026 and No. 17-0119, unless otherwise modified herein.
- 3. *Terms and Conditions are Perpetual; Recordation of Covenant.* The provisions, terms and conditions set forth herein are perpetual, and are binding on RREEF, its respective successors-in-interest, and, where applicable, all tenants and lessees of RREEF. Further, RREEF shall record a covenant indicating its consent to the conditions of approval of this Resolution with the Office of the County Clerk/Recorder of Los Angeles. The covenant is subject to review and approval by the City Attorney. RREEF shall deliver the executed covenant, and all required recording fees, to the Department of Community Development within 30 days of the adoption of this Resolution. If RREEF fails to deliver the executed covenant within 30 days, this Resolution shall be null and void and of no further effect. Notwithstanding the foregoing, the Director may, upon a request by RREEF, grant an extension to the 30-day time limit.

4. *Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys' Fees, Incurred by the City.* The owner shall defend, indemnify, and hold harmless the City, its elected officials, officers, employees, volunteers, agents, and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") from and against any claims, damages, actions, causes of actions, lawsuits, suits, proceedings, losses, judgments, costs, and expenses (including, without limitation, attorneys' fees or court costs) in any manner arising out of or incident to this approval, related entitlements, or the City's environmental review thereof. The owner shall pay and satisfy any judgment, award or decree that may be rendered against City or the other Indemnitees in any such suit, action, or other legal proceeding. The City shall promptly notify the owner of any claim, action, or proceeding and the City shall reasonably cooperate in the defense. If the City fails to promptly notify the owner of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, the owner shall not thereafter be responsible to defend, indemnify, or hold harmless the City or the Indemnitees. The City shall have the right to select counsel of its choice. The owner shall reimburse the City, and the other Indemnitees, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Nothing in this Section shall be construed to require the owner to indemnify Indemnitees for any Claim arising from the sole negligence or willful misconduct of the Indemnitees. In the event such a legal action is filed challenging the City's determinations herein or the issuance of the approval, the City shall estimate its expenses for the litigation. The owner shall deposit said amount with the City or enter into an agreement with the City to pay such expenses as they become due.

(votes and signatures on next page)

I hereby certify that the following is a full, true, and correct copy of the Resolution as **ADOPTED** by the Planning Commission at its regular meeting on **October 9, 2019** and that the Resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jeff Gibson

Secretary to the Planning Commission

Rosemary Lackow

Recording Secretary

**CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
STAFF REPORT**

TO: Planning Commission

FROM: Jeff Gibson, Interim Director of Community Development

THROUGH: Laurie B. Jester, Planning Manager

BY: Rafael Garcia, Assistant Planner

DATE: October 9, 2019

SUBJECT: Request for a Master Use Permit Amendment to allow Personal Improvement Services Limited to Fitness Studios and to Allow up to Four Restaurants to have Ancillary Off-Site Alcohol Sales in connection with the Master Use Permit for the remodel and expansion of the Manhattan Village Shopping Center located at 2600 through 3600 North Sepulveda Boulevard and 1180 through 1200 Rosecrans Avenue (Manhattan Village Shopping Center)

RECOMMENDATION

Staff recommends that after conducting a public hearing, the Planning Commission **ADOPT** the attached Resolution conditionally approving the application and adopting the Third Addendum to the EIR.

APPLICANT

JLL- Jason Giannantonio
1200 Rosecrans Avenue, Suite 201
Manhattan Beach, CA 90266

PROPERTY OWNER

RREEF America REIT Corp BBB II
3414 Peachtree Road, NE Suite 950
Atlanta, GA 30326

BACKGROUND

On February 19, 2019, JLL on behalf of RREEF America REIT Corp BBB II, submitted an application to amend two conditions of approval that were included in the City Council's approval in December 2014, for the remodeling and expansion of the Manhattan Village Shopping Center.

The shopping center is currently undergoing a major redevelopment and expansion. As part of the ongoing leasing strategy of the project, there is a strong market demand, as well as a desire from ownership, to incorporate smaller fitness studios to compliment the new lineup of tenants that are proposed as part of the comprehensive redevelopment of the shopping center. The ownership is also requesting the ability to have four additional

ancillary off-site alcohol licenses in conjunction with restaurants that may want to offer this service.

The amendments to the conditions of approval will facilitate the implementation of the ownership's leasing strategy for the project. The proposed changes are consistent with the overall intent of the initial Master Use Permit which was originally approved in December 2014 (City Council Resolution No. 14-0026- Exhibit D).

PROJECT OVERVIEW

LOCATION

Location 2600 to 3600 North Sepulveda Boulevard and 1180 to 1200 Rosecrans Avenue, in multi-tenant center known as the Manhattan Village Shopping Center (Vicinity Map, Exhibit B)

Legal Description Map Book 122, pages 33-35 of Parcel Map, Lot 8-9

Area District II

LAND USE

General Plan Manhattan Village

Zoning CC (Community Commercial) & CG (General Commercial)

<u>Land Use</u>	<u>Existing</u> Shopping Center/Retail	<u>Proposed</u> Same-(No Change Proposed)
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Neighboring Land Uses/Zoning

North	Commercial across Rosecrans Avenue- El Segundo
South	Commercial General (CG) and Residential (RS-D4) across Marine Avenue
East	Residential (RPD and RSC). Open Space (OS) and Planned Development (PD)
West	Commercial (CG), Residential (RSC) and Open Space (OS), with Single Family Residential (RS) beyond – across Sepulveda Boulevard

DISCUSSION

Background/Approvals

The Manhattan Village Shopping Center is approximately 44 acres in size and was originally approved and constructed in 1979. The uses on the subject site consist of commercial, retail, restaurants, services, and offices. On December 2, 2014, the City Council adopted Resolution 14-0026 approving an amendment to the existing Master Use Permit, a height variance, and amendment to the Master Sign program/sign exceptions for the Manhattan Village expansion project. Immediately prior to that on that same day, the City Council adopted Resolution 14-0025 certifying the EIR for the project.

The existing Shopping Center contains approximately 572,837 square feet gross leasable area (GLA). As approved, the Project may add a maximum of 79,872 net new square feet GLA for a total of 652,709 square feet (89,589 square feet for a total of 662,426 square feet with the "Equivalency Program"). With Phase III the Shopping Center property may not exceed 686,509 square feet GLA (696,226 square feet with the Equivalency Program). In December 2016, the Director of Community Development also approved a modified site plan for the project which was endorsed by the City Council on December 20, 2016. On September 5, 2017 the City Council adopted a resolution approving an amendment to the MUP to refine certain conditions of approval for the MUP to facilitate the physical construction and construction sequencing of the project. The expansion project approved in 2014 is currently under construction and the applicant is now seeking approval to make modifications to two Conditions of Approval that were approved as part of the project in December 2014.

Personal Improvement Services Limited to Fitness Studios

The applicant is requesting to amend Condition of Approval No. 18 to allow Personal Improvement Services, limited to fitness studios with up to 25,000 square feet of Gross Leasable Area (GLA). Condition No. 18 currently does not permit these type of uses at the Mall. Personal Improvement Services are uses that involve instructional services or facilities, including photography, fine arts, crafts, dance or music studios, driving schools, business and trade schools, and diet centers, reducing salons, fitness studios, and massage. The proposed request will allow Personal Improvement Services limited to only fitness studios up to 5,000 square feet in area while continuing to prohibit all other uses deemed as Personal Improvement Services. The project is not allowing any additional square footage as part of the overall project, but simply allowing up to 25,000 square feet to be allocated for the purposes of Personal Improvement Services limited to fitness studios. As part of the ongoing leasing strategy of the project the ownership has indicated that there is a strong market demand and desire to incorporate fitness studios to compliment the new lineup of tenants that are proposed as part of the comprehensive redevelopment of the shopping center.

Off-site Alcohol Sales for Restaurants

The ownership is also requesting the ability to have four additional ancillary off-site alcohol licenses in conjunction with restaurants. Condition of Approval No. 20 currently prohibits all off-site alcohol licenses except for businesses established prior to the 2014 approval (i.e. Ralphps, CVS and the Vintage Shoppe). RREEF has received interest from

prospective restaurant tenants and they have requested the ability to have limited off-sale alcohol licenses for the sale of alcohol for off-site consumption. RREEF has indicated that this ancillary use is in line with recent industry trends for upscale restaurants and is simply trying to offer an amenity to prospective restaurant tenants since it is in demand.

Summary

There is no increase in the overall square footage of the project and the request will continue to conform to the square footage limitations contained in Condition No. 18. The request will allow up to 25,000 square feet to be allocated as Personal Improvement Services limited to fitness studios, but the project will still be required to continue to remain within its square footage limitations as approved as part of the 2014 approval. The project currently provides a total of approximately 2,685 spaces within the three parking garages and surface parking lots across the Project Site, resulting in sufficient spaces to comply with the required parking.

REQUIRED FINDINGS

Section 10.84.060A of the Manhattan Beach Zoning Code provides the findings that are necessary to approve a Use Permit Amendment, as detailed in the attached draft Resolution. In 2014, there was substantial evidence to support the findings, and the amendments to the conditions of approval do not in any way adversely affect or alter the findings made at that time.

PUBLIC INPUT

A notice of the public hearing for this application was mailed to all owners of property within 500 feet of the project site boundaries and was published in the Beach Reporter on September 26, 2019. Staff has received one comment as of the writing of this report, attached as Exhibit E.

DEPARTMENT COMMENTS

The Building Safety Division, City Traffic Engineer and Public Works Engineering Division do not oppose approval of the request provided that the Applicant adheres to all current Building Codes, and the Manhattan Beach Municipal Code, all which will be addressed in plan check, as well as the proposed conditions of approval. There were no conditions or opposition from the Police Department.

ENVIRONMENTAL DETERMINATION

When approving the Project in December 2014, the City certified an Environmental Impact Report prepared by an independent environmental consultant, Eyestone Environmental. Thereafter, two EIR addenda were prepared as part of two separate Master Use Permit amendments. The first EIR addendum was prepared as part of modified site plan that was endorsed by the City Council in December 2016. A second addendum was prepared in June 2017 as part of an amendment to the approval to refine specific conditions of approval that were approved by City Council in September 2017. The EIR and both of these addenda are now final and beyond challenge.

As part of this Master Use Permit Amendment, the City engaged Eyestone Environmental to review the proposal and assess its potential environmental effects.

Eyestone Environmental prepared the third Addendum to the EIR and reached the same conclusion as with the previous projects. Specifically, none of the conditions in CEQA which would require a subsequent or supplemental EIR are present because the proposed condition refinements do not contain any substantial changes that would require revisions to the EIR. The City Traffic Engineer reviewed the traffic and parking analysis prepared as part of the Addendum and agrees the conclusion that the project as conditioned is within the scope of the original EIR. All of the mitigation measures required by the Mitigation Monitoring Program for the Project will continue to apply and will be implemented. The Addendum to the EIR is provided as an attachment to this report.

CONCLUSION

Based on staff's review, the proposed modifications to the Conditions of Approval will not result in impacts to nearby neighborhoods or adjoining residential or commercial properties. Staff believes that the proposed amendments will be in accord with the purpose of the Community Commercial (CC) zoning standards and enhance the viability and diversity of businesses within the Manhattan Village Shopping Center.

ALTERNATIVES

1. **APPROVE** the project and adopt the attached Resolution and adopting the Third Addendum to the EIR, or:
2. **DENY** the project subject to public testimony received, based upon appropriate findings, and **DIRECT** Staff to return a new draft Resolution.
3. **DIRECT** Staff accordingly.

ATTACHMENTS

Exhibit A: Draft Resolution No. PC 19-__
Exhibit B: Vicinity Map
Exhibit C: Applicant's Application
Exhibit D: City Council Resolution No. 14-0026
Exhibit E: Third Addendum to EIR- September 2019

cc: JLL- Jason Giannantonio, Applicant for RREEF America Reit II Corp BBB

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EXHIBIT A

RESOLUTION NO. PC 19-___

A RESOLUTION OF THE MANHATTAN BEACH PLANNING COMMISSION AMENDING A MASTER USE PERMIT TO AMEND CERTAIN CONDITIONS OF APPROVAL PREVIOUSLY IMPOSED ON THE MANHATTAN VILLAGE SHOPPING CENTER LOCATED AT 2600 THROUGH 3600 NORTH SEPULVEDA BOULEVARD AND 1180 THROUGH 1200 ROSECRANS AVENUE AND ADOPTING A THIRD ADDENDUM TO THE EIR FOR THE SHOPPING CENTER (RREEF AMERICA REIT CORP BBB II)

THE PLANNING COMMISSION HEREBY RESOLVES, FINDS AND DETERMINES:

SECTION 1. On December 2, 2014, the Manhattan Beach City Council adopted: (1) Resolution No. 14-0025 Certifying an Environmental Impact Report (“Final EIR”) and adopting a Mitigation Monitoring Reporting Program (“MMRP”); and (2) Resolution No. 14-0026 approving an application submitted by RREEF American REIT Corp II BBB (“Applicant”) for a Master Use Permit Amendment, a height variance, and amendment to the Master Sign program/sign exceptions (collectively “MUP”) for the Manhattan Village Renovation and Expansion project (“Project”) located at 2600-3600 North Sepulveda Boulevard 1180-1200 Rosecrans Avenue. At that time, the City Council determined that the Project was consistent with the General Plan and the City’s Zoning Code and made all of the necessary findings to approve the MUP.

SECTION 2. In December 2016, the City approved a modified site plan (“Approved Site Plan”) for the Project. Pursuant to the California Environmental Quality Act (“CEQA”), an independent environmental consultant hired by the City performed an environmental analysis of the Approved Site Plan and prepared an addendum to the Final EIR. That addendum (hereinafter the “First Addendum”) concluded that none of the conditions requiring a subsequent or supplemental EIR was present because the Approved Site Plan did not contain any substantial changes that would require revisions to the Final EIR.

SECTION 3. On September 6, 2017, the City Council adopted Resolution No. 17-0119 approving an amendment to the MUP, to refine certain conditions of approval for the MUP to facilitate the physical construction and construction sequencing of the approved project and Approved Site Plan. Pursuant to CEQA, an independent environmental consultant hired by the City performed an environmental analysis of the changes to the Conditions of Approval and prepared an addendum (hereinafter the “Second Addendum”) to the Final EIR. That addendum concluded that none of the conditions requiring a subsequent or supplemental EIR was present because the changes to the conditions of approval did not contain any substantial changes that would require revisions to the Final EIR.

SECTION 4. On February 19, 2019, the applicant submitted an application to modify two conditions of approval for the MUP in order to facilitate the establishment of fitness studios and to allow up to four restaurants to have ancillary off-site alcohol sales. Pursuant to CEQA, an independent environmental consultant hired by the City performed an environmental analysis of the revisions to the Conditions of Approval and prepared an addendum (hereinafter the “Third Addendum”) to the Final EIR. The Third Addendum concluded that the amendments to the conditions do not result in new significant impacts and do not require revisions to the Final EIR. In addition, substantial evidence supports the conclusion that the circumstances under which the approved Project will be undertaken have not substantially changed, and there is no evidence of new or more severe environmental impacts arising out of any of the proposed changes. No changes to the mitigation measures set forth in the adopted Mitigation Monitoring and Reporting Program (“MMRP”) are proposed. In addition, there are no substantial changes in the existing conditions on or around the Shopping Center site that affect the analyses presented in the Final EIR, First Addendum or Second Addendum. Therefore, the proposed amendments to the conditions do not meet the standards for preparation of a subsequent or supplemental EIR pursuant to State CEQA Guidelines Section 15162.

SECTION 5. On October 9, 2019, the Planning Commission conducted a duly noticed public hearing at which time it provided an opportunity for the public to provide oral and written testimony.

SECTION 6. Based on substantial evidence presented at the public hearing and pursuant to Manhattan Beach Municipal Code (MBMC) Section 10.84.060, the Planning Commission hereby finds:

- A. In its independent judgment, and based upon the analysis contained in the Third Addendum, the Planning Commission hereby finds that none of the proposed amendments to the conditions of approval involves substantial changes that would require revisions to the Final EIR, as the amended conditions do not propose any physical changes to the Project. The amended conditions will facilitate the establishment of Fitness Studios up to 5,000 square feet per use and to allow up to four restaurants to have off-site alcohol licenses. No other “Personal Improvement Services” will be allowed by the proposed modifications. No physical changes are proposed as part of the development of the Project or the Approved Site Plan. All of the mitigation measures required by the MMRP for the Project are unaffected, and will continue to apply and will be implemented. The findings contained in the Third Addendum are hereby incorporated by this reference.

- B. The amended conditions do not in any fashion change or alter the findings that were made in 2014 at the time the MUP was approved because the findings contained in Resolution 14-0026 still apply to the Project, with the amended conditions of approval and are hereby incorporated by reference.

SECTION 7. After considering all of the evidence in the record, the Planning Commission, hereby **ADOPTS** the Third Addendum and **APPROVES** the Master Use Permit Amendment application subject to the following conditions:

1. The Applicant shall comply with the following modified conditions:

Condition No. 18:

18. Land Uses and Square Footages. The existing Shopping Center contains approximately 572,837 square feet gross leasable area (GLA). The Project may add a maximum of 79,872 net new square feet GLA (89,589 square feet with the Equivalency Program) within Phases I and II in the Development Area. The Shopping Center property may not exceed 686,509 square feet GLA (696,226 square feet with the Equivalency Program). **Any increase in the floor area of non-retail uses above 20 percent of GLA for the Shopping Center shall require Equivalency Program review. Retail Sales as well as Banks and Savings and Loans uses, shall be classified as retail uses.**

For any proposed square footage that exceeds 686,509 square feet, up to the 696,226 square foot cap, RREEF shall submit traffic and parking data for review by the Community Development Department and the City Traffic Engineer to determine if the proposal is consistent with the trip generation and parking thresholds established in the Certified Final EIR and the Equivalency Program. The study shall include an update of the site wide list of tenants in Exhibit "A", uses and GLA, and RREEF shall pay the cost of the City Traffic Engineer's review.

The following land uses are allowed in the Shopping Center, provided that no land use type exceeds the applicable maximum square footage for each type:

- a. Retail Sales (including drug stores)
- b. Personal Services (e.g., Beauty salons, Dry-Cleaners, Shoe repair)
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- d. Offices, Business and Professional - 69,300 square feet maximum for Business and Professional offices. Additionally, 28,800 square feet maximum for Medical and Dental offices (existing square footage rounded, plus an additional 7,000 square feet allowed). The 3500 Sepulveda Boulevard building may be occupied with 100% Business and Professional and/or Medical and Dental offices, as long as the total combined office square footage on the entire Mall site does not exceed 98,100 square feet, and the parking requirements are met.
- e. Banks and Savings and Loans - 36,200 square feet maximum (existing square footage, no additional square footage allowed). If any of the existing bank operators in stand-alone buildings adjacent to Sepulveda Boulevard terminate their bank operation for a period longer than 6 months (except for suspended operation in the event of fire, casualty or major renovation), they may not be replaced with another bank or savings and loan use. This clause is not intended to govern business name changes or mergers or acquisitions among bank operators, commercial banks or savings and loans. No new bank or savings and loan uses are permitted in existing or new stand-alone buildings. New banks or savings and loan uses are limited to a maximum of 2,000 square feet in area.
- f. Eating and Drinking Establishments (restaurants) - 89,000 square feet maximum, which includes outdoor dining areas for restaurants that provide full table service.
- g. Personal Improvement Services (limited to Fitness Studios and their ancillary components)- 25,000 square feet maximum for fitness studios. No individual fitness studio use (including any ancillary components) shall exceed 5,000 square feet.
- h. Uses identified as permitted (by right) in the underlying zoning district (CC) which are not included in this Master Use Permit shall be left to the discretion of the Director to determine if the use is a retail or non-retail use, and if Planning Commission review is required.

The following uses are not permitted by this Master Use Permit:

- a. Personal Improvement Services (Gyms, Dance studios, Trade schools, etc), except for fitness studios as provided in 18.g. above.

- b. High traffic generating or parking demand land uses, including but not limited to, liquor stores and convenience stores as determined by the Director of Community Development.
- c. Bars.

Condition No. 20:

20. Alcohol Off-site Sales. An amendment to the Master Use Permit must be approved by the City prior to the sale of alcohol other than for on-site consumption at an eating and drinking establishment, unless specifically permitted by this Resolution. Tenants with existing ABC licenses and City approval for off-site alcohol sales and/or on-site tasting - i.e., Ralphs, CVS, and the Vintage Shoppe - may continue to sell alcohol for off-site consumption and/or on-site tasting in accordance with their approvals. **In addition to these tenants with existing ABC licenses and City approvals, this Master Use Permit authorizes up to four (4) restaurants to offer ancillary off-site alcohol sales provided that such ancillary sales are conducted pursuant to an approved ABC license. Specific proposals for ancillary off-site alcohol sales for any restaurant at the Shopping Center are subject to the administrative approval by the Director to determine consistency with the Master Use Permit.**

- 2. The Applicant shall comply with all other conditions of approval contained in Resolution No. 14-0026 and No. 17-0119, unless otherwise modified herein.
- 3. *Terms and Conditions are Perpetual; Recordation of Covenant.* The provisions, terms and conditions set forth herein are perpetual, and are binding on RREEF, its respective successors-in-interest, and, where applicable, all tenants and lessees of RREEF. Further, RREEF shall record a covenant indicating its consent to the conditions of approval of this Resolution with the Office of the County Clerk/Recorder of Los Angeles. The covenant is subject to review and approval by the City Attorney. RREEF shall deliver the executed covenant, and all required recording fees, to the Department of Community Development within 30 days of the adoption of this Resolution. If RREEF fails to deliver the executed covenant within 30 days, this Resolution shall be null and void and of no further effect. Notwithstanding the foregoing, the Director may, upon a request by RREEF, grant an extension to the 30-day time limit.

4. *Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys' Fees, Incurred by the City.* The owner shall defend, indemnify, and hold harmless the City, its elected officials, officers, employees, volunteers, agents, and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") from and against any claims, damages, actions, causes of actions, lawsuits, suits, proceedings, losses, judgments, costs, and expenses (including, without limitation, attorneys' fees or court costs) in any manner arising out of or incident to this approval, related entitlements, or the City's environmental review thereof. The owner shall pay and satisfy any judgment, award or decree that may be rendered against City or the other Indemnitees in any such suit, action, or other legal proceeding. The City shall promptly notify the owner of any claim, action, or proceeding and the City shall reasonably cooperate in the defense. If the City fails to promptly notify the owner of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, the owner shall not thereafter be responsible to defend, indemnify, or hold harmless the City or the Indemnitees. The City shall have the right to select counsel of its choice. The owner shall reimburse the City, and the other Indemnitees, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Nothing in this Section shall be construed to require the owner to indemnify Indemnitees for any Claim arising from the sole negligence or willful misconduct of the Indemnitees. In the event such a legal action is filed challenging the City's determinations herein or the issuance of the approval, the City shall estimate its expenses for the litigation. The owner shall deposit said amount with the City or enter into an agreement with the City to pay such expenses as they become due.

(votes and signatures on next page)

I hereby certify that the following is a full, true, and correct copy of the Resolution as **ADOPTED** by the Planning Commission at its regular meeting on **October 9, 2019** and that the Resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jeff Gibson

Secretary to the Planning Commission

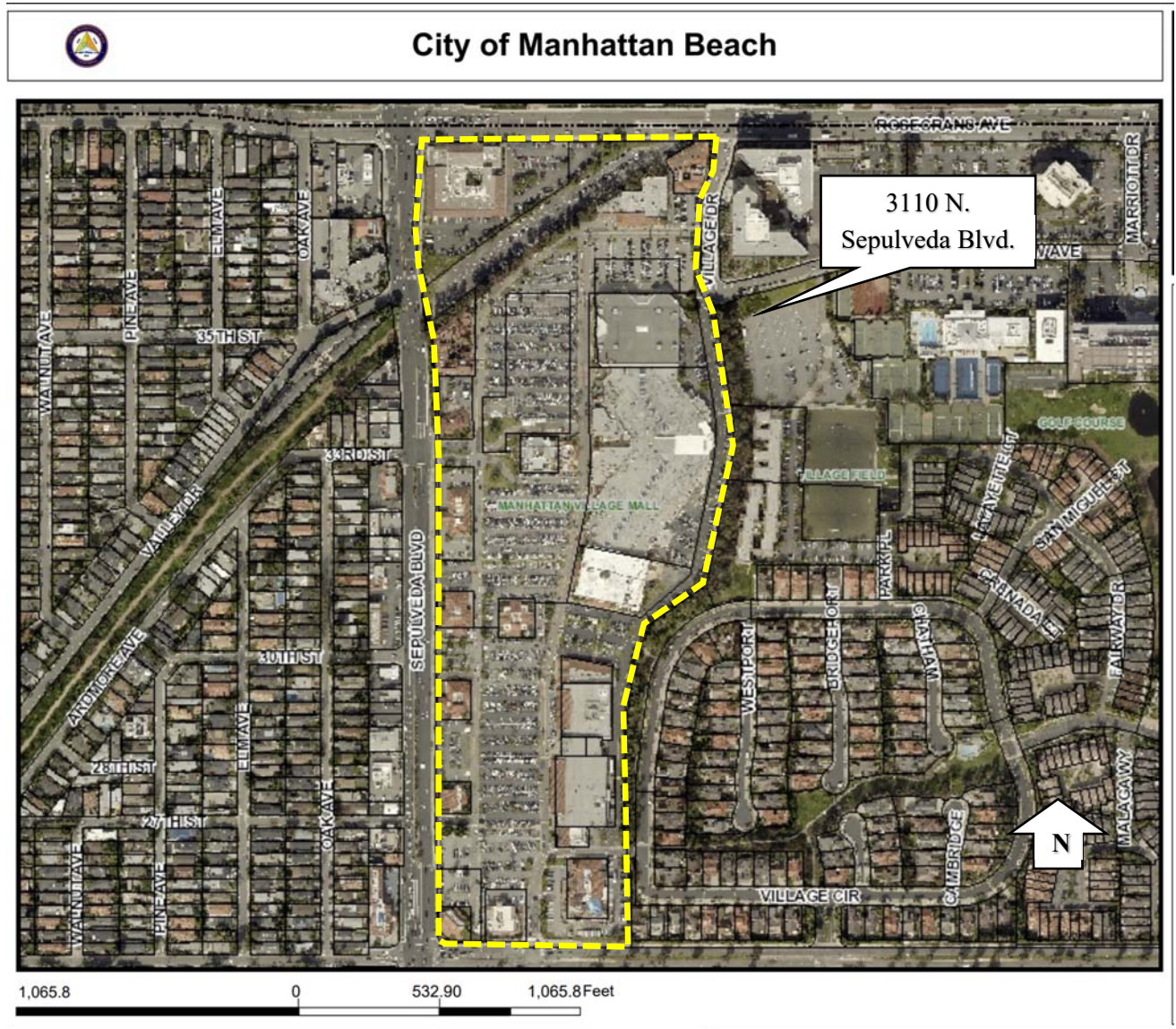
Rosemary Lackow

Recording Secretary

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EXHIBIT B

VICINITY MAP



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EXHIBIT C

MASTER APPLICATION FORM



CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT

Office Use Only	
Date Submitted:	2/19/19
Received By:	[Signature]
F&G Check Submitted:	N/A

3200 North Sepulveda Boulevard, Manhattan Beach, CA 90266 and
3160 North Sepulveda Boulevard, Manhattan Beach, CA 90266

Project Address
See attached

Legal Description
Commercial

General Plan Designation

Community Commercial Area 2
Zoning Designation Area District

For projects requiring a Coastal Development Permit, select one of the following determinations¹:

Project located in Appeal Jurisdiction

☐ Major Development (Public Hearing required)

☐ Minor Development (Public Hearing, if requested)

Project not located in Appeal Jurisdiction

☐ Public Hearing Required (due to UP, Var, ME, etc.)

☐ No Public Hearing Required

Submitted Application (check all that apply)

☐ Appeal to PC/PPIC/BBA/CC	4225	☐ Use Permit (Residential)	4330
☐ Coastal Development Permit	4341	☐ Use Permit (Commercial)	4330
☐ Continuance	4343	☒ Use Permit Amendment	4332
☐ Cultural Landmark	4336	☐ Variance	4331
☒ Environmental Assessment	4225	☐ Park/Rec Quimby Fee	4425
☐ Minor Exception	4333	☐ Pre-application meeting	4425
☐ Subdivision (Map Deposit)	4300	☐ Public Hearing Notice	4339
☐ Subdivision (Tentative Map)	4334	☐ Lot Merger/Adjust./\$15 rec. fee	4225
☐ Subdivision (Final)	4334	☐ Zoning Business Review	4337
☐ Subdivision (Lot Line Adjust.)	4335	☐ Zoning Report	4340
☐ Telecom (New or Renewed)	4338	☐ Other	

Fee Summary: (See fees on reverse side)

Total Amount: \$ _____ (less Pre-Application Fee if applied within past 3 months)

Receipt Number: _____ Date Paid: _____ Cashier: _____

Applicant(s)/Appellant(s) Information

Jason Giannantonio

Name

1200 Rosecrans Avenue, Suite 201, Manhattan Beach, CA 90266

Mailing Address

Owner's Representative and Development Manager

Applicant(s)/Appellant(s) Relationship to Property

Jason Giannantonio, Vice President, JLL (310) 628-6414 / Jason.Giannantonio@am.jll.com

Contact Person (include relation to applicant/appellant)

Phone number / email

1200 Rosecrans Avenue, Suite 201, Manhattan Beach, CA 90266

Address

[Signature]

(310) 628-6414 / Jason.Giannantonio@am.jll.com

Applicant(s)/Appellant(s) Signature

Phone number./email

Complete Project Description- including any demolition (attach additional pages as necessary)

See attached Project Description

¹ An Application for a Coastal Development Permit shall be made prior to, or concurrent with, an application for any other permit or approvals required for the project by the City of Manhattan Beach Municipal Code. (Continued on reverse)

2/19/19
Fees to be paid
from JLL Trmt
RREEF
Fund.
Mark Comm
JLL
M. Col

OWNER'S AFFIDAVIT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

I/We RREEF America REIT II CORP. BBB being duly sworn, depose and say that I am/we are the owner(s) of the property involved in this application and that the foregoing statements and answers herein contained and the information herewith submitted are in all respects true and correct to the best of my/our knowledge and belief(s).

Jane Benefield
Signature of Property Owner(s) – (Not Owner in Escrow or Lessee)

Jane Benefield

Print Name

3414 Peachtree Rd, NE, Suite 950, Atlanta, GA 30326

Mailing Address

(404) 239-1104

Telephone/email

Subscribed and sworn to (or affirmed) before me this 13 day of February, 20 19

by Ryana A. DeLaTorre, proved to me on

the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature [Signature]
Notary Public

SEAL



RYANA A. DE LA TORRE
Commission # 2114101
Notary Public - California
Los Angeles County
My Comm. Expires Jun 5, 2019

Fee Schedule Summary

Below are the fees typically associated with the corresponding applications. Additional fees not shown on this sheet may apply – refer to current City Fee Resolution (contact the Planning Division for assistance.) Fees are subject to annual adjustment.

Submitted Application (circle applicable fees, apply total to Fee Summary on application)

Coastal Development Permit

Public hearing – no other discretionary approval required:	\$ 4,871	✉
Public hearing – other discretionary approvals required:	2,142	✉
No public hearing required – administrative:	1,324	✉

Use Permit

Use Permit:	\$ 6,396	✉
Master Use Permit:	9,875	✉
Master Use Permit Amendment:	5,126	✉
Master Use Permit Conversion:	4,704	✉

Variance

Filing Fee:	\$ 6,184	✉
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Minor Exception

Without notice:	\$ 1,477	
With notice:	1,985	✉

Subdivision

Certificate of Compliance:	\$ 1,653	
Final Parcel Map + mapping deposit:	539	
Final Tract Map + mapping deposit:	748	
Mapping Deposit (paid with Final Map application):	500	
Merger of Parcels or Lot Line Adjustment:	1,153	
Quimby (Parks & Recreation) fee (per unit/lot):	1,817	
Tentative Parcel Map (4 or less lots / units) No Public Hearing:	1,333	
Tentative Parcel Map (4 or less lots / units) Public Hearing:	3,622	✉
Tentative Tract Map (5 or more lots / units) No Public Hearing:	4,134	✉

Environmental Review (contact Planning Division for applicable fee)

Environmental Assessment (no Initial Study prepared):	\$ 215	
Environmental Assessment (if Initial Study is prepared):	3,133	

✉ Public Hearing Notice applies to all projects with public hearings and covers the City's costs of envelopes, postage and handling the mailing of public notices. Add this to filing fees above, as applicable: \$ 72

MANHATTAN VILLAGE SHOPPING CENTER
Master Use Permit Amendment Application

**Change in Use to Personal Improvement Services to Allow Boutique Fitness Uses
and Request to Allow Ancillary Off-Site Alcohol Sales at Restaurants**

PROJECT DESCRIPTION

Boutique Fitness Uses

Manhattan Village Shopping Center ("Shopping Center") is a regional shopping center located on 44 acres bounded by Rosecrans Avenue, Sepulveda Boulevard, Marine Avenue and Village Drive. The site is comprised of several components including: outparcels with office, restaurant and service uses; convenience center with drug and grocery anchors, new parking structure along Rosecrans Avenue; an enclosed shopping center.

The shopping center is currently undergoing a major redevelopment and expansion and as part of the ongoing leasing strategy of the project, there is a strong market demand and desire from Ownership to incorporate Boutique Fitness tenants to compliment the new restaurant lineup at the Village Shops as well as offering additional healthy lifestyle choices of Manhattan Beach residents that visit and enjoy the shopping center experience.

The proposed Boutique Fitness users are planned to occupy a maximum total amount of 7,800 sf of GLA located in the Village Shops and existing center as shown in the attached leasing plan. Additional information for the proposed Boutique Fitness tenants is also included in the attached merchandising plan.

Parking required at the Shopping Center is 4.1 spaces /1000 square feet and initial studies done for the proposed Boutique Fitness tenants indicate that the amount of parking required to support the Boutique Fitness tenants can be accommodated in the scope of the overall redevelopment and expansion project.

Ancillary Off-Site Alcohol Sales at Restaurants

Reso. 14-0026, Condition No. 20, currently states,

"An amendment to the Master Use Permit must be approved by the City prior to the sale of alcohol other than for on-site consumption at an eating or drinking establishment, unless

specifically permitted by this Resolution. Tenants with existing ABC licenses and City approval for off-site alcohol sales and/or on-site tasting – i.e. Ralphs, CVS, and the Vintage Shoppe – may continue to sell alcohol for off-site consumption and/or on-site tasting in accordance with their approvals.”

RREEF is requesting that ancillary off-site alcohol sales be allowed at up to (4) restaurants on the Manhattan Village Shopping Center property in addition to the existing tenants with existing ABC licenses. This request is in line with recent industry trends for upscale restaurants.



3/26/19 Updated

ENVIRONMENTAL ASSESSMENT FORM

(to be completed by applicant)

CITY OF MANHATTAN BEACH COMMUNITY DEVELOPMENT DEPARTMENT

1400 HIGHLAND AVENUE, MANHATTAN BEACH, CA 90266
Telephone: (310) 802-5500 Fax: (310) 802-5501 TDD: (310) 546-3501

Date Filed: _____

APPLICANT INFORMATION

Name: Jones Lang LaSalle (JLL)

Contact Person: Jason Giannantonio

Address: 1200 Rosecrans Ave, Ste 201, Manhattan Bch, CA 90266

Address: 1200 Rosecrans Ave, Ste 201, Manhattan Bch, CA 90266

Phone number: (310) 628-6414

Phone number: (310) 628-6414

Relationship to property: Owner's Representative and Development Manager

Association to applicant: Vice President, JLL

PROJECT LOCATION AND LAND USE

Project Address: 3200 North Sepulveda Blvd, Manhattan Beach, CA 90266 and 3160 North Sepulveda Blvd, Manhattan Beach, CA 90266

Assessor's Parcel Number: See attached Legal Description for list of APN's & Parcels

Legal Description: See attached Legal Description from Title Report

Area District, Zoning, General Plan Designation: Area District 2, General Commercial and Community

Surrounding Land Uses:

Commercial Zoning, General Plan Designation is Commercial

North Shopping Center, Macy's

West Parking, New Village Shops

South Shopping Center, Macy's Men's

East Parking area East of Shopping Center

Existing Land Use: Manhattan Village Shopping Center

PROJECT DESCRIPTION

Type of Project: Commercial ☒ Residential ☐ Other ☐

If Residential, indicate type of development (i.e.; single family, apartment, condominium, etc.) and number of units: _____

If Commercial, indicate orientation (neighborhood, citywide, or regional), type of use anticipated, hours of operation, number of employees, number of fixed seats, square footage of kitchen, seating, sales, and storage areas: Existing regional shopping center use with hours of operation Mon-Fri 10am to 9pm and weekend hours Sat 10am to 8pm and Sun 11am to 6pm. See attached for complete Project Description.

If use is other than above, provide detailed operational characteristics and anticipated intensity of the development: _____

	<u>Existing</u>	<u>Proposed</u>	<u>Required</u>	<u>Removed/ Demolished</u>
Project Site Area:	<u>44 ac</u>	<u>44 ac</u>	<u>N/A</u>	<u>N/A</u>
Building Floor Area:	<u>572,837 sf GLA</u>	<u>572,837 sf GLA</u>	<u>N/A</u>	<u>N/A</u>
Height of Structure(s)	<u>22-43'</u>	<u>22-43'</u>	<u>N/A</u>	<u>N/A</u>
Number of Floors/Stories:	<u>1</u>	<u>1</u>	<u>N/A</u>	<u>N/A</u>
Percent Lot Coverage:	<u>.25 FAR</u>	<u>.25 FAR</u>	<u>N/A</u>	<u>N/A</u>
Off-Street Parking:	<u>2,666</u>	<u>2,666</u>	<u>2,666</u>	<u>N/A</u>
Vehicle Loading Space:	<u>No Change</u>	<u>No Change</u>	<u>N/A</u>	<u>N/A</u>
Open Space/Landscaping:	<u>No Change</u>	<u>No Change</u>	<u>N/A</u>	<u>N/A</u>

Proposed Grading:

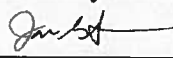
Cut N/A Fill N/A Balance N/A Imported N/A Exported N/A

Will the proposed project result in the following (*check all that apply*):

<u>Yes</u>	<u>N/A</u>	
<u> </u>	<u>X</u>	Changes in existing features or any bays, tidelands, beaches, lakes, or hills, or substantial alteration of ground contours?
<u> </u>	<u>X</u>	Changes to a scenic vista or scenic highway?
<u> </u>	<u>X</u>	A change in pattern, scale or character of a general area?
<u> </u>	<u>X</u>	A generation of significant amount of solid waste or litter?
<u> </u>	<u>X</u>	A violation of air quality regulations/requirements, or the creation of objectionable odors?
<u> </u>	<u>X</u>	Water quality impacts (surface or ground), or affect drainage patterns?
<u> </u>	<u>X</u>	An increase in existing noise levels?
<u> </u>	<u>X</u>	A site on filled land, or on a slope of 10% or more?
<u> </u>	<u>X</u>	The use of potentially hazardous chemicals?
<u> </u>	<u>X</u>	An increased demand for municipal services?
<u> </u>	<u>X</u>	An increase in fuel consumption?
<u> </u>	<u>X</u>	A relationship to a larger project, or series of projects?

Explain all "Yes" responses (*attach additional sheets or attachments as necessary*):

CERTIFICATION: I hereby certify that the statements furnished above and in attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Signature:  Prepared For: JLL
Date Prepared: 2/13/2019

Revised 07/01/18

City of Manhattan Beach Environmental Information Form
And Master Application Form
Manhattan Village Shopping Center
Boutique Fitness Uses
Leased Parking Spaces for Site-Wide Parking Calculations
MUP Amendment Application

***Please note that legal descriptions and parcel numbers are out-dated. A new title report will be available shortly to document the recording of Lot Line Adjustment #1, #2, #3, and #4.

PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MANHATTAN BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF LOT 4 IN SECTION 19, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON PARTITION MAP SHOWING PROPERTY FORMERLY OF REDONDO LAND COMPANY, SUBDIVIDED BY JAMES F. TOWELL, C.A. EDWARDS AND P.P. WILCOX, COMMISSIONER, SURVEYED AUGUST, 1897, BY L. FRIEL AND FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY ON SEPTEMBER 3, 1897 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 19;
THENCE SOUTH 0° 04' 16" EAST ALONG THE WEST LINE THEREOF, 77.04 FEET;
THENCE NORTH 89° 55' 44" EAST PERPENDICULAR TO SAID WEST LINE 20.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 0° 04' 16" EAST PARALLEL TO SAID WEST LINE 415.97 FEET TO A POINT IN THE SOUTH LINE OF SAID LOT 4;
THENCE NORTH 89° 58' 45" EAST ALONG SAID SOUTH LINE 48.15 FEET, TO A POINT IN THE NORTHWESTERLY LINE OF THE 100 FOOT WIDE RIGHT OF WAY OF THE SOUTHERN CALIFORNIA RAILWAY COMPANY PER BOOK D-508 PAGE 76. OFFICIAL RECORDS OF SAID COUNTY, SAID POINT BEING A POINT IN A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 5779.65 FEET, A RADIAL LINE PASSING THROUGH SAID POINT BEARS NORTH 38° 19' 56" WEST;
THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC LENGTH OF 626.58 FEET THROUGH A CENTRAL ANGLE OF 6° 12' 42";
THENCE TANGENT TO SAID CURVE AND CONTINUING ALONG SAID NORTHWESTERLY LINE OF SAID RIGHT OF WAY NORTH 57° 52' 45" EAST 154.20 FEET TO A POINT IN THE SOUTHERLY LINE OF THE NORTHERLY 50.00 FEET OF SAID SECTION 19, SAID POINT ALSO BEING A POINT IN THE SOUTHERLY LINE OF ROSECRANS AVENUE, 100 FEET WIDE AS SAID AVENUE EXISTING ON NOVEMBER 29, 1979;
THENCE SOUTH 89° 58' 45" WEST ALONG SAID SOUTHERLY LINE FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 27.00 FEET;
THENCE WESTERLY, SOUTHWESTERLY AND SOUTHERLY ALONG SAID CURVE AN ARC LENGTH OF 42.43 FEET THROUGH A CENTRAL ANGLE OF 90° 03' 01" TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF SAID LAND CONVEYED TO THE CITY OF MANHATTAN BEACH, A MUNICIPAL CORPORATION, BY DEEDS RECORDED OCTOBER 2, 1997 AS INSTRUMENT NOS. 97-1521451 AND 97-1521452, BOTH OF OFFICIAL RECORDS, SAID PORTION BEING DESCRIBED AS PARCEL 27-5 ON EXHIBIT "A" ATTACHED THERETO, TO BE KNOWN AS SEPULVEDA BOULEVARD.

City of Manhattan Beach Environmental Information Form
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MUP Amendment Application

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PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

PARCEL 2:

THAT PORTION OF THE 100 FOOT WIDE RIGHT OF WAY OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, AS DESCRIBED IN THAT CERTAIN DEED FROM THE REDONDO LAND COMPANY AND CHARLES SILENT, RECORDED OCTOBER 31, 1888 IN BOOK 508 PAGE 76 OF DEEDS, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BOUNDED WESTERLY BY THE EASTERLY LINE OF SEPULVEDA BOULEVARD AS DESCRIBED IN PARCEL 4 OF THAT CERTAIN TRIAL JUDGMENT OF CASE NO.300,196 IN THE COUNTY OF LOS ANGELES SUPERIOR COURT, A CERTIFIED COPY OF WHICH WAS RECORDED ON FEBRUARY 19, 1935 AS INSTRUMENT NO. 625 IN BOOK 13277 PAGE 106 OF OFFICIAL RECORDS OF SAID COUNTY AND BOUNDED NORTHERLY BY THE SOUTHERLY LINE OF ROSECRANS BOULEVARD, 100 FEET IN WIDTH.

PARCEL 3:

PARCELS 1 THROUGH 9 INCLUSIVE, 11 AND 13 THROUGH 23 INCLUSIVE, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON PARCEL MAP NO. 12219, FILED IN BOOK 122 PAGES 33 THROUGH 35 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM THE PARCELS 1 THROUGH 8 INCLUSIVE AND 13 THROUGH 22 INCLUSIVE AND THAT PORTION OF PARCEL 23, INCLUDED WITHIN THE LINES OF PARCEL 3 OF PARCEL MAP NO. 11262, RECORDED IN BOOK 107 PAGES 37 AND 38 OF PARCEL MAPS, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY; PROVIDED, HOWEVER THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY HAVE BEEN CONVEYED TO GRANTEE, NO RIGHTS OR INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING EXCEPTED OR RESERVED TO GRANTOR EXCEPT AS THEREINAFTER EXPRESSLY SET FORTH THEREIN.

ALSO EXCEPT THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO DRILL AND MAINTAIN WELLS OR OTHER WORKS INTO OR THROUGH PROPERTY BELOW A DEPTH OF 500 FEET AND TO PRODUCE, INJECT, STORE AND REMOVE FROM OR THROUGH SUCH WELLS OR WORKS, OIL, GAS AND OTHER SUBSTANCES OF WHATEVER NATURE, INCLUDING THE RIGHT TO PERFORM ANY AND ALL OPERATIONS DEEMED NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS, AS RESERVED BY CHEVRON U.S.A., INC., A CALIFORNIA CORPORATION, RECORDED APRIL 19, 1979 AS INSTRUMENT NO. 79-424732 OF OFFICIAL RECORDS, AS TO THAT PORTION OF SAID LAND, ACQUIRED BY DEED RECORDED APRIL 2, 1923 IN BOOK 1993 PAGE 351, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM PARCEL 22 ABOVE ALL THAT PORTION OF THE REAL PROPERTY CONVEYED TO THE CITY OF MANHATTAN BEACH PER THAT CERTAIN INSTRUMENT ENTITLED "GRANT DEED-DEED OF DEDICATION" RECORDED JUNE 25, 2002 AS INSTRUMENT NO.02-1439469, OFFICIAL RECORDS.

City of Manhattan Beach Environmental Information Form
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Manhattan Village Shopping Center
Boutique Fitness Uses
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PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

PARCEL 4:

THE NON-EXCLUSIVE EASEMENTS FOR, INGRESS, EGRESS, PARKING, UTILITIES AND MAINTENANCE IN, TO, OVER, UNDER AND ACROSS, THE "COMMON AREA" ALL AS DESCRIBED AND SHOWN IN THAT CERTAIN CONSTRUCTION, OPERATION AND RECIPROCAL EASEMENT AGREEMENT DATED NOVEMBER 1, 1980, EXECUTED BY MANHATTAN BEACH COMMERCIAL PROPERTIES, A GENERAL PARTNERSHIP, MANHATTAN HACIENDA PROPERTY CO., A GENERAL PARTNERSHIP AND FEDERATED DEPARTMENT STORES, INC., A DELAWARE CORPORATION, WITH ADDENDUM EXECUTED BY BUFFUMS, INC., A CALIFORNIA CORPORATION, RECORDED ON NOVEMBER 25, 1980 AS INSTRUMENT NO. 80-1188655 OF OFFICIAL RECORDS.

THE INTEREST OF MANHATTAN BEACH COMMERCIAL PROPERTIES, A CALIFORNIA GENERAL PARTNERSHIP UNDER SAID AGREEMENT HAS BEEN ASSIGNED TO BANK OF AMERICA NATIONAL TRUST AND SAVINGS TRUST AND SAVINGS ASSOCIATION, AS TRUSTEE OF THE MASTER PENSION TRUST OF THE PACIFIC TELESIS GROUP, BY ASSIGNMENT DATED DECEMBER 24, 1986 AND RECORDED DECEMBER 24, 1986 AS INSTRUMENT NO. 86-1800316. OFFICIAL RECORDS.

THE INTEREST OF BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, AS TRUSTEE OF THE MASTER PENSION TRUST OF THE PACIFIC TELESIS GROUP UNDER SAID AGREEMENT HAS BEEN ASSIGNED TO MANHATTAN ORE HOLDING COMPANY, INC. BY UNRECORDED ASSIGNMENTS NOT APPEARING IN THE PUBLIC RECORD .

THE INTEREST OF MANHATTAN ORE HOLDING COMPANY, INC. UNDER SAID AGREEMENT HAS BEEN ASSIGNED TO MANHATTAN VILLAGE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY BY ASSIGNMENT DATED AUGUST 19, 1997 AND RECORDED AUGUST 20, 1997 AS INSTRUMENT NO. 97-1291551 OF OFFICIAL RECORDS.

THE EASEMENT RIGHTS OF MANHATTAN VILLAGE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY UNDER SAID AGREEMENT HAVE BEEN CONVEYED TO MADISON MANHATTAN VILLAGE L.P., A DELAWARE LIMITED PARTNERSHIP BY DEED RECORDED OCTOBER 30, 2000 AS INSTRUMENT NO. 00-1548302 OF OFFICIAL RECORDS.

THE INTEREST OF MADISON MANHATTAN VILLAGE L.P., A DELAWARE LIMITED PARTNERSHIP UNDER SAID AGREEMENT HAS BEEN ASSIGNED TO MADISON MANHATTAN VILLAGE, LLC, A DELAWARE LIMITED LIABILITY COMPANY BY ASSIGNMENT DATED JUNE 28, 2002 AND RECORDED JULY 8, 2002 AS INSTRUMENT NO. 02-1536001 OF OFFICIAL RECORDS.

THE INTEREST OF MADISON MANHATTAN VILLAGE, LLC HAS BEEN ASSIGNED OF RECORD TO RREEF . AMERICA REIT II CORP. BBB, A MARYLAND CORPORATION, BY AN ASSIGNMENT AND ASSUMPTION OF GROUND LEASE RECORDED MAY 5, 2004 AS INSTRUMENT NO. 04-1123082 OF OFFICIAL RECORDS.

PARCEL 5:

THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 13910, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 145, PAGES 23, 24

City of Manhattan Beach Environmental Information Form
And Master Application Form
Manhattan Village Shopping Center
Boutique Fitness Uses
Leased Parking Spaces for Site-Wide Parking Calculations
MUP Amendment Application

***Please note that legal descriptions and parcel numbers are out-dated. A new title report will be available shortly to document the recording of Lot Line Adjustment #1, #2, #3, and #4.

PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

AND 25. INCLUSIVE, OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE B.C. OF THAT CERTAIN CURVE ON THE CENTERLINE OF PARK VIEW AVENUE DESCRIBED AS C-2 ON SAID PARCEL MAP AND BEING CONCAVE SOUTHERLY HAVING A RADIUS OF 1400 FEET AND A LENGTH OF 424.58 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1° 28' 25" A DISTANCE OF 36.01 FEET; THENCE ALONG SOUTHERLY RADIAL TO SAID CURVE SOUTH 15° 55' 23" EAST 25.00 FEET; THENCE SOUTH 06° 08' 54" EAST 137.00 FEET; THENCE SOUTH 10° 09' 19" EAST 97.57 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 80° 13' 52" WEST 127.21 FEET; THENCE SOUTH 10° 24' 59" EAST 161.00 FEET; THENCE NORTH 88° 14' 56" WEST 128.31 FEET; THENCE NORTH 10° 47' 05" WEST 283.00 FEET; THENCE NORTH 68° 14' 03" EAST 250.72 FEET; THENCE SOUTH 12° 53' 22" EAST 200.00 FEET MORE OR LESS TO THE POINT OF BEGINNING.

SAID LAND IS NOW KNOWN AS BEING A PORTION OF PARCEL MAP NO. 23389, IN THE CITY OF MANHATTAN, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 260, PAGES 28 THROUGH 31 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID-COUNTY.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES, AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY; PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY HAVE BEEN CONVEYED TO GRANTEE, NO RIGHT OR INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING EXCEPTED OR RESERVED TO GRANTOR, EXCEPT AS THEREINAFTER EXPRESSLY SET FORTH.

ALSO EXCEPT THEREFROM THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO DRILL AND MAINTAIN WELLS OR OTHER WORKS INTO OR THROUGH THE PROPERTY BELOW A DEPTH OF 500 FEET AND TO PRODUCE, INJECT STORE AND REMOVE FROM OR THROUGH SUCH WELLS OR WORKS, OIL, GAS AND OTHER SUBSTANCES OR WHATEVER NATURE, INCLUDING THE RIGHT TO PERFORM ANY AND ALL OPERATIONS DEEMED BY GRANTOR NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS, AS RESERVED IN DEED RECORDED APRIL 19, 1979 AS INSTRUMENT NO. 79-424731 OF OFFICIAL RECORDS.

PARCEL 6:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PROPERTY AS PROVIDED IN EASEMENT AGREEMENT DATED AUGUST 3, 1984, REFERRED TO IN MEMORANDUM OF PARKING LOT LEASE AND EASEMENT AGREEMENT DATED SEPTEMBER 27, 2000 BETWEEN THE CITY OF MANHATTAN BEACH AND MANHATTAN VILLAGE, LLC, RECORDED ON OCTOBER 3, 2000 AS INSTRUMENT NO. 00-1548303 OF OFFICIAL RECORDS, AS ASSIGNED BY ASSIGNMENT AND ASSUMPTION OF GROUND LEASE, RECIPROCAL EASEMENT AGREEMENT AND

City of Manhattan Beach Environmental Information Form
And Master Application Form
Manhattan Village Shopping Center
Boutique Fitness Uses
Leased Parking Spaces for Site-Wide Parking Calculations
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***Please note that legal descriptions and parcel numbers are out-dated. A new title report will be available shortly to document the recording of Lot Line Adjustment #1, #2, #3, and #4.

PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

EASEMENT AGREEMENT TO MADISON MANHATTAN VILLAGE, LLC, A DELAWARE LIMITED LIABILITY COMPANY BY INSTRUMENT RECORDED JULY 8, 2002, AS INSTRUMENT NO. 02-1536001 OF OFFICIAL RECORDS, AND THE INTEREST OF MADISON MANHATTAN VILLAGE, LLC HAS BEEN ASSIGNED OF RECORD TO RREEF AMERICA REIT II CORP. BBB, A MARYLAND CORPORATION, BY AN ASSIGNMENT AND ASSUMPTION OF GROUND LEASE RECORDED MAY 5, 2004 AS INSTRUMENT NO.04-1123082 OF OFFICIAL RECORDS.

THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 13910, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 145 PAGES 23, 24 AND 25, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS :

BEGINNING AT THE B.C. OF THAT CERTAIN CURVE OF THE CENTERLINE OF "PARK VIEW AVENUE" DESCRIBED AS C-2 ON SAID PARCEL MAP AND BEING CONCAVE SOUTHERLY HAVING A RADIUS OF 1400 FEET AND A LENGTH OF 424.58 FEET;
THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1° 28' 25", A DISTANCE OF 36.01 FEET;
THENCE ALONG SAID SOUTHERLY RADIAL TO SAID CURVE SOUTH 15° 55' 23" EAST 25 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 06° 08' 54" EAST 137.00 FEET;
THENCE SOUTH 10° 09' 19" EAST 97.57 FEET;
THENCE SOUTH 80° 13' 52" WEST 127.21 FEET;
THENCE SOUTH 10° 24' 59" EAST 20 FEET;
THENCE NORTH 80° 13' 52" EAST 152.12 FEET;
THENCE NORTH 11° 09' 05" WEST 117.45 FEET;
THENCE NORTH 04° 39' 04" WEST 140.06 FEET TO THE SOUTHERLY SIDE OF SAID "PARK VIEW AVENUE", SAID SIDELINE BEING A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 1375 FEET;
THENCE WESTERLY ALONG SAID SIDELINE THROUGH A CENTRAL ANGLE OF 1° 07' 20", A DISTANCE OF 26.93 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

City of Manhattan Beach Environmental Information Form
And Master Application Form
Manhattan Village Shopping Center
Boutique Fitness Uses
Leased Parking Spaces for Site-Wide Parking Calculations
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PRELIMINARY REPORT
YOUR REFERENCE: NBU #42347

Chicago Title Company
ORDER NO.: 00042355-994-LT2

SAID LAND IS NOW KNOWN AS BEING A PORTION OF PARCEL 1 OF PARCEL MAP NO.23389, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 260, PAGES 28 THROUGH 31, OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN(s): 4138-020-033; 4138-020-034; 4138-020-003; 4138-020-004; 4138-020-005; 4138-020-006; 4138-020-007; 4138-020-008; 4138-020-009; 4138-020-013; 4138-020-015; 4138-020-016; 4138-020-017; 4138-020-018; 4138-020-019; 4138-020-020; 4138-020-021; 4138-020-022; 4138-020-023; 4138-020-027; 4138-020-030; 4138-020-035; 4138-020-036

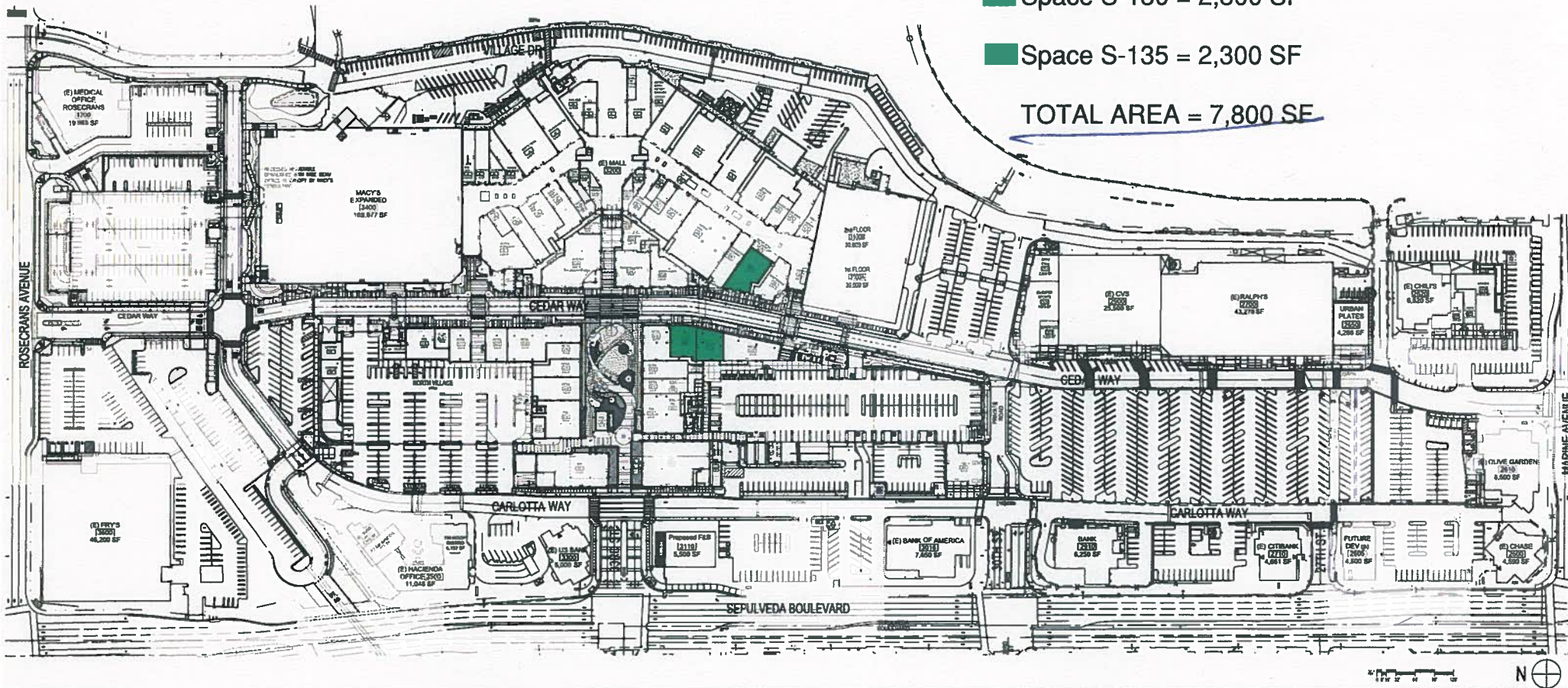
Manhattan Village Three-(3) 3 Boutique Fitness Tenants Proposed

Space E-16 = 3,200 SF

Space S-130 = 2,300 SF

Space S-135 = 2,300 SF

TOTAL AREA = 7,800 SF



144 NORTH ORANGE STREET
ORANGE, CA 92666

MANHATTAN
VILLAGE

3100 SEPULVEDA BLVD
MANHATTAN VILLAGE
MANHATTAN BEACH, CA 91764



515 S FLOWER ST #1300
LOS ANGELES, CA 90071
PHONE (213) 239-6000

DISCLAIMER: THE PARTIES
ACKNOWLEDGE THAT THIS PLAN IS
FOR IDENTIFICATION PURPOSES
ONLY AND DOES NOT CONSTITUTE
ANY COVENANT, REPRESENTATION,
OR WARRANTY BY LANDLORD THAT
ANY EXISTING OR FUTURE EXISTING
OR FUTURE CONDITIONS SHOWN
EXIST, OR THAT, IF THEY DO EXIST,
EXCEPT TO THE EXTENT SUCH
COVENANT, REPRESENTATION PR
WARRANT IS EXPRESSLY SET
FORTH IN WRITING BY BOTH
PARTIES.

LEASE PLAN
12-17-2018

LP-07.00



Boutique Fitness Merchandising Plan

Boutique Fitness 101



Boutique fitness tenants a good fit for shopping centers

Los Angeles Times

Millennials are spending big on trendy places to sweat

What is Boutique Fitness?

Boutique Fitness is generally viewed as a small studio (800 - 3500 square feet) that focuses on group exercise limited to, and specializing in, one or two fitness areas.

Why do Shoppers like Boutique Fitness?

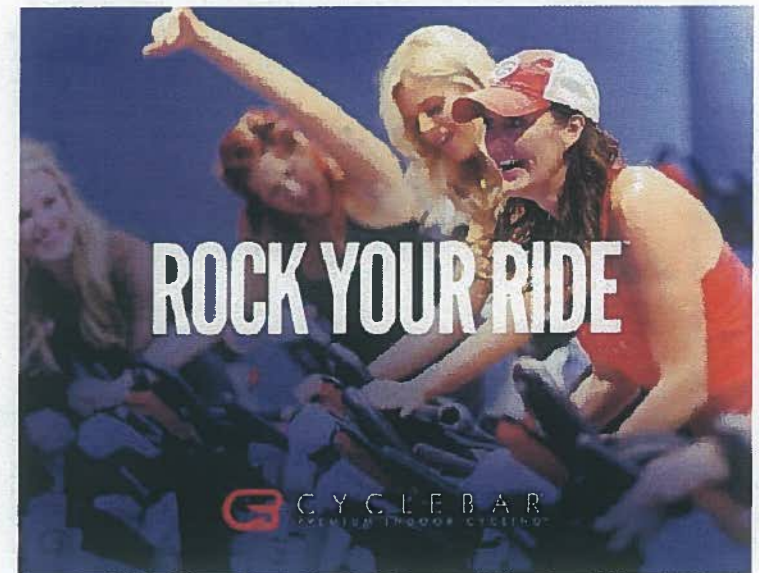
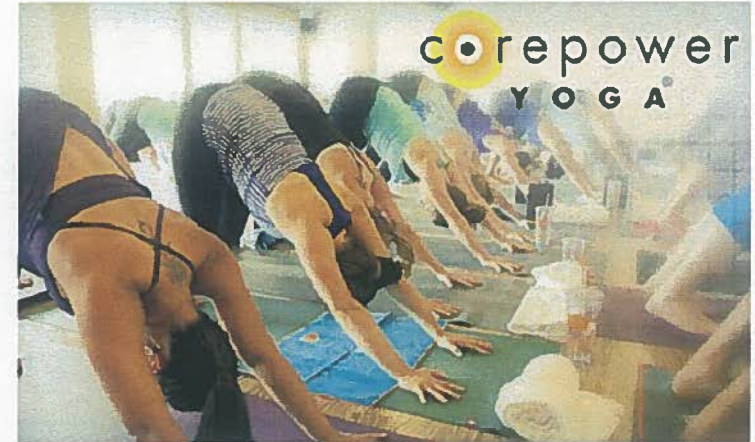
Exercisers are surrounded by energetic people in a social atmosphere. Developing a bond with the instructors is commonplace, and the experience is intimate, trendy, fun, and intense.

Why is having Boutique Fitness so Important?

Maximum sales generating retailers, such as Lululemon, Kreation, and Blue Bottle Coffee, demand close proximity to boutique fitness studios since it attracts their ideal customer profile: affluent, young, and health-conscious.

Without Boutique Fitness uses, Manhattan Village will struggle to attract these maximum sales retailers, and the Center will miss the opportunity to properly merchandise to the right tenant mix for today's experiential retail environment. (Sustainable, Healthy, Modern Luxury)

Boutique fitness concepts are a social gathering place and provide an extended use for shopping centers. Those who park to attend the fitness class will also grab coffee and shop with friends afterwards thus generating additional sales for the surrounding Tenants.

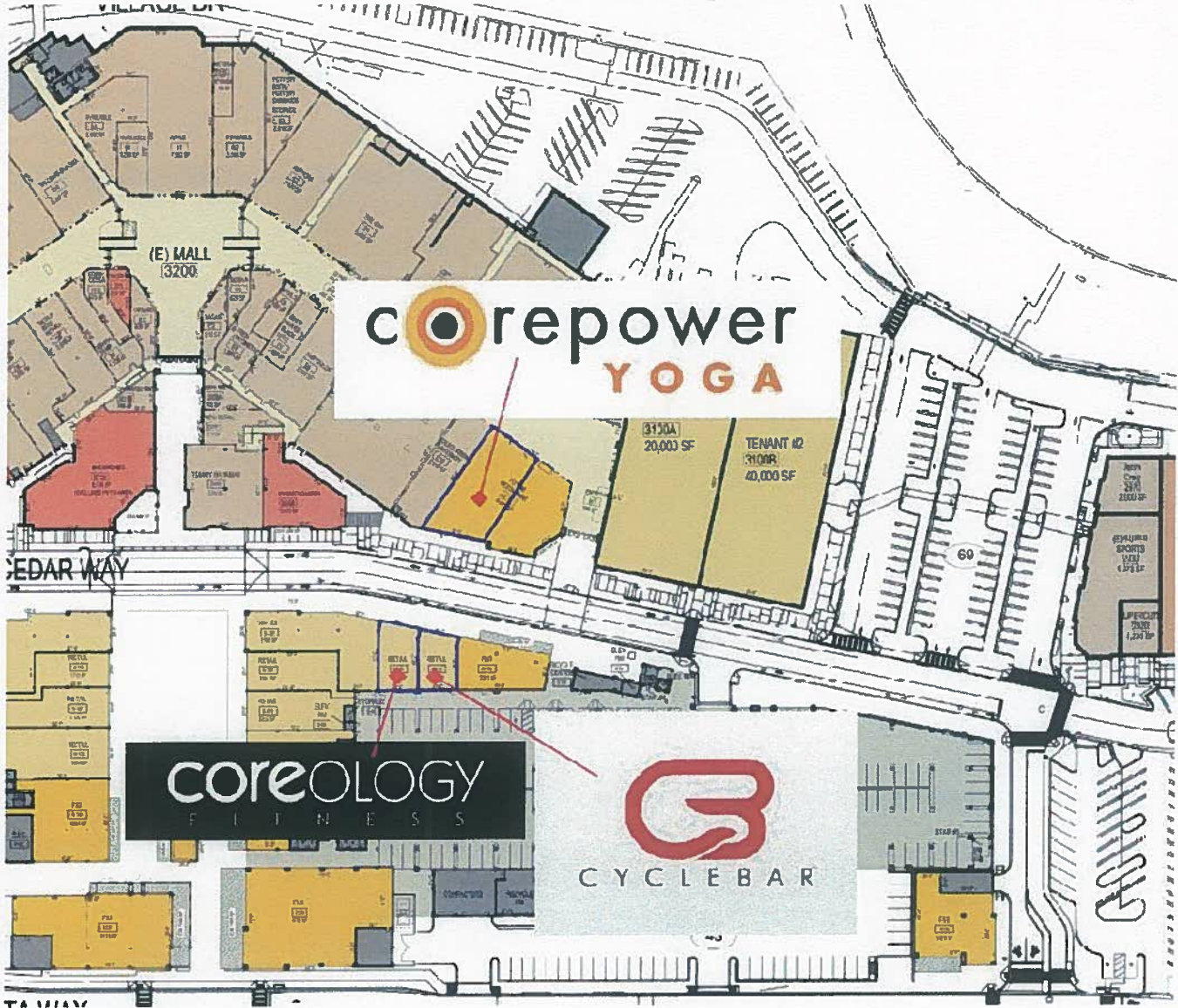


MANHATTAN
VILLAGE

Proposed South Village Boutique Fitness Plan

Corepower Yoga would lease 3200 SF of Space E18, current Talbots space.

Coreology and Cyclebar are lined up to lease 2,300 SF each in the South Village across from the Talbots space.



MANHATTAN
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CorePower Yoga

- Popular Yoga studio with locations in 22 states nationwide.
- Proven success in the South Bay with the nearest location to Manhattan Beach in Lawndale on Hawthorne Blvd adjacent to Del Amo Mall.
- A favorite use and tenant of athletic wear, health conscious restaurants, and high sales volume uses.



MANHATTAN
VILLAGE



Coreology Fitness



- South Bay Pilates concept with a proven cult following
- Locations in Manhattan Beach on Sepulveda and Marine and in Palos Verdes.
- Local, niche operators appeal greatly to the best-in-class retailers of today.



MANHATTAN
VILLAGE



CycleBar

- Premium Indoor Cycling Concept
- Has locations in 22 states nationwide
- Ranked #4 in Top 25 Best Boutique Fitness Franchises
- Great cross-over appeal for both men and women in the profession crowd.
- CycleBar, among other Boutique Fitness concepts, uses sophisticated algorithms to track the progress of their consumers. CycleBar's unique approach includes four key ingredients: Rider-specific performance data that can be tracked over-time online (CycleStats), a motivating environment that includes energy-enhancing video graphics and light shows, great instructors (called CycleStars), and lively music (the playlists are called Cycle Beats and can be downloaded online).



MANHATTAN
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How Boutique Fitness Uses Can Drive Sales

Current Sales Analysis – Talbots

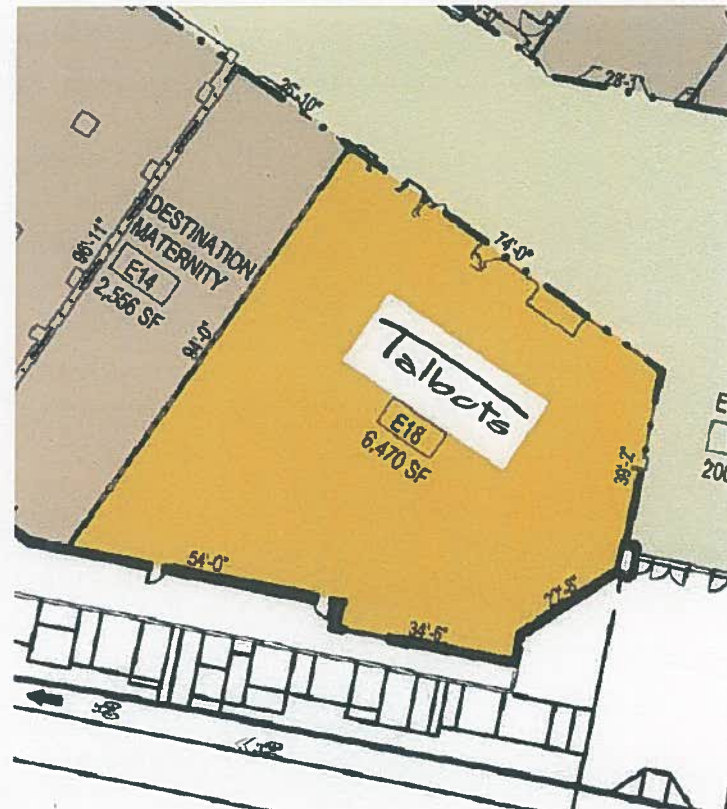
Talbots currently leases 6470 SF and in 2017 generated ~\$242 sales per foot (~\$1.56M)

Set to expire in February 2019, the Center has an opportunity to redemise the Talbot's space and activate the southern corner of the interior mall with higher sales production.

Talbots		6470 sf
Lease Expiration Date		February 1st, 2019
Historical Sales	EOY 2016	\$246 psf
	EOY 2017	\$242 psf
Revenue from 9.5% Sales Tax	EOY 2016	\$151,327
	EOY 2017	\$148,936



MANHATTAN
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How Boutique Fitness Uses Can Drive Sales

Prospective Sales Analysis – South Village

By demising the Talbot's space to include Boutique Fitness and a High-Profile Restaurant Tenant, sales tax revenue for that space is projected to more than double what Talbot's current generates.

A Food & Beverage Tenant such as Sweetgreen would generate \$1000+ in sales per foot (~\$3.2M +).

Talbot's currently yields ~\$148,940 in sales tax revenue, whereas a tenant alone like Sweetgreen would generate ~\$365,000 in sales tax revenue.

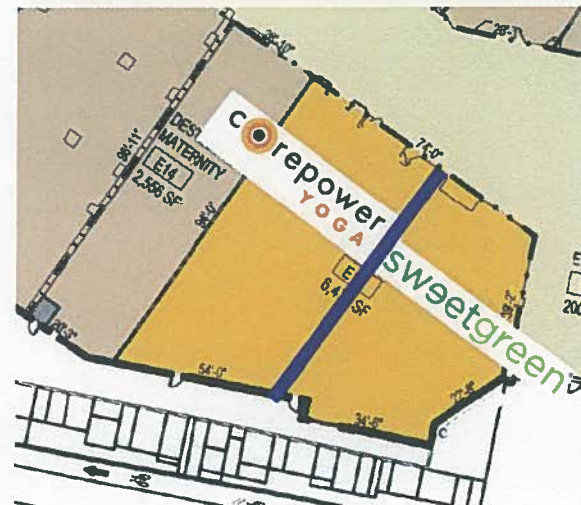
However in order attract Tenants such as Sweetgreen, Boutique Fitness uses are strongly desired.

Talbots		6470 sf
Lease Expiration Date	February 1st, 2019	
Historical Sales	EOY 2016	\$246.20 psf
	EOY 2017	\$242.31 psf
Revenue from 9.5% Sales Tax	EOY 2016	\$151,327
	EOY 2017	\$148,936

Sweetgreen		3200 sf
Prospective Sales	EOY 2020	\$1,000 psf
	EOY 2021	\$1,200 psf
Revenue from 9.5% Sales Tax	EOY 2020	\$304,000
	EOY 2021	\$364,800

Corepower Yoga		3200 sf
Prospective Retail Sales	EOY 2020	\$50 psf
	EOY 2021	\$75 psf
Revenue from 9.5% Sales Tax	EOY 2020	\$15,200 psf
	EOY 2021	\$22,800 psf

Total Revenue from 9.5% Sales Tax	EOY 2020	\$319,200
	EOY 2021	\$387,600



MANHATTAN
VILLAGE

Proposed Fitness Plan- South Village Shops & Mall

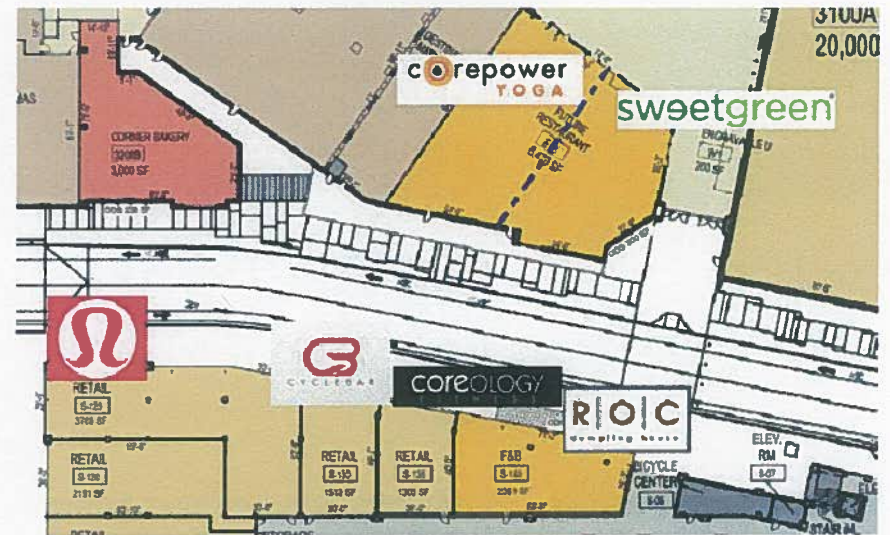
By having boutique fitness located in the South Village, the Center will be able to generate interest from maximum sales tenants.

Compared to the total square footage of the center, South Village boutique fitness would only constitute **7800 SF or 1.34%** of total GLA.

With the inclusion of fitness uses in Manhattan Village, the below example would be repeated throughout the entire project – maximum sales generating tenants instead of medium sales generating tenants.

The below financial chart illustrates a scenario in which the South Village **does not include** Boutique Fitness uses

Chipotle	3500 SF		
Prospective Sales	EOY 2020	\$500	psf
Revenue from Sales Tax		\$166,250	
Retail A	2300 SF		
Prospective Sales	EOY 2020	\$400	psf
Revenue from Sales Tax		\$87,400	
Retail B	2300 SF		
Prospective Sales	EOY 2020	\$400	psf
Revenue from Sales Tax		\$87,400	
Retail C	3000 SF		
Prospective Sales	EOY 2020	\$350	psf
Revenue from Sales Tax		\$99,750	
Total Sales Tax Revenue		~ \$440,800	



The below financial chart illustrates a scenario in which the Village **includes** Boutique Fitness uses

ROC	3500 SF		
Prospective Sales	EOY 2020	\$1,000	psf
Revenue from Sales Tax		\$332,500	
CycleBar	2300 SF		
Prospective Retail Sales	EOY 2020	\$75	psf
Revenue from Sales Tax		\$16,388	
Coreology	2300 SF		
Prospective Retail Sales	EOY 2020	\$50	psf
Revenue from Sales Tax		\$10,925	
Lululemon or similar	4500 SF		
Prospective Sales	EOY 2020	\$1,500	psf
Revenue from Sales Tax		\$641,250	
Total Sales Tax Revenue		~ \$1,001,063	

Existing Centers with Boutique Fitness

It is proven that Boutique Fitness is *critical criteria* for successful shopping centers.

Most Centers already use boutique fitness to assist in driving daily foot traffic and thus, brick-and-mortar sales.

For the Manhattan Village to compete with surrounding projects, the Center will need Boutique Fitness as a daily use anchor.

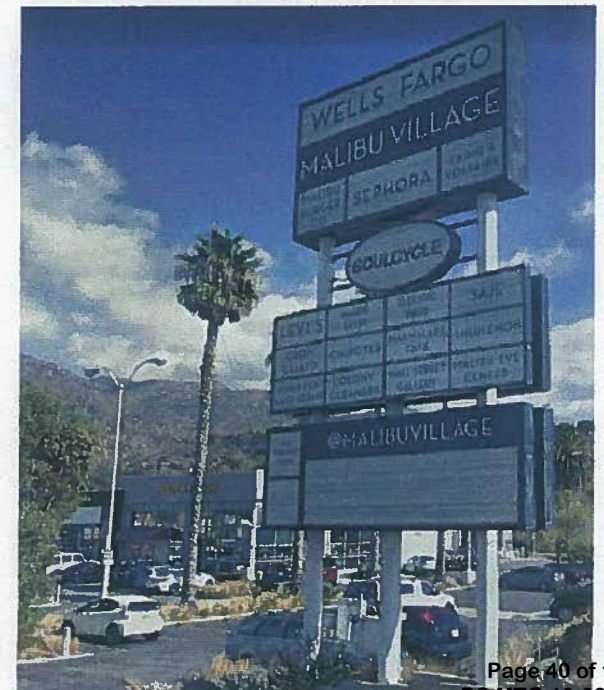
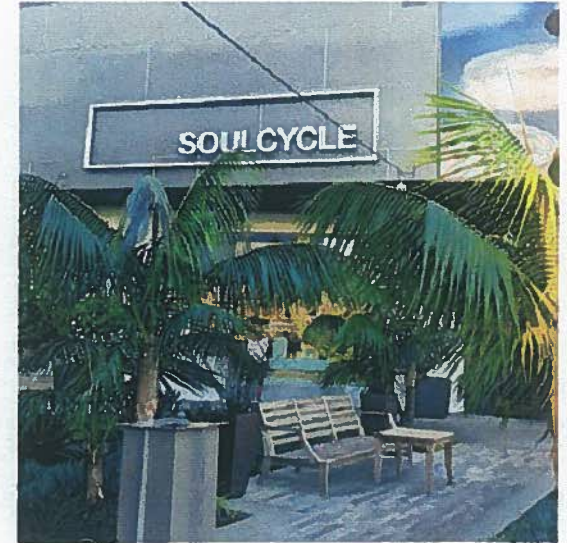
The following are just a few Shopping Centers out of many that have proven success with Boutique Fitness:

The Point El Segundo (SoulCycle)

El Segundo Plaza (YogaWorks, Barry's Bootcamp)

Redondo Shores Shopping Center (Purre Barre, Orangetheory)

Malibu Village (SoulCycle)

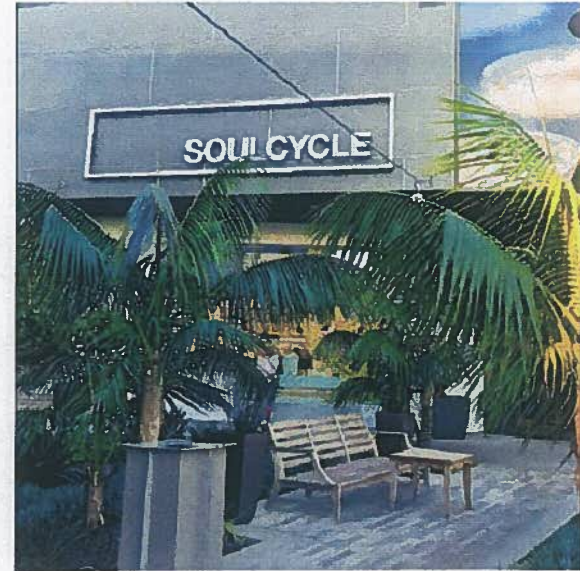


MANHATTAN
VILLAGE

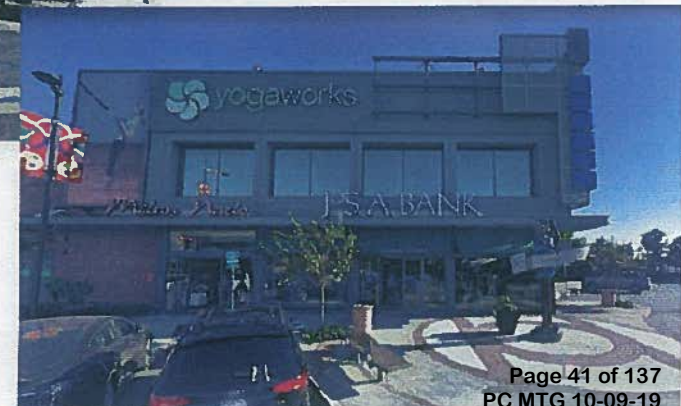
The Point El Segundo & El Segundo Plaza

Manhattan Village's closest comparable property is across the street.

Available to the public in 2015, The Point (115,000 SF) successfully used SoulCycle as an anchor to draw in maximum sales generating tenants such as Lululemon (\$10M+), Athleta, True Food (\$9M+), Mendocino Farms, North Italia, etc.



Further North, El Segundo Plaza utilized a similar strategy and leased space to two boutique fitness concepts; YogaWorks and Barry's Bootcamp. Surrounding these concepts in the eastern section of the center are two successful vegetarian concepts; Veggie Grill and Samosa House.



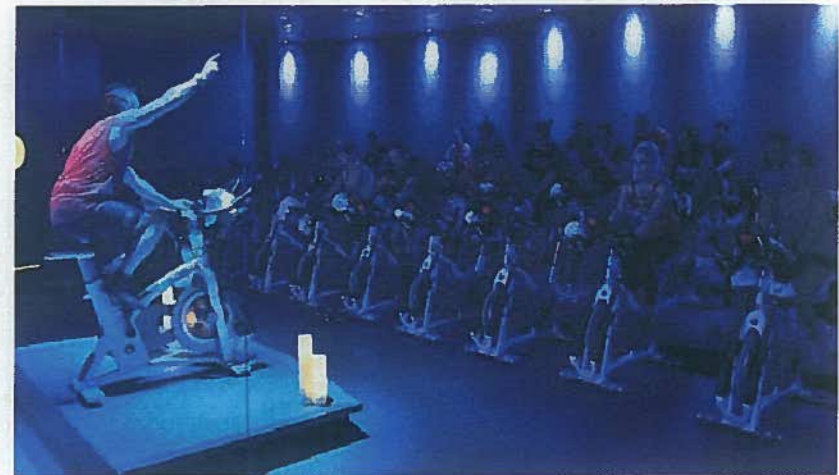
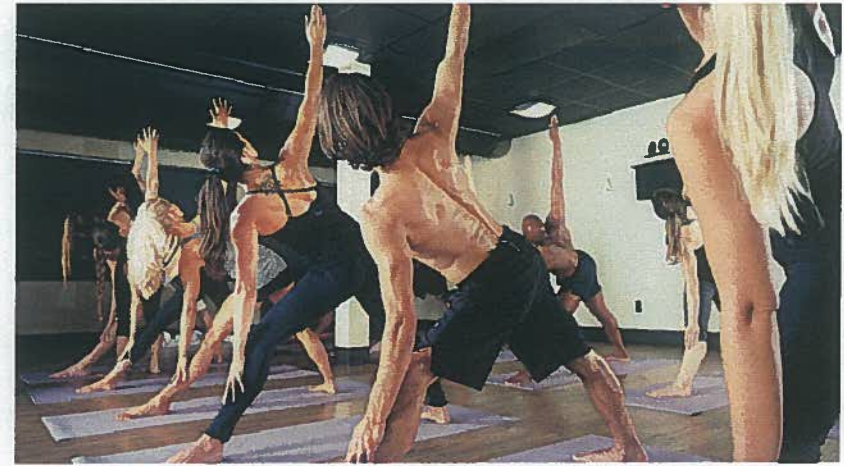
MANHATTAN
VILLAGE

Fitness is a Trend to Stand Behind

Boutique Fitness studios are remaking urban and dense suburban neighborhoods. Wellness now defines the character of many city blocks across the nation.

According to The Atlantic, California leads the nation in the sheer number of fitness instructors, with more than 30,000 in all. That's almost double the number of instructors than in each of the next five leading states.

Millennials are spending big on trendy places to sweat. Boutique fitness studios have become the only growth segment in an otherwise stagnant fitness industry, according to separate research reports from the Assn. of Fitness Studios, fitness technology firm Netpulse and financial services firm Stephens.



MANHATTAN
VILLAGE

Manhattan Beach Has Favorable Demographics



Manhattan Beach prides itself in being an athletic community.

41 years running, downtown Manhattan Beach closes its streets and opens them to the public for the annual Manhattan Beach 10K.

Manhattan Beach also hosts the annual 6-Man Beach Volleyball Tournament, as well as the AVP Manhattan Beach Open.

The South Bay is also home to many players who play for the LA Kings, LA Lakers, and LA Clippers organizations, whose practice facilities are close-by.



MANHATTAN
VILLAGE



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EXHIBIT D

CITY COUNCIL RESOLUTION NO. 14-0026

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL APPROVING A MASTER USE PERMIT AMENDMENT, HEIGHT VARIANCE, AND SIGN EXCEPTION/PROGRAM FOR THE REMODELING AND EXPANSION OF A PORTION OF THE MANHATTAN VILLAGE SHOPPING CENTER LOCATED AT 2600 THROUGH 3600 SEPULVEDA BOULEVARD AND 1220 ROSECRANS AVENUE (RREEF AMERICA REIT CORP BBB II)

THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES, DETERMINES AND FINDS AS FOLLOWS:

SECTION 1. On November 7, 2006, RREEF America Reit Corp BBB II ("RREEF" hereinafter) applied for land use entitlements for improvements (the "Project") to an 18.4-acre portion (the "site") of the 44-acre Manhattan Village shopping center ("Shopping Center") located at 3200 – 3600 North Sepulveda Boulevard, Manhattan Beach. RREEF seeks to: construct new retail and restaurant gross leasable area and three parking structures; reconfigure existing surface parking areas; and install signs to identify and advertise the businesses within Shopping Center. The Manhattan Beach Municipal Code ("MBMC" or "Code") requires an amendment to the existing Master Use Permit, a height variance, and an amendment/exception to the existing Master Sign Program to permit the application.

SECTION 2. The site is designated "Manhattan Village and General Commercial" in the Land Use Element of the City's General Plan and, with the exception of the 3.6 acres northwest corner, is zoned Community Commercial (CC). The subject property is surrounded by a mixture of commercial, residential and senior housing uses.

SECTION 3. Three property owners own a portion of the site: (a) 3500 Sepulveda LLC ("3500 Sepulveda" hereinafter) owns 0.7 acres where the Hacienda building is located; (b) Bullocks Properties Corp. ("Macy's" hereinafter) owns 1.9 acres where Macy's main department store is located; and (c) RREEF owns the balance of the site.

SECTION 4. Since 2006, RREEF and its team of consultants have met with neighbors, tenants, adjacent property owners, staff, and community leaders to review the proposed Project and to make revisions to address concerns, as well as the needs of a changing consumer market.

SECTION 5. After conducting duly noticed public hearings on the Project on June 27, 2012, October 3, 2012, March 13, 2013, April 24, 2013, May 22, 2013, June 26, 2013 and July 24, 2013, and requiring changes to the Project, the Planning Commission certified the EIR on June 26, 2013 and approved the Project, as modified by the Commission, on July 24, 2013.

SECTION 6. On August 6, 2013, 3500 Sepulveda appealed the Commission's approval of the Project, asserting that the Commission did not make "all of the required findings, the findings are not supported with sufficient evidence and the conditions of approval are insufficient." In addition, RREEF filed an "appeal in part" "to preserve administrative remedies related to specific "Conditions of Approval."

SECTION 7. On September 3, 10, and 17, October 8 and November 12, 2013, the City Council held duly noticed public hearings *de novo* to consider RREEF's application for an amendment to the existing Master Use Permit, a height variance, and amendment to the Master Sign program/sign exceptions. In addition, the Council held duly noticed public meetings on August 6, 2013 and January 14, 2014 to consider

the application. Evidence, both written and oral, was presented to the Council. All persons wishing to address the City Council regarding the Project were given an opportunity to do so at the public hearings. Representatives of RREEF and Macy's, residents and local business owners spoke in favor of the Project. Representatives of 3500 Sepulveda LLC and other persons spoke in opposition to the Project on various grounds.

SECTION 8. On January 14, 2014, the City Council provided another opportunity for representatives of RREEF and 3500 Sepulveda LLC, and all other interested persons, to comment on the Project. After providing that opportunity, the Council adopted a motion to direct staff to draft resolutions for the Council to consider certifying the Environmental Impact Report ("EIR") and approving Phases I and II of the proposed Project, subject to requiring:

- A. Coordination of Phases I and II to ensure that Macy's is consolidated.
- B. Elimination of 10,000 square feet from Phase 1.
- C. Redesign of the Phase I "North Parking Structure."
- D. Consolidation of Macy's prior to the issuance of building permits for Phase II.
- E. Submittal by Macy's of a commitment letter.
- F. Installation of the Cedar Way extension to Rosecrans Avenue as part of Phase II.
- G. Negotiations in good faith with Fry's so it remains on the site.
- H. Provision of a bond or other satisfactory security for traffic improvements.
- I. The architectural elements, details, water features, landscaping, hardscaping, and plaza to be similar to the concept renderings.
- J. Commissioning of an Oak Avenue traffic study for a cost not to exceed \$20,000.
- K. Compliance with all of the other conditions that were imposed and previously approved by the Planning Commission.

SECTION 9. In accordance with the Council's motion, RREEF refined and modified the Project and submitted revisions to the Project plans. Such revisions were attached to the May 20, 2014 staff report as Attachment 9. The matrix comparing (a) the Project as analyzed by the EIR to (b) the revisions to the plan reflecting the modifications and refinements requested by the Planning Commission and the City Council was attached to the May 20, 2014 staff report as Attachment 3.

SECTION 10. The City's independent environmental consultant Matrix Environmental ("Matrix") and independent traffic consultant Gibson Transportation Consulting, Inc. ("GTC") have reviewed the revisions to the plans. In close consultation with GTC, Matrix has prepared a comparative environmental analysis, entitled, "Analysis of Proposed Modifications to the Manhattan Village Shopping Center Improvement Project," dated April 2014 ("April 2014 Analysis"). Such analysis is in the Final EIR, Volume II. The analysis concluded that the refined and modified Project would not result in greater impacts than were identified for the Project as originally analyzed in the EIR, and that all of the potential environmental impacts associated with the proposed modifications are within the scope of the potential impacts already evaluated in the EIR. It also recommended that only two Mitigation Measures be modified due to the refinements and modifications. Thus, no new impacts have been identified; two mitigation measures have been slightly revised; and no new mitigation measures are required for implementation of the refined and modified Project.

SECTION 11. The City Council held a public hearing on April 29, 2014 to review the refinements and modifications to the Project, the April 2014 Analysis, the draft resolutions and the proposed conditions of approval. All persons wishing to address the City Council regarding the Project, including representatives of RREEF and 3500 Sepulveda, were given an opportunity to do so at the public hearing. The City Council invited public comment on, *inter alia*, the refined and modified Project, the draft resolutions and the draft conditions of approval. The City invited representatives

of 3500 Sepulveda to provide comments. Principal Mark Neumann and two attorneys spoke for over thirty minutes and presented two letters and a slide show presentation. Mr. Neumann emphasized that he was trying to protect 3500 Sepulveda's property rights. After the conclusion of the public testimony, the City Council closed the public testimony portion of the public hearing, and continued the hearing to May 20, 2014.

SECTION 12. On May 20, 2014, the City Council provided another opportunity for the public, including representatives of 3500 Sepulveda, to comment on the draft resolutions and the conditions attached to Resolution 14-0026. After the public provided comments, the Council made a motion to return with resolutions to certify the EIR and to approve the project, subject to all the conditions in the draft resolution and additional conditions.

SECTION 13. On December 2, 2014, the City Council provided another opportunity for the public, including representatives of 3500 Sepulveda to comment on the draft resolutions and the conditions attached to Resolution 14-0026. After that opportunity, the City Council adopted Resolution 14-0025, thereby: (1) certifying the Final EIR; (2) making findings in support thereof; and (3) adopting a Mitigation Monitoring and Reporting Program for the Project, as refined and modified. Resolution 14-0025 is hereby incorporated herein as if set forth in full.

SECTION 14. Based upon substantial evidence in the record of the above-mentioned proceedings and pursuant to Manhattan Beach Municipal Code ("MBMC") Section 10.84.060A, the City Council finds:

1. ***The proposed location of the use is in accord with the objectives of this title and the purposes of the district in which the site is located;***
 - a. The site is located within Area District II and, with the exception of the northwest corner described below, is zoned Community Commercial (CC). The purpose of the CC zoning district is to provide sites for planned commercial centers which contain a wide variety of commercial establishments, including businesses selling home furnishings, apparel, durable goods and specialty items generally having a city-wide market area. Support facilities such as entertainment and eating and drinking establishments are permitted, subject to certain limitations to avoid adverse effects on adjacent uses. The northwest corner of the site (3.6 Acres Fry's site) is zoned General Commercial (CG). The portion of the application relating to that corner is part of the proposed Phase III. The City is not approving Phase III at this time.
 - b. As described below, the Project is consistent with the purpose of the CC zone.
 - i. As conditioned to ensure the expansion of the anchor tenant spaces in Phase II and to promote the opportunity for an additional anchor tenant, the project will improve the viability of a wide variety of uses, such as retail, services, restaurants, grocery store, banks and offices will continue to be provided on the site.
 - ii. This wide variety of uses will expand the existing type of services already provided on the site, while providing more diversity and options for the customer.
 - iii. As conditioned to ensure the expansion of the anchor tenant spaces in Phase II and to promote the opportunity for an additional anchor tenant, the Project will aid in attracting and maintaining a diverse mix of high-quality tenants to provide a broad range of shopping and dining

options with enhanced amenities to serve the needs of the community and ensure the continued success of the shopping center.

- iv. Bars, convenience stores, gyms, liquor stores and similar uses will not be allowed as the traffic and/or parking demands for those uses would exceed the on-site capacity, which could cause adverse impacts on adjacent uses and the surrounding street systems.
 - v. Restaurants (eating and drinking establishments) will be limited in square footage. Exceeding 89,000 square feet will increase the parking demand and will exceed the on-site capacity, which could cause adverse impacts on adjacent uses and the surrounding street systems. Thus, the maximum amount of square footage allowed for restaurant uses is 89,000 square feet.
 - vi. Medical and Dental offices will be limited in square footage. Exceeding 28,800 square feet (7,000 square feet above the existing square footage) would increase the parking demand and would exceed the on-site capacity, which could cause adverse impacts on the site, adjacent uses and the surrounding street systems. Thus, the maximum amount of square footage allowed for medical and dental offices is 28,800 square feet.
- c. As described below, the proposed location is consistent with the purposes of the Commercial Districts, as stated in MBMC Section 10.16.010.
- i. ***One of the purposes of the Commercial Districts is to provide appropriately located areas consistent with the General Plan for a full range of office, retail commercial, and service commercial uses needed by residents of, and visitors to, the City and region.*** Given the combination of uses expected to be included in the Project, including expanded commercial center anchor tenants, high-end retail, and restaurant uses, the Project will continue to provide a full range of office, retail, service and other commercial uses on the site, and will expand those commercial opportunities. The proposed Project provides commercial opportunities for residents and visitors to the City, while also enhancing connections to the existing infrastructure such as the extension of Cedar Way.
 - ii. ***One of the purposes of the Commercial Districts is to strengthen the City's economic base, but also protect small businesses that serve City residents.*** As conditioned to ensure the expansion of anchor tenant space and to promote the opportunity for an additional anchor tenant by consolidating the Macy's retail operation, the project will not be limited to the development of a smaller scale outdoor shopping experience that might compete with small businesses in the downtown commercial area. With the conditions to promote development of Phase II of the project, the project will maintain and enhance its character as a planned commercial center that offers a different and complementary shopping experience to downtown and therefore the project, as conditioned, protects small

businesses that serve City residents. Without the conditions to ensure Phase II is constructed, the City Council could not make this finding.

- iii. Due to the scale of the development, there is also an opportunity for retailers and other commercial users that require larger spaces which cannot be provided in the other smaller scale commercial areas in town. These retail uses will be encouraged by improving the strength of the anchor tenants as proposed in Phase II of the Project. Small businesses will continue to be provided in Downtown, the North End and other commercial areas with smaller sites. By improving the shopping experience, the enhanced shopping center is expected to strengthen the local economy and generate increased sales tax revenue.
- iv. ***The purpose of the Commercial Districts also include the creation of suitable environments for various types of commercial and compatible residential uses, the protection of those uses from the adverse effects of inharmonious uses, and the minimization of impacts of commercial development on adjacent residential districts.*** As conditioned to ensure the expansion of the anchor tenant spaces in Phase II and to promote the opportunity for an additional anchor tenant, the project promotes the maintenance of a suitable environment for a planned commercial center that does not exist elsewhere in Manhattan Beach. There are no residential uses on the site. In addition, the residential uses in close proximity are protected with conditions related to traffic and circulation, parking, lighting, landscaping, land uses, and building scale and design. For example, the height of the above-grade parking lots has been scaled back and will be buffered by mature landscaping. In addition, the circulation plan encourages traffic to enter and exit from Rosecrans and Sepulveda. The Project's pedestrian and bicycle improvements will create improved linkages internally and to the surrounding community.
- v. ***One of the purposes of the Commercial Districts is to ensure that the appearance and effects of commercial buildings and uses are harmonious with the character of the area in which they are located.*** The architectural style and design features will be compatible with the existing shopping center site, because the proposed additions are intended to mesh seamlessly with existing structures while also updating the aesthetic by providing contemporary architecture. The buildings are consistent in height with the existing buildings, and the parking structures are architecturally designed to reflect the rhythm and design features of the commercial buildings. The design also seeks to minimize the scale of the buildings to fit the scale of the surrounding area.
- vi. ***One of the purposes of the Commercial Districts is to ensure the provision of adequate off-street parking and loading facilities.*** The Project will provide parking at a ratio of 4.1 spaces per 1,000 square feet consistent with the parking demand study, based on the mix of uses on the site. Uses with high parking demand will be limited in square footage (restaurants and Medical/Dental offices)

and some uses will be prohibited due to the high parking demand (gyms, trade schools, liquor stores, etc.). Loading facilities shall be located in close proximity to stores, and shall be adequate in size and number.

- d. The proposed Project and future tenant improvements to the remainder of the site will be consistent with each of the eleven development criteria outlined in the Sepulveda Boulevard Development Guide, as conditioned, specifically:
 - i. **Reciprocal Access**—Circulation within and off the shopping center site, including vehicular, bicycle, pedestrian and transit will be integrated and connected.
 - ii. **Right-turn Pockets**—Right-turn pockets shall be provided internally throughout the shopping center site. Dedication on Sepulveda Boulevard near Rosecrans Avenue will bring the area up to current ADA and other standards, improve pedestrian circulation, provide an improved deceleration lane per Caltrans requirements for the possible retention of the Fry's Sepulveda Boulevard driveway (3600 Sepulveda Blvd) as a right-turn entry only, provide for a right-turn/deceleration lane at 33rd Street, and allow the future Sepulveda bridge widening to function effectively.
 - iii. **Driveway Throats**—Driveway throats will minimize traffic and circulation impacts to Sepulveda Boulevard and allow the bridge widening to function effectively, Sepulveda Blvd driveway access will be modified on the Fry's site.
 - iv. **Sidewalk Dedication**—Sidewalk dedication and related improvements on Sepulveda Boulevard will bring the area up to current ADA and other standards and improve pedestrian circulation.
 - v. **Building Orientation**—The Sepulveda Boulevard and Rosecrans Avenue other improvements will be designed as an architectural entry statement to emphasize the importance of this key corner Gateway into the City.
 - vi. **Visual Aesthetics**—Review of architectural plans is required, including material boards, samples, renderings, and assurance that there is a high quality of design and materials as reflected in the concept plans. The site plan and layout of the buildings and parking structures provide landscaping and architectural features along Sepulveda Boulevard.
 - vii. **Residential Nuisances**—Residential nuisances will be minimized through Project design and conditions related to lighting, landscaping, traffic, multi-modal transportation, design, and allowed land uses.
 - viii. **Pedestrian Access**—Pedestrian access will be encouraged with strong on- and off-site linkages, a

network that connects to transit, under the Sepulveda bridge, as well as a village pedestrian-oriented design.

- ix. **Landscaping**—Mature shade trees and other landscaping will soften and complement the buildings, provide shade for parking, and screen, buffer and soften uses.
- x. **Signs**—There shall be no harsh light, blinking, moving, or flashing signs, consistent with the scale of the development, comprehensive site-wide consistent plan, complementary to the site and building architecture, and removal of obsolete and outdated pole signs.
- xi. **Utility Undergrounding**—Utility undergrounding will be required for all new construction.

2. ***The proposed location of the use and the proposed conditions under which it would be operated or maintained will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed Project site or in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the city;***

- a. The Project is consistent with the following Goals and Policies of the General Plan: A summary of the reasons for consistency are provided for each of the five categories.

Land Use

The primary purpose of the project is to improve the site to support the remodeling and upgrading needs of businesses within the regional serving commercial center and maintain its viability. As conditioned to ensure the expansion of the anchor tenant spaces in Phase II and to promote the opportunity for an additional anchor tenant, the project ensures that the Shopping Center will maintain its viability as a regional serving shopping district pursuant to General Plan Land Use Goal 8 and, as conditioned to promote the expansion of the anchor tenants, the project will preserve and enhance the features of a planned commercial center, thereby preserving the unique features of this commercial neighborhood and not intruding on the unique features of other commercial neighborhoods.

The MVSC enhancements will also provide visually interesting architecture, constructed with quality materials that facilitate a diverse mix of uses and services that residents and patrons can enjoy year round. The buildings and open spaces are designed to create hubs of activity that are mindful of resource usage such as landscape placement and create community gathering places worthy of Manhattan Beach.

Design and operational project components regarding noise, lighting, signage, odors, parking, architectural articulation, and circulation are consistent with the Sepulveda Development Guide and are either a part of the project description or the subject of conditions of approval to limit any potential impacts.

The design of the shopping center utilizes buffer zones, appropriately located uses, and smart site planning to ensure compatibility with surrounding land uses. Buildings are clustered together to create pedestrian-dominant areas with private landscaped open space and parking decks have been distributed to provide parking adjacent to uses allowing patrons to park once and walk to multiple destinations. The shopping center expansion has been designed to provide a wide range of lease depths, square footages, and locations to encourage both national retailers as well as local business owners to locate within the Project. Enhanced bike and pedestrian paths are proposed to encourage alternative transportation and clearly delineate their respective areas and alert vehicles that they are sharing the roads.

- Policy LU-1.2: Require the design of all new construction to utilize notches, balconies, rooflines, open space, setbacks, landscaping, or other architectural details to reduce the bulk of buildings and to add visual interest to the streetscape.
- Goal LU-2: Encourage the provision and retention of private landscaped open space.
- Goal LU-2.3: Protect existing mature trees throughout the City, and encourage their replacement with specimen trees whenever they are lost or removed.
- Goal LU-3: Achieve a strong, positive community aesthetic.
- Policy LU-3.1: Continue to encourage quality design in all new construction.
- Policy LU-3.2: Promote the use of adopted design guidelines for new construction in Downtown, along Sepulveda Boulevard, and other areas to which guidelines apply.
- Goal LU-4: Preserve the features of each community neighborhood, and develop solutions tailored to each neighborhood's unique characteristics.
- Goal LU-6: Maintain the viability of the commercial areas of Manhattan Beach.
- Policy LU-6.2: Encourage a diverse mix of businesses that support the local tax base, are beneficial to residents, and support the economic needs of the community.
- Policy LU-6.3: Recognize the need for a variety of commercial development types and designate areas appropriate for each. Encourage development proposals that meet the intent of these designations.
- Goal LU-8: Maintain Sepulveda Boulevard, Rosecrans Avenue, and the commercial areas of Manhattan Village as regional-serving commercial districts.
- Policy LU-8.2: Support the remodeling and upgrading needs of businesses as appropriate within these regional serving commercial districts.

Infrastructure

The Project includes significant upgrades to either maintain or improve the supporting infrastructure and utility systems and provides solutions that: facilitate circulation for pedestrians, bicyclists, mass transit riders and cars; treat storm water run-off on-site to the degree feasible; and manage the frequency and location of cars and service trucks during both construction and operation of the shopping center.

A significant number of on- and off-site improvements will result in significantly improved on- and off-site traffic circulation and parking. The project unites the Fry's and other shopping center parcels and improves traffic circulation for cars, bikes and pedestrians. Caltrans has been consulted to coordinate the Sepulveda bridge widening project.

Bio-filtration will be used to avoid potential contamination of run-off due to the

existence of the underlying hydrocarbon contamination and achieve clean storm water run-off prior to reaching the public storm drain system.

The shopping center site currently exceeds the code minimum percentage of landscape and the proposed Project will also provide a higher percentage than required.

Best Management Practices (BMPs) will be used during construction to reduce soil loss, sedimentation and dust/particulate matter air pollution. The Construction Parking Plan will take into account parking for patrons, employees as well as construction vehicles and construction buffer areas. Parking counts will be monitored to ensure appropriate ratios are maintained throughout all phases of construction.

- Goal I-1 Provide a balanced transportation system that allows the safe and efficient movement of people, goods and services throughout the City.
- Policy I-1.9: Require property owners, at the time of new construction or substantial remodeling, dedicate land for roadway or other public improvements, as appropriate and warranted by the Project.
- Policy I-1.12: Monitor and minimize traffic issues associated with construction activities.
- Policy I-2.4: Require additional traffic lanes and/or other traffic improvements for ingress and egress for new development along arterials where necessary for traffic and safety reasons.
- Policy I-2.7: Monitor and minimize traffic issues associated with construction activities.
- Goal I-3: Ensure that adequate parking and loading facilities are available to support both residential and commercial needs.
- Policy I-3.4: Review development proposals to ensure potential adverse parking impacts are minimized or avoided.
- Policy I-3.5: Encourage joint-use and off-site parking where appropriate.
- Policy I-3.8: Monitor and minimize parking issues associated with construction activities.
- Goal I-4: Protect residential neighborhoods from the adverse impacts of traffic and parking of adjacent non-residential uses.
- Policy I-4.2: Carefully review commercial development proposals with regard to planned ingress/egress, and enforce restrictions as approved.
- Policy I-4.3: Encourage provision of on-site parking for employees.
- Policy I-4.4: Ensure that required parking and loading spaces are available and maintained for parking.
- Goal I-6: Create well-marked pedestrian and bicycle networks that facilitate these modes of circulation.
- Policy I-6.6: Incorporate bikeways and pedestrian ways as part of the City's circulation system where safe and appropriate to do so.
- Policy I-6.7: Encourage features that accommodate the use of bicycles in the design of new development, as appropriate.
- Policy I-7.2: Ensure that all new development or expansion of existing facilities bears the cost of providing adequate water service to meet the increased demand which it generates.
- Policy I-8.2: Ensure that all new development or expansion of existing facilities bears the cost of expanding the sewage disposal system to handle the increased load, which they are expected to handle.
- Goal I-9: Maintain a storm drainage system that adequately protects the health and safety and property of Manhattan Beach residents.
- Policy I-9.2: Evaluate the impact of all new development and expansion of existing facilities on storm runoff, and ensure that the cost of upgrading existing drainage facilities to handle the additional runoff is paid for by the development which generates it.
- Policy I-9.3: Support the use of storm water runoff control measures that are

effective and economically feasible.

Policy I-9.4: Encourage the use of site and landscape designs that minimize surface runoff by minimizing the use of concrete and maximizing the use of permeable surface materials.

Policy I-9.5: Support appropriate storm water pollution mitigation measures.

Community Resources

RREEF has committed to build the project to a U.S. Green Building Council Leadership in Energy and Environmental Design (LEED) Silver standard, or equivalent, as required by the Municipal Code. Protection and enhancement of existing landscape and mature trees is a part of the project description. Extensive outreach has resulted in the proposed enhancement and promotion of alternative transportation to and from the shopping center site.

Additional sustainable and energy-efficient project components include potable water use reduction of at least 20%, Electrical Vehicle (EV) charging stations, reduction in the use of utilities, and minimized generation of non recyclable waste.

Policy CR-4: Preserve the existing landscape resources in the City, and encourage the provision of additional landscaping.

Policy CR-4.1: Protect existing mature trees throughout the City and encourage their replacement with specimen trees whenever they are lost or removed.

Policy CR-4.3: Recognize that landscaping, and particularly trees, provide valuable protection against air pollution, noise, soil erosion, excessive heat, and water runoff, and that they promote a healthy environment.

Policy CR-4.5: Discourage the reduction of landscaped open space and especially the removal of trees from public and private land.

Policy CR-5.1: Employ principles of a sustainable environment in the development, operation, and maintenance of the community, emphasizing the importance of respecting and conserving the natural resources.

Policy CR-5.3: Encourage water conservation, including landscaping with drought-tolerant plants, use of reclaimed water, and recycling of cooling system water, in all development.

Policy CR-5.7: Encourage the use of energy-saving designs and devices in all new construction and reconstruction.

Policy CR-5.8: Encourage utilization of "green" approaches to building design and construction, including use of environmentally friendly interior improvements.

Policy CR-5.10: Encourage and support the use of alternative fuel vehicles, including support of charging or "fueling" facilities.

Policy CR-5.11: Support sustainable building practices.

Policy CR-6.1: Encourage alternative modes of transportation, such as walking, biking, and public transportation, to reduce emissions associated with automobile use.

Policy CR-6.2: Encourage the expansion and retention of local serving retail businesses (e.g., restaurants, family medical offices, drug stores) to reduce the number and length of automobile trips to comparable services located in other jurisdictions.

Community Safety

Providing enhanced safety for shoppers and employees is a high priority for the Project. RREEF will continue to utilize its own private security force that works closely with the City Police Department. Regular patrols will continue, and will be

tailored to the new improvements.

Security cameras shall be installed throughout each of the new parking structures and the surface parking lots for added security and crime prevention. As conditioned, RREEF shall: (1) comply with City Fire Department requirements to insure that bridge heights, building heights and roadway widths allow emergency vehicle access safely throughout the Project site; and (2) provide adequate water distribution and ensure supply facilities have adequate capacity and reliability to supply both everyday and emergency fire-fighting needs. Response times for both Police and Fire will continue to meet or exceed current levels.

- Policy CS-1.3: Ensure that public and private water distribution and supply facilities have adequate capacity and reliability to supply both everyday and emergency fire-fighting needs.
- Policy CS-3: Maintain a high level of City emergency response services.
- Policy CS-3.7: Support the use of the best available equipment and facilities to ensure safety that meets the changing needs of the community.
- Policy CS-3.10: Strive to reduce emergency response time.
- Policy CS-4: Maintain a high level of police protection services.
- Policy CS-4.6: Support proactive measures to enhance public safety, such as use of increased foot or bicycle police patrols.
- Policy CS-4.7: Strive to reduce police response time.

Noise Element

Measures are included to insure no unmitigated construction or operational impacts on surrounding commercial and residential receptors. Construction hours are limited, and construction is phased to minimize synergistic noise that could exceed codified standards. Buildings to be constructed along major arterials will be designed to meet reasonable interior noise levels.

Policy N-2.5: Require that the potential for noise be considered when approving new development to reduce the possibility of adverse effects related to noise generated by new development, as well as impacts from surrounding noise generators on the new development.

Policy N-3.6: Monitor and minimize noise impacts associated with construction activities on residential neighborhoods.

- b. The proposed location of the improvements and the proposed conditions under which it will be operated and maintained will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed Project site or in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City because:
 - i. The Project, as conditioned, including the construction and the on-going physical and operational upgrades associated with tenant improvements and redevelopment across the entire shopping center site, has been designed to minimize impacts to neighboring uses. The conditions of approval for the Project will ensure that the Project is not detrimental to persons or property.
 - ii. The features incorporated into the Project will ensure that there are no detrimental impacts. Such features include appropriate scale, layout, massing, articulation, height,

architectural design and details of the buildings, parking structures, lighting design, signage design, LEED sustainability features, as well as pedestrian, bike, and transit linkages all of which are intended to ensure compatibility with surrounding uses.

- iii. Green-building components addressing water conservation, increased energy efficiency, and pollution reduction are included in the Project description. LEED silver construction will be required.
- iv. The Project conditions will ensure that there are no detrimental impacts as a result of the following: lighting modifications, removal of obsolete pole signs, reduction of visual impact of parking structures, Project phasing, architectural detail review, land use compatibility, alcohol service and square footage limits, fire emergency response upgrades, improved security features, improved on- and off-site pedestrian, bike and transit linkages, parking management programs, traffic, parking and circulation improvements, trash enclosures improvements, and utility upgrades.
- v. The Project conditions will also ensure that there are no detrimental impacts through off-site improvements to the surrounding roadway network as the Project is surrounded on all three sides by arterial streets, including Sepulveda Boulevard and Rosecrans Avenue, the largest arterials in the City. Providing roadway dedication, improvements, and fair-share contributions will improve the regional roadway networks surrounding and servicing the Project site. The improvements will enhance safety, better accommodate emergency vehicles, improve flow of traffic, and improve the regional transportation network on surrounding arterials.
- vi. The conditions will be consistent with General Plan Infrastructure Goals and Policies that require the following:
 - Provision of a balanced transportation system that allows the safe and efficient movement of people, goods, and services throughout the City;
 - Dedication of land for roadway or other public improvements by property owners at the time of new construction or substantial remodeling, as appropriate and warranted by the Project;
 - Upgrade of all major intersections and arterial streets to keep traffic moving efficiently;
 - Addition of traffic lanes and/or other traffic improvements for ingress to and egress from new developments along arterials, where necessary, for traffic and safety reasons;
 - Coordinate with the neighboring cities and regional and sub-regional agencies to widen and upgrade all major intersections and associated street segments within the City and adjacent jurisdictions to optimize traffic flows.

3. The proposed use will comply with the provisions of Manhattan Beach Municipal Code Title 10, including any specific condition

required for the proposed use in the district in which it would be located.

- a. Existing and proposed improvements within the site are, or will be, developed in accordance with the purpose and standards of the CC Zoning District. A variety of retail, restaurant, office, and specialty uses exist and are proposed to continue. Parking and landscaping will be provided at a rate above that required by the Municipal Code.
- b. A variety of commercial uses will be allowed, but limitations and prohibitions will be placed on certain uses to ensure that the Project complies with the intent and purpose of the Code.
- c. The Project and future improvements to the shopping center site will be consistent with each of the eleven Sepulveda Boulevard Development Guide development criteria, as previously outlined in this Resolution.
- d. Conditions of approval, including specifically conditions to ensure the construction of Phase II, which will include the expansion of anchor tenants, will ensure consistency with Municipal Code Section 10.16.010 that provides that the CC zone shall be for planned commercial centers and that entertainment and eating and drinking facilities shall be for support, not primary uses.

4. The proposed use will not adversely impact nor be adversely impacted by nearby properties. Potential impacts are related but not necessarily limited to: traffic, parking, noise, vibration, odors, resident security and personal safety, and aesthetics, or create demands exceeding the capacity of public services and facilities which cannot be mitigated.

- a. The Project will not result in adverse impacts to nearby properties because the Project, as conditioned herein, will be sensitive to nearby properties with respect to aesthetic design, site planning, building layout, and parking structures.
- b. The conditions of approval related to traffic, parking, noise, security, landscaping, lighting, signage, utilities, and other provisions will ensure that the Project will not adversely impact nearby properties.
- c. The Project will not be adversely impacted by nearby properties, as the surrounding land uses are commercial and residential and will not impact the site. The industrial land use – i.e., the Chevron Refinery in the City of El Segundo to the northwest of the site – is separated by two major arterial streets (Sepulveda Boulevard and Rosecrans Avenue) as well as a large landscaped berm. These features address any potential adverse impacts.
- d. Proposed lighting will produce minimal off-site illumination onto nearby residential properties while still accomplishing the goals of enhancing security, pedestrian and vehicular path of travel, and parking space illumination. Residentially-zoned properties are located more than 250 feet to the south and east of the nearest proposed parking deck light source. Residences to the west of Sepulveda Boulevard are approximately 200 feet from existing or proposed lighting in the Project area. Lighting also will be screened by mature vegetation, oblique orientation of buildings, light standards, LED fixtures with shielding and direct (not

dispersed) lighting patterns, as well as screening by existing buildings. Buffering also is achieved by the difference in ground elevation relative to the nearest residential properties. Project lighting is consistent with the Code standards which regulate lighting. Thus, the Project will not adversely impact, nor be adversely impacted by, nearby properties.

SECTION 14. RREEF has applied for a variance to permit certain structures in the Project to exceed the maximum height of 30 feet by a range of 2 to 26 feet (for required equipment). The Village shops buildings are proposed to be up to 32 feet in height and the Macy's Expansion building is proposed to be 42 feet in height to match and to maintain consistency with the height of the existing buildings that were entitled by a previous height variance. The South Parking Structure is proposed to be 26 feet high, with architectural features up to 32 feet, but it will not exceed the height of the surrounding buildings. The maximum height for the Northeast Parking Structure is 35 feet. The North Parking Structure will not exceed G+2 in height. Mechanical, elevator overruns, architectural features, parapets, and light fixtures on top of the parking structures are proposed to exceed the height limits, including the Building Safety required elevator overruns at up to 56 feet in height and the lights on top of the parking structures at 15 feet over the height of the top level of the parking decks. Based upon substantial evidence in the record and pursuant to MBMC Section 10.84.060B, the City Council finds:

1. ***Because of special circumstances or conditions applicable to the subject property—including topography, soil conditions, size, shape, location or surroundings—the strict application of height standards in the zoning ordinance deprives such property of privileges enjoyed by other property in the vicinity and under the same zoning and would result in undue hardships upon the owner of the property.***
 - a. The site has numerous special circumstances or conditions that would deprive the site of privileges enjoyed by other properties in the vicinity. The site is the largest commercial site in the City and suffers from severe topographic variation. The site is bisected by a deep culvert which presents design challenges in creating a unified development. The properties immediately to the east contain skyscrapers with heights that eclipse the height of the proposed Project. The existing buildings on the properties owned by 3500 Sepulveda and Macy's enjoy a height equal to or higher than the heights requested by RREEF.
 - b. The exceptional topographic variation deprives RREEF of the opportunity to integrate the new buildings into the site because the measurement of height is not made from grade adjacent to the building, but instead from a plane defined by the average elevation of the four corners of the site. Thus, due to the large size of the site and unlike any other property in the city, the allowable height of buildings is influenced by the elevation of grade that may be significantly lower and significantly different than the grade adjacent to the building. The existing buildings in the shopping center already exceed the height limit. Additionally, the Macy's expansion adds onto a building that exceeds the height limit and needs to match the height and floor plates of the existing two-story building.
 - c. The hydrocarbon soil contamination on the site limits the ability to construct subterranean space. Thus, the soil conditions deprive the property owner of the opportunity to develop below grade. Additional height compensates for the soil conditions by allowing

the property owner to develop above grade in order to receive the same privileges as property owners without similar soil conditions.

- d. In light of the topographic fluctuations, and the soil contamination, there are special circumstances and conditions on this property that would result in exceptional difficulties and hardships if the City were to apply the height restriction strictly.

2. *The relief may be granted without substantial detriment to the public good; without substantial impairment of affected natural resources; and not be detrimental or injurious to property or improvements in the vicinity of the development site, or to the public health, safety or general welfare; and*

- a. The granting of the variance to allow additional building height will not obstruct views from surrounding properties and is generally consistent with the height and massing of the existing shopping center structures.
- b. The site is situated in an area of the City that is fully developed and relatively devoid of natural resources. Project improvements will be conditioned to: meet LEED silver standards; include shade trees and electric vehicle charging facilities to increase energy efficiency; and protect natural resources by including storm water management measures. Most importantly, the height variance will not affect natural resources.
- c. The proposed height variance would not be detrimental or injurious to properties or improvements in the vicinity because the shade/shadow and visual impacts of the Project have been analyzed and will not have aesthetic impacts. The landscaping, screening, and architectural features have been designed to minimize visual impacts. Additionally, the rolling topography of Sepulveda Boulevard, Rosecrans Avenue, and Marine Avenue alleviates adverse impacts generally seen with increased building heights.
- d. The buildings over the height limit have relatively large setbacks from adjacent land uses, are adjacent to major arterial roadways, and will not create adverse light, shadow or massing impacts.
- e. The proposed structures that exceed the Code's height standards are setback more than 180 feet from Sepulveda Boulevard. The row of existing buildings between Sepulveda Boulevard and the proposed structures exceed the height limit. The proposed addition for the purpose of consolidating Macy's is more than 500 feet from Sepulveda Boulevard. All proposed buildings are more than 900 feet from Marine Avenue. The proposed Northeast Parking Structure will be the same height as the existing Medical building at 1220 Rosecrans, immediately adjacent to the east, is setback approximately 20 to 30 feet from Rosecrans Avenue, and the frontage on Rosecrans Avenue is limited and consistent with the surrounding buildings' mass, scale and height.
- f. The proposed heights of the proposed buildings are similar to existing heights of the Macy's and main mall buildings. The only features that exceed existing heights are a few 56-foot elevator overruns which have relatively small mass in comparison to the rest of each structure.

- g. The high quality of design will attract new tenants and maintain a diverse and quality mix of tenants. It is not reasonably feasible to accomplish the Project without increasing the height envelopes of new development. Without these increases in the height envelopes, it is difficult to re-orient key parking, maintain or enhance vehicular, pedestrian and bicycle circulation, provide significant new landscaping, plaza areas, open space and upgrade the overall site. The additional height needed for the expansion Project is integral to the continuing improvement of the shopping center. Therefore, allowing the additional height will not result in substantial detriment to the public good, public health, safety or general welfare.

3. *Granting the variance is consistent with the purposes of the Zoning Code and will not constitute a grant of special privilege inconsistent with limitations on other properties in the vicinity and in the same zoning district and area district. Further, conditions have been imposed as will assure that the adjustment hereby authorized shall not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity.*

- a. The additional height needed for the Project is integral to the continuing improvement of the mall in order to fulfill the purposes of the CC zone. The height is necessary to accommodate attractive architecture, fluid circulation, and diverse commercial land uses, with adequate parking. As conditioned to require the construction of Phase II, the proposed Project enhances the ability and willingness for anchor tenants to remain on the site and expand the existing uses, which is consistent with the purpose of providing quality commercial uses in the area. Thus, granting the height variance is consistent with the purposes of the City's zoning code. As conditioned, granting the height variance will not constitute a grant of special privileges because the property is zoned to accommodate a planned commercial center that is regional in nature.

SECTION 15. RREEF applied for a Sign Exception/Sign Program for all phases of the project to amend the 2002 Mall Master Sign Program as well as the separate 1991 Fry's sign approval, to reflect and correspond to expansion of the Shopping Center's street frontage through the addition of the Fry's parcel, the addition of new buildings and parking structures, and installation/updating of existing monument, pole, and wall signs, temporary, directional, and project banner signs, and a City "Gateway" Element sign at Sepulveda and Rosecrans. As noted below, this Resolution does not approve the signs proposed for Phase III, except as specifically mentioned in the conditions of approval hereinafter. Specifically, RREEF requested:

a) Maximum square footage increase- An increase in the maximum square footage of allowed signage. Currently there is 7,600 SF of signage on the site, the Code allows 5,100 square feet of signage (based on the total frontage of 5,100 lineal feet) and RREEF requested an additional 1,900 square feet above the existing for a total of 9,500 square feet of signage;

b) Multiple pole signs- Eight total pole signs proposed while there are seven existing (four to remain and three to be replaced) plus one new pole sign on the 3500 Sepulveda (Hacienda Building) site, for all three Phases. The three new signs would replace the Fry's signs and generally be consistent with the existing 2002 approved site signs, multi-tenant plus project identification. Two proposed with 60 square feet of signage per side, 240 square feet each (per Code calculations) up to 15'-6" tall, and one at the corner of Sepulveda and Rosecrans up to 30 feet tall with 96 square feet of signage per side, 384 square feet each (per Code calculations). The Code allows only

one pole sign, 150 square foot maximum, up to 30 feet tall in lieu of monument/wall/awning signs;

c) Non-Department store anchor wall signs- Up to 200 square feet in size each proposed, with no more than 2 signs per tenant and no more than 2 square feet of signage per linear foot of store frontage. The Code limits the signs to a maximum of 150 square feet in area and no more than 2 square feet of signage per linear foot of store frontage;

d) Signs over 150 square feet to remain- Allow Macy's, CVS and Ralphs to remain over the 150 square foot limit, consistent with prior approvals;

e) Tenant wall signs on parking structures- Allow signs facing Sepulveda, Rosecrans and Marine, to a maximum of 60 square feet each, while the Code does not permit signs on parking structures as they are not located on a business;

f) Monument signs-Allow 13 existing and 5 new monument signs up to 6 feet tall each. No exception needed for the number and height, just the overall site sign square footage;

g) Project identification signs- Allow additional project identification signs on the buildings, while the current approval only allows two at the enclosed Mall entrances and the Code allows none;

h) Directional wall signs on parking structures- Allow wall signs on the parking structures, one at each vehicular entry, without project identification, while the Code does not permit signs on parking structures as they are not located on a business;

i) Directional signs- Allow directional signs up to 6 feet high and 12 square feet while the Code allows 4 feet high and 6 square feet;

j) Project banners on light poles- Allow the continuation of and the addition of project banners at the light poles as allowed under the current approval but not allowed under the Code;

k) Temporary signs- Allow A-frame, portable, sidewalk or other temporary signs on the interior of the project not visible from the public right-of-way up to 365 days a year, while the Code limits the number and size and allows 90 days maximum per year;

l) Exclude certain square footage-Allow the following sign area to be excluded from counting towards the total allowed square footage: Project graphic banners, Parking Deck Entry signs, Directional Signs, Sidewalk Signs, Temporary A Frame/Sign Holder Signs, and non-tenant oriented portions of Gateway Element Sign; and

m) City Gateway Sign- Allow a City Gateway Sign at the corner of Rosecrans and Sepulveda over 30' in height.

Based upon substantial evidence in the record and pursuant to MBMC Section 10.72.080, the City Council finds:

1. The sign exception, as conditioned, would not be detrimental to, nor adversely impact, the neighborhood or district in which the property is located. Potential impacts may include, but are not limited to, design;

a. The site is surrounded directly by commercial and industrial uses on the north, northeast, west and south, and by residential uses to the east, with residential beyond on the west, south and east sides. Most adjacent residential, commercial, and industrial uses are separated from the subject site by distance, streets, topography, landscaping and/or physical development and would

not be impacted by the proposed sign exception, as conditioned. The approved sign exception would be consistent with the Community Commercial and General Commercial zoning districts, since it will provide uniform site signage that is attractive and require the removal of outdated, obsolete signage. Clear consistent signage will direct visitors to the site, instead of having vehicles cut through streets that do not directly access the site. Much of the signage is on the interior of the site and is not even visible from the surrounding public rights-of-way or from surrounding properties.

- b. The scale, size, and function of the Shopping Center is such that the 2002 Master Sign Program needs to be updated and enhanced to promote and advertise key retail tenants without negatively impacting the experiences of pedestrians, drivers and passengers, or residential land uses.
- c. Tenants benefit from signage that attracts visitors but doesn't detract from well-designed exterior building facades. Signage will relate to building wall materials and colors, without creating aesthetic or light/glare impacts.
- d. The approved signs will enhance the shopping center by providing a consistent visual identity and will appear less bulky than the existing signs because they will generally be at a lower height and state-of-the-art.
- e. The rolling topography of Sepulveda Boulevard, Rosecrans Avenue, and Marine Avenue streets also minimizes adverse impacts of increased signage.

2. *A sign exception is necessary in order that RREEF may not be deprived unreasonably in the use or enjoyment of the property;*

- a. A comprehensive Master Sign Program across the entire shopping center site alleviates confusion to visitors, the need to consult personal digital devices for directions, and provides tenants with assurance that visitors can self-direct towards desired destinations.
- b. The three individual property owners (RREEF, Macy's and Hacienda) have previously agreed to and are developing each of their respective properties to operate as an integrated commercial property. They can now realize a planned development with signage that will be harmonious and consistent throughout the shopping center site.
- c. The enhanced signage increases the potential for visitors to readily grasp the diverse shopping and restaurant opportunities at the shopping center.
- d. The sign exceptions will promote and advertise certain retail tenants without impacting the experiences of pedestrians, drivers and passengers, or adjacent residential land uses.
- e. The approved signage will direct people to the parking structures while being compatible with the architecture and site design.
- f. The Project will be enhanced by one Master Sign Program with consistent signage. The approved square-foot cap will not result in a change to the perceived number or density of signs across

the entire site since the amount of signage will be in proportion to the square footage of new buildings constructed, and many of the new signs will be on the interior of the Project and not visible from the public rights-of-way, or surrounding properties.

- g. The exception is warranted since the shopping center is the largest retail property of its kind in the City, has four major frontage roads, and has multiple internal streets, driveways, and walkways. The signs are necessary to attract and guide visitors from Sepulveda Boulevard, Rosecrans Avenue, Marine Avenue, and Village Drive.

3. *The proposed sign exception is consistent with the legislative intent of this title;*

- a. The exceptions, as conditioned, will promote the preservation of the character and quality of the area consistent with the character of Area District II.
- b. The signage will use high quality and attractive materials, blending with the architectural theme of the mall expansion, while enhancing and supporting the retail commercial environment of Sepulveda Boulevard. This will help promote the economic stability of existing land uses and strengthen the City's economic base in a manner that is consistent with other goals in the General Plan, such as creating a harmonious land use scheme.
- c. The approved sign program, including new pole sign design and placement, is consistent with the Sepulveda Development Guide.

SECTION 16. The Project will not individually nor cumulatively have an adverse effect on wildlife resources, as defined in Fish and Game Code Section 711.2.

SECTION 17. This Resolution, upon its effectiveness, constitutes the Master Use Permit and the Sign Exception/Program for the Shopping Center and supersedes all previous site-wide and individual land use approvals, with the exception of: (1) Planning Commission Resolution No. PC 10-03 approving the Vintage Shoppe located on 3500 Sepulveda's property; and (2) Planning Commission Resolution No. PC 12-02 and City Council Resolution No. 6171 as they relate to the Tin Roof Bistro located on 3500 Sepulveda's property. Notwithstanding that this Master Use Permit supersedes previous land use approvals, neither the entitlements conferred herein, nor any condition set forth in Section 18, shall be interpreted to amend, modify, restrict, limit, revise or affect in any way the entitlements and associated conditions applicable to the Vintage Shoppe. Similarly, the conditions set forth in Section 18, shall not be interpreted to restrict, adversely affect or limit in any way the land use entitlements conferred on 3500 Sepulveda by the City prior to the adoption of this Resolution. Nevertheless, this Resolution confers benefits to 3500 Sepulveda, including eliminating established limits on office, medical and dental uses, allowing banking uses up to 2,000 square feet in size on its property (subject to condition 18e) where such banks were not permitted prior to adoption of this Resolution, allowing additional space for restaurants, and increasing the permitted hours of operation and for the sale of alcohol at the Tin Roof Bistro, which is located on the property owned by 3500 Sepulveda.

SECTION 18. The City Council hereby **APPROVES** a Master Use Permit Amendment, Height Variance, and a Sign Exception/Program for Phases I and II of the proposed remodel and expansion of the Manhattan Village shopping center, as refined and modified herein, subject to the following conditions:

GENERAL/PROCEDURAL

1. *Compliance.* Use and development of the site shall be in substantial compliance with the MVSC Enhancement Project Entitlement Request: MUP/MSP/Sign Exception Amendment/Height Variance dated July 24, 2013, as amended April 29, 2014, and November 2014, as amended by the refinements and modifications approved herein subject to any conditions set forth within this Resolution. The Director of Community Development ("Director" hereinafter) shall determine whether any deviation from the Approved Plans requires an amendment to the Master Use Permit or any other discretionary entitlements. RREEF shall fund the cost of the City and its consultants ensuring that the conditions of approval are complied with, as well as monitoring of the Mitigation Measures as required by CEQA in the Mitigation Monitoring and Reporting Program. The Applicant shall submit a final plan incorporating all of the refinements, modifications, and conditions approved in this resolution within 30 days of the date of this resolution ("Approved Plans").
2. *Lapse of Approval.* The entitlements conferred herein shall lapse four years after the effective date of this Resolution unless implemented or extended in accordance with MBMC Section 10.84.090.
3. *Terms and Conditions are Perpetual; Recordation of Covenant.* The provisions, terms and conditions set forth herein are perpetual, and are binding on RREEF, Macy's, their respective successors-in-interest, and, where applicable, all tenants and lessees of RREEF or Macy's. Further, RREEF shall record a covenant indicating its consent to the conditions of approval of this Resolution with the Office of the County Clerk/Recorder of Los Angeles. The covenant is subject to review and approval by the City Attorney. RREEF shall deliver the executed covenant, and all required recording fees, to the Department of Community Development within 30 days of the adoption of this Resolution. If RREEF fails to deliver the executed covenant within 30 days, this Resolution shall be null and void and of no further effect. Notwithstanding the foregoing, the Director may, upon a request by RREEF, grant an extension to the 30-day time limit.
4. *Review.* Provisions of the Master Use Permit Amendment, Variance, and Sign Exception/Program Amendment are subject to review by the Community Development Department within six months after occupancy of the first building constructed in Phase I and yearly thereafter.
5. *Interpretation.* In the event the Director and RREEF disagree regarding the intent or interpretation of any condition, the Planning Commission shall provide a binding and final interpretation of the condition. Such Commission determination cannot be appealed to the City Council.
6. *Fish and Game.* Pursuant to Public Resources Code section 21089(b) and Fish and Game Code section 711.4(c), the entitlements conferred herein are not operative, vested or final until the required filing fees are paid.
7. *Effective Date.* The decision of the City Council is final upon the date this Resolution is adopted.
8. *Tenant Space Chart.* Upon submittal of any request for business license, or application for building permit, which involves the alteration or enlargement of any tenant space, or the introduction of any new business within an existing tenant space, RREEF shall provide to the Community Development Department an up to date site-wide tenant space chart which includes all of the tenants and properties within the Shopping Center including vacant space. The space chart shall include detailed area breakdowns and shall be used to account for decommissioned vacant leasable space which is available for occupancy pursuant to gross leasable area (GLA) square feet maximums addressed in Condition 18 and under the terms of this Master Use Permit. The required space chart shall be consistent in format and information provided with that certain "Manhattan Village Shopping Center Leasable Area Tabulation - November 23, 2014." The space chart shall also include any outdoor dining areas. The information shall include tenant street addresses and suites, existing and

proposed tenant, and evidence that the proposed alteration/tenant will provide adequate parking and loading as required by applicable parking standard.

9. *Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys Fees, Incurred by the City.* RREEF shall defend, indemnify, and hold harmless the City, its elected officials, officers, employees, volunteers, agents, and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") from and against any claims, damages, actions, causes of actions, lawsuits, suits, proceedings, losses, judgments, costs, and expenses (including, without limitation, attorneys' fees or court costs) in any manner arising out of or incident to this approval, related entitlements, or the City's environmental review thereof. RREEF shall pay and satisfy any judgment, award or decree that may be rendered against City or the other Indemnitees in any such suit, action, or other legal proceeding. The City shall promptly notify RREEF of any claim, action, or proceeding and the City shall reasonably cooperate in the defense. If the City fails to promptly notify RREEF of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, RREEF shall not thereafter be responsible to defend, indemnify, or hold harmless the City or the Indemnitees. The City shall have the right to select counsel of its choice. RREEF shall reimburse the City, and the other Indemnitees, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Nothing in this Section shall be construed to require RREEF to indemnify Indemnitees for any Claim arising from the sole negligence or willful misconduct of the Indemnitees. In the event such a legal action is filed challenging the City's determinations herein or the issuance of the approval, the City shall estimate its expenses for the litigation. RREEF shall deposit said amount with the City or enter into an agreement with the City to pay such expenses as they become due.

AESTHETICS

10. *Landscape/Hardscape/Lighting Sitewide Plan.* RREEF shall submit a detailed Landscape/Hardscape/Lighting Plan, including a construction schedule, to the City Police, Fire, Public Works and Community Development Departments and the City Traffic Engineer for review and approval with the submittal of plans for Phase I that provides for the following:

a. RREEF shall provide and maintain consistent drought tolerant landscape, shade trees, hardscape, and lighting improvements throughout the Development Area, as well as certain areas of the entire Shopping Center property as required in these conditions. The improvements shall be consistent with the Approved Plans, renderings, presentations, application material, and project descriptions.

b. RREEF shall provide and maintain mature trees and other landscaping adjacent to the parking structures, particularly in the areas without buildings adjacent to the perimeter of the structures, to screen and soften the parking structures, as shown on the Approved Plans. The trees adjacent to the North Parking structure, as shown on the renderings, shall be a minimum of 5 feet above the top of the parking structure when initially planted. Landscaping and irrigation also shall be provided on the upper levels of the structures in the form of permanent planting receptacles suitable for the planting of vines or similar plants on the parapet walls on the north and west sides of the North Parking Structure and on the south side of the South Parking Structure. Landscaping shall be planted and maintained throughout the surface parking lots. A minimum of 1 tree per 10 parking spaces in a parking structure and 1 tree per 6 surface parking spaces within the Shopping Center property, minimum 24-inch box size, shall be provided at grade. Permanent irrigation shall be provided for all landscaping.

c. RREEF shall provide and maintain consistent drought tolerant landscape, shade trees, hardscape, and lighting improvements throughout the

Shopping Center property as improvements are made in those portions of the Shopping Center property outside of the Development Area, as detailed in the Landscape/Hardscape/Lighting Sitewide Plan.

d. All new light fixtures on the top levels of parking structures shall be no taller than 15 feet, shall utilize LED fixtures, and include shields to reduce glare. All other new exterior lighting, except signage lighting, shall include shields as necessary to reduce glare so that there are no adverse impacts on surrounding properties.

e. As determined in the Police Security Plan, approximately one hour after all businesses on the Shopping Center have closed, the light fixtures on and in the parking lots and structures shall automatically be dimmed or lowered in intensity.

f. RREEF shall evaluate the feasibility of modifying or replacing existing lighting fixtures on the Shopping Center property to reduce off-site illumination and be more energy efficient.

g. Improvements shall be installed per the approved Landscape/Hardscape/Lighting Sitewide Plan, including the approved construction schedule, and improvements associated with the off-site linkages and on-site improvements outside of the Development Area as identified in the Final EIR shall be installed prior to the completion of Phase I, as determined to be feasible by the Community Development Director.

11. Signage Site-wide Plan/Master Sign Program. The Project shall provide consistent signage improvements throughout the Shopping Center property. The total square footage of signage for the Shopping Center property shall not exceed 9,500 square feet as established herein and as defined by the Code. The sign improvements shall generally be consistent with the Master Sign Program as amended herein with the following revisions:

a. Signs shall be compatible with their related buildings and not be crowded within their locations or backgrounds. Harsh plastic or illuminated backgrounds shall be avoided, and low profile monument signs are encouraged.

b. Roof signs are prohibited.

c. All signage on parking structures shall be accessory and compatible to the structure through the design, color, location, size and lighting and not detract from the parking structure's architectural character. Any tenant signage on a parking structure shall have a locational relationship and proximity between the parking structure and the tenant. Signage near the top of parking structures is discouraged, but can be approved by the Director of Community Development through the Master Sign Program if it is compatible with the architectural design of the subject structure on which the signage is proposed, as well as consistent with the intent and criteria of the Sign Code, Master Sign Program and Approved Plans.

d. Plans for interim City Gateway identification signage, and landscaping, at the corner of Rosecrans Avenue and Sepulveda Boulevard, welcoming people to the City of Manhattan Beach, shall be submitted with the submittal of building plans for Phase 1. The Gateway signage shall not count as part of RREEF's square feet of signage approved authorized herein. RREEF shall submit plans for the improvements to the Community Development Department, for review and approval and construct the improvements per plans approved by the City in connection with the construction of Phase I. In the event RREEF seeks approval of Phase III, RREEF shall submit plans for permanent City Gateway identification signage at the corner of Rosecrans Avenue and Sepulveda

Boulevard. RREEF shall install the permanent City Gateway signage before the first building permit for Phase III is issued.

e. The number and size of any new Department store and non-Department store anchor wall signs shall be governed by the Master Sign Program.

f. No interior and exterior signs authorized by this approval may be installed unless: (1) the respective property owner or designated representative has approved the sign in writing; (2) the owner has submitted a sign approval application to the City; and (3) the City determines that the sign is consistent with the Master Sign Program approved herein.

g. At the sole cost of RREEF, Fry's pole sign adjacent to the Sepulveda Boulevard bridge shall be removed, or relocated if Fry's is still occupying the Northwest Corner, by RREEF upon 90 days' notice from the City when the City determines that removal or relocation is necessary as part of the Sepulveda Bridge Widening. The relocation location shall be within the Shopping Center property along the Northwest Corner fronting Sepulveda Boulevard. This Sepulveda Boulevard Fry's pole sign, as well as the two existing Fry's pole signs along Rosecrans Avenue, shall be removed when Fry's vacates the Northwest Corner. The Master Sign Program provides for future new pole signs in the Northwest Corner, in connection with the future development of Phase III.

h. The signage for Phase III shall not be installed until Phase III is approved and developed. The signage allocated for and located within the Northwest corner, Phase III, including the square footage and number of signs, shall not be reallocated or used for Phase I or Phase II development.

12. Construction Screening. RREEF shall provide construction screening of 6 feet or greater in height as reasonably determined necessary by the Director to screen the construction site from view. Graphics shall be provided on the screening to enhance the aesthetics of the Shopping Center property and provide Project information. The screening may potentially include announcements for new Shopping Center tenants if approved by the Director through a Temporary Sign Permit application. The screening shall be maintained in good condition at all times. RREEF shall submit plans for the screening to the Community Development Department, for review and approval, with the submittal of plans for each Phase. The City will review and consider approving the plan, and RREEF shall install the screening, per the approved plan, prior to the initiation of construction for each applicable Phase.

LAND USE

13. In connection with **Phase I (Village Shops)**, RREEF must comply with the following conditions:

a. **Size Reduction and Redesign.** RREEF shall construct the Village Shops building and the North and South parking structures in substantial compliance with the Approved Plans, which requires a 10,000 SF reduction in the Village Shops buildings and a redesign of the North parking structure, as shown on the Approved Plans. The EIR analyzed 60,000 square feet of net new GLA as the maximum buildable area in the Village Shops Component. To achieve the 10,000 square foot reduction in the Village Shops, the maximum net new GLA is set at 50,000 net new square feet. RREEF shall construct a minimum 8-foot wide combined pedestrian/bike path and a minimum 5-foot wide landscaped buffer adjoining the north wall of the North Parking Structure to create a pedestrian/bike linkage between Cedar Way and Carlotta Way as depicted on the Approved Plans. The North Parking Structure shall not exceed a height of G+2 as depicted on the Approved Plans. Approximately the north 60 percent portion of the South Parking Structure shall not exceed a height of G+2 and the approximately 40

percent south portion of the South Parking Structure shall not exceed a height of G+1 as depicted on the Approved Plans.

- b. RREEF shall submit all submittals required in connection with Phase I in accordance with the requirements set forth in the applicable condition.
 - c. **Macy's Consolidation with Phase I.** Prior to the issuance of the first building permit for Phase I, RREEF shall provide written evidence of a commitment binding on RREEF and Macy's to consolidate its Macy's Men's operation at the south end of the Main Mall to an expanded Macy's Fashion Store on the north end as depicted on the Approved Plans and release the Men's Store to RREEF for redevelopment.
 - d. Prior to the issuance of permits for Buildings B, C, D and E in Phase I, RREEF shall submit to the City a non-refundable \$400,000 security deposit. Such deposit may not be drawn upon for any other purpose other than paying City fees associated with the Macy's Fashion Store expansion and the construction of the Northeast parking structure, in compliance with the Approved Plans. In the event the Macy's Fashion Store is not expanded, RREEF shall forfeit the deposit to the City. If, any portion of the deposit remains after occupancy permits are issued to Macy's for the expanded area and all fees have been paid, the balance of the deposit shall be refunded to RREEF.
 - e. Prior to the issuance of Certificates of Occupancy for Buildings B, C, D and E, RREEF shall submit or cause to be submitted, and the City shall accept, a complete building plan check submittal to plan check for the Macy's Fashion Store expansion. RREEF shall also submit a document, acceptable to the City Attorney, waiving any claims against the City if the Certificates of Occupancy are not issued due to the failure to timely submit building plan check submittals for the Macy's Fashion Store expansion.
 - f. RREEF shall provide a U-turn, traffic circle, or other connection at the Rosecrans Avenue entrance in the lower level parking lot with a minimum outside turning radius of 30 feet, to internally connect both drive aisles.
 - g. The driveway access between the lower level parking and Carlotta Way shall be revised to minimize the sharp angle.
 - h. RREEF shall comply with the City Traffic Engineer's recommendations designed to minimize conflicts and improve visibility and safety with the location of parking spaces with direct access onto internal private streets (Cedar, Fashion and Carlotta) and onto accessways leading to parking structures.
 - i. RREEF shall submit Planning Preliminary Plan Check Review, as defined in Condition No. 17, prior to the issuance of building permits.
14. In connection with **Phase II (Northeast corner)**, RREEF and, where applicable, Macy's must comply with the following conditions:
- a. RREEF shall submit all submittals required in connection with Phase II in accordance with the requirements set forth in the applicable condition.
 - b. **Macy's Consolidation with Phase I.** Prior to the issuance of the first building permit for Phase I, RREEF shall provide written evidence of a commitment binding on RREEF and Macy's to: relocate the Macy's Men's operation at the south end of the Main Mall to an expanded Macy's Fashion Store on the north end as depicted in the Approved

Plans; and the release of the vacated space formerly occupying the Men's Store to RREEF for redevelopment.

- c. Macy's shall expand its Macy's Fashion store by as much as 60,000 square feet, and, RREEF shall lease the space currently occupied by Macy's Men's at the south end of the Main Mall.
- d. Prior to the issuance of Certificates of Occupancy for Buildings B, C, D and E, RREEF shall submit or cause to be submitted, and the City shall accept, a complete building plan check submittal to plan check for the Macy's Fashion Store expansion. RREEF shall also submit a document, acceptable to the City Attorney, waiving any claims against the City if the Certificates of Occupancy are not issued due to the failure to timely submit building plan check submittals for the Macy's Fashion Store expansion.
- e. Existing utilities that are impacted by the construction shall be rerouted to be within the private streets on site or other locations approved by the Public Works Department and any other responsible agencies.
- f. RREEF shall submit to the City a Master Use Permit Amendment and all necessary applications for Phase III-Northwest corner, including a construction schedule, within 3 months of Fry's vacating their current Northwest corner location, and the City shall take action on the applications in a timely manner.
- g. Prior to issuance of building permits for Phase II, plans shall be submitted to plan check for the vehicular access ramp between the Medical Building at 1200 Rosecrans Avenue and new Northeast parking structure to be redesigned to accommodate two-way traffic to connect the lower level parking lot to the main Shopping Center level surface parking. The new ramp shall be completed prior to the issuance of a Certificate of Occupancy for the Macy's Fashion Store expansion.
- h. Cedar Way connection to Rosecrans with Phase II. Prior to issuance of building permits for Phase II, plans for the extension of Cedar Way to be connected through to Rosecrans Avenue shall be submitted to the City for plan check. The extension shall be completed prior to the issuance of a building permit final for the Macy's Fashion Store Expansion.
- i. Existing unscreened rooftop equipment that is visible from ground view (i.e., Islands restaurant) shall be screened prior to issuance of a building permit final for the Macy's Men's Store redevelopment.
- j. RREEF shall submit planning staff Preliminary Plan Check Review as defined in Condition No. 17 prior to the issuance of building permits.

15. **Phase III (Northwest corner).** Phase III is not a part of this approval and cannot be implemented until a Master Use Permit Amendment and other related applications for that phase are approved by the City.

16. **Development Area Envelopes and Maximum Heights.** The Development Area Envelopes and maximum heights as analyzed in the Final EIR and as shown in the Approved Plans, for Phases I and II, are approved in concept, subject to the project conditions. Planning Staff review is required for the site improvement details through the Preliminary Plan Check Review process.

17. **Architectural Elements Required Through Preliminary Plan Check Review.** Except as provided in Condition 15, RREEF shall submit to the City Planning staff for Preliminary Plan Check Review all architectural plans, to show that the Project is consistent with the architecture, quality and concept plans as shown in the Approved

Plans. The architectural plans shall include, but not be limited to, plans, material boards, color samples, renderings, and other visual displays to provide the following:

- a. Building and parking site plan-layout within the Development Area Envelopes.
- b. Facades/elevations design motifs.
- c. Colors, textures, and materials as concept design.
- d. Landscaping, lighting, signage, and common area treatments as concept design.
- e. Streetscape and common-outdoor plaza areas design - pavement treatment, sidewalks, pedestrian crosswalks, street/courtyard furniture, the clock tower, as concept design.

18. Land Uses and Square Footages. The existing Shopping Center contains approximately 572,837 square feet gross leasable area (GLA). The Project may add a maximum of 79,872 net new square feet GLA (89,589 square feet with the Equivalency Program) within Phases I and II in the Development Area. The Shopping Center property may not exceed 686,509 square feet GLA (696,226 square feet with the Equivalency Program).

For any proposed square footage that exceeds 686,509 square feet, up to the 696,226 square foot cap, RREEF shall submit traffic and parking data for review by the Community Development Department and the City Traffic Engineer to determine if the proposal is consistent with the trip generation and parking thresholds established in the Certified Final EIR and the Equivalency Program. The study shall include an update of the sitewide list of tenants in Exhibit "A", uses and GLA, and RREEF shall pay the cost of the City Traffic Engineer's review.

The following land uses are allowed in the Shopping Center, provided that no land use type exceeds the applicable maximum square footage for each type:

- a. Retail Sales (including drug stores)
- b. Personal Services (e.g., Beauty salons, Dry-Cleaners, Shoe repair)
- c. Food and Beverage Sales (including Grocery Stores, but excluding high traffic generating or high parking demand land uses such as liquor or convenience stores as determined by the Director)
- d. Offices, Business and Professional - 69,300 square feet maximum for Business and Professional offices. Additionally, 28,800 square feet maximum for Medical and Dental offices (existing square footage rounded, plus an additional 7,000 square feet allowed). The 3500 Sepulveda Boulevard building may be occupied with 100% Business and Professional and/or Medical and Dental offices, as long as the total combined office square footage on the entire Mall site does not exceed 98,100 square feet, and the parking requirements are met.
- e. Banks and Savings and Loans - 36,200 square feet maximum (existing square footage, no additional square footage allowed). If any of the existing bank operators in stand-alone buildings adjacent to Sepulveda Boulevard terminate their bank operation for a period longer than 6 months (except for suspended operation in the event of fire, casualty or major renovation), they may not be replaced with another bank or savings and loan use. This clause is not intended to govern business name changes or mergers or acquisitions among bank operators, commercial banks or savings and loans. No new bank or savings and loan uses are permitted in existing or new stand-alone buildings. New

banks or savings and loan uses are limited to a maximum of 2,000 square feet in area.

- f. Eating and Drinking Establishments (restaurants) - 89,000 square feet maximum, which includes outdoor dining areas for restaurants that provide full table service.
- g. Uses identified as permitted (by right) in the underlying zoning district (CC) which are not included in this Master Use Permit shall be left to the discretion of the Director to determine if Planning Commission review is required.

The following uses are not permitted by this Master Use Permit:

- a. Personal Improvement Services (Gyms, Dance studios, Trade schools, etc).
- b. High traffic generating or parking demand land uses, including but not limited to, liquor stores and convenience stores as determined by the Director of Community Development.
- c. Bars.

19. Fry's continued operation and future tenant.

- a. **Good Faith Negotiations with Fry's.** If Fry's indicates in writing to RREEF that it desires to continue to operate the Fry's retail store at its current location after the termination date of its current lease which expires in December 2016, RREEF will negotiate in good faith with Fry's on an annualized lease extension option or options on terms mutually acceptable to both parties and subject to RREEF's need to provide for a Fry's termination to accommodate the future redevelopment of the Northwest Corner.
- b. Any new tenant proposed to occupy the existing building on the Fry's 3600 Sepulveda Boulevard site shall require Planning Commission review at a noticed public hearing. Criteria and potential impacts to consider include but are not limited to, traffic, parking, access, land use compatibility including architectural entryway enhancement, length of tenancy security/crime, noise, light, hazards, vibrations, odors, aesthetics, and demand on public services.

20. Alcohol Off-site Sales. An amendment to the Master Use Permit must be approved by the City prior to the sale of alcohol other than for on-site consumption at an eating and drinking establishment, unless specifically permitted by this Resolution. Tenants with existing ABC licenses and City approval for off-site alcohol sales and/or on-site tasting – i.e., Ralphs, CVS, and the Vintage Shoppe – may continue to sell alcohol for off-site consumption and/or on-site tasting in accordance with their approvals.

21. Restaurant Drive-Through. There shall be no Restaurant drive-through service allowed in conjunction with any existing or proposed Eating and Drinking Establishment.

22. Restaurant Hours. No restaurant use shall be open between 2:00 a.m. and 6:00 a.m. on any day.

23. Restaurant Alcohol. Any restaurant may provide full alcohol service, which is incidental to, and in conjunction with, the service of food provided that such use does not include a retail bar, to a maximum area of 89,000 square feet site-wide as set forth in Condition No. 18. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol. Any violation of the regulations of

the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.

24. **Entertainment.** Any entertainment proposed (with the exception of background music, television and no more than 3 games or amusements) shall be required to obtain a Class I Entertainment Permit consistent with the provision of Section 4.20.050 of the Manhattan Beach Municipal Code.

25. **Landscape Maintenance.** Landscaping and maintenance activities (including, but not limited to, parking lot cleaning, grounds-keeping and outdoor equipment and shopping cart cleaning) shall occur in accordance with a Landscape Maintenance Plan ("The Maintenance Plan") approved by the Director of Community Development. The Maintenance Plan shall establish permitted hours of operation for specific maintenance activities and areas of the shopping center, based on compatibility with nearby land uses, both on and adjacent to the center. All landscaping materials shall be maintained to the satisfaction of the Director of Community Development.

NOISE MITIGATION

26. **Deliveries.** Delivery activities that are adjacent to residentially zoned and improved properties shall be limited to between 7:00 a.m. and 10:00 p.m. Monday through Friday and between 8:00 a.m. and 10:00 p.m. on Saturdays, Sundays and major holidays, including New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Delivery operations shall be conducted in such a manner so as not to exceed applicable residential noise standards. The term "delivery activities" shall include, but not be limited to the presence of workers or delivery trucks at the business site even if not actual delivery work or unloading is being done. It shall also include vehicles or delivery equipment being started or idled, playing of radios or other devices, loud talking, and unloading of materials. Business delivery doors shall not be opened before hours of permitted deliveries as specified herein. Delivery vehicles shall park in designated commercial loading areas only and shall not obstruct designated fire lanes.

27. **Trash Collection.** Routine trash collection on the entire site shall occur after 9:00 a.m. and before 10:00 p.m. Construction material trash collection activities (drop off and pick-up) shall be limited to hours of permitted construction as specified in the City's Noise Ordinance, or between 7:30 a.m. and 6:00 p.m. Mondays through Fridays, and between 9:00 a.m. and 6:00 p.m. on Saturdays.

FIRE PROTECTION

28. **Fire Emergency Response Plan.** A Fire Emergency Response Plan for fire lanes, fire sprinklers, fire hydrants, and other Fire emergency response requirements shall be provided and maintained for the Shopping Center property. The Fire Emergency Response Plan shall include, but not be limited to, the following:

- a. Provide a minimum vertical clearance of 15 feet and horizontal clearance of 20 feet for Fire vehicle access under all bridges and other overhead structures on Village Drive, Cedar Way, Carlotta Way, Fashion Boulevard, and within the lower level parking lot. In the lower level parking lot, the horizontal clearance of 20 feet for Fire vehicle access is required in only one of the two drive aisles. This is intended to allow ambulance-paramedic vehicle access throughout the Shopping Center property, but not within the parking structures. Village Drive, Cedar Way, Carlotta Way, Fashion Boulevard, and within the lower level parking area, and any other required roadways, shall be designated as Fire lanes as determined by the Fire Department, shall allow "no stopping" on both sides of roadways, and be clearly marked. Additional lane width will be

required in certain areas to accommodate vehicle turning movements and bicycles.

b. All parking structures shall provide a minimum vertical clearance as required by the current Code at the time of Building Permit approval for disabled/ADA access at grade level. All parking structures shall also have the required stand pipes, sprinklers, hydrants, perimeter and internal access, gurney size elevators, and exterior stairs for Fire suppression.

c. RREEF shall provide a "gator" or similar gurney transport vehicle on the site to provide Fire Department access within the parking structures and other remote areas.

d. Fire hydrants shall be located within 15 feet of the Fire Department Connections (FDC), and the FDC and related double check valve assembly shall be integrated into the design of the buildings to screen the valves but allow clear visibility and access to the FDC, subject to Fire and Community Development Department approval.

e. Upgrade to current standards the Opticom emergency vehicle preemption devices at all signalized intersections adjacent to the project site.

f. An Emergency Response Plan that includes 24/7 on-site personnel to direct emergency response teams to the exact location of incidents shall be provided.

g. RREEF shall work cooperatively with the Fire Department to provide, if feasible, a pedestrian ramp or at-grade access at the rear of the existing enclosed main Shopping Center to facilitate the safe removal of patients from that location.

RREEF shall submit the Fire Emergency Response Plan to the City Fire and Community Development Departments with the submittal of plans for each Phase, including an implementation and maintenance schedule. The City will review and approve the Plan, and RREEF shall install, implement and maintain the improvements and requirements per the approved Plan.

SAFETY AND SECURITY MEASURES

29. **Police Holding Office.** The Project shall lease at no rent to the City a separate and secure Police "holding" office within the main, enclosed Mall approximately 100-150 square feet in area. The location of the office is subject to Police Department review and approval but it must have access from the interior of the Mall during Mall operating hours, such as from a corridor, and exterior access is not required. This will be separate from the Mall Security staff office. The intent and use of this area will be for the exclusive use of the Police Department to have a safe, secure, convenient, comfortable and private area for interviewing and consulting with victims, witnesses, and others with security issues and concerns. The area will provide for storage of Security and Safety Educational material for Police use. RREEF shall submit a Police Holding Office Plan to the City Police and Community Development Departments with the submittal of plans for Phase I. The City will review and approve the Police Holding Office Plan, and RREEF shall install the improvements, which shall include drywall, paint, and electrical utilities, but shall not include plumbing, per the approved plan prior to the issuance of the first building final for Phase I. If the City Police Department determines it no longer needs the "holding" office, or its use ceases, the lease shall terminate.

30. **Security Cameras.** RREEF shall provide security cameras throughout the parking structures and surface parking lots within the entire Shopping Center property to the reasonable satisfaction of the Police Department. RREEF shall provide a Security Camera Plan for the installation of the cameras during construction on the

Shopping Center property. Cameras shall be placed at parking structure entrances, exits, stairwells, elevators, and distributed throughout the parking areas pursuant to a plan to be provided by RREEF's security consultant. Cameras shall be located so that license plate numbers are readable. Some cameras shall be capable of being relocated as needed to monitor Special Events. Cameras are not required to be manned, and a holding period for archival of recordings shall be agreed upon. RREEF shall submit the Security Camera Plan as part of the Security Plan to the City Police and Community Development Departments with the submittal of plans for Phase I. The City will review and approve the Plan, and RREEF shall install the improvements per the approved Plans. The approved Security Camera Plan shall be reviewed annually by the City.

31. Police Special Event/Security and Cedar Way Plan. RREEF shall provide a Holiday/Sales-Special Events/Peak Customer Security, Traffic and Parking Control Plan as part of the overall Security Plan. The Plan shall include a provision for reimbursement of Police services when additional services are requested by RREEF. The Plan shall include an update and amendment to the existing Vehicle Code and Parking Enforcement Agreement (June 1, 1987) between the City and the Mall to ensure adequate enforcement mechanisms are in place. The Plan shall provide for RREEF to install repeaters or other devices in the parking structure if it is determined that they are necessary for cell phone and emergency communication needs. The Plan shall also provide for the possibility of closing Cedar Way during Special Events. RREEF shall submit the Plan to the City Police, Fire and Community Development Departments with the submittal of plans for Phase I. The City will review and approve the Plan, and RREEF shall implement the provisions as detailed in the approved Plan. The City may request a periodic review of the operations of Cedar Way to determine if the core area should be closed to vehicular traffic and limited to pedestrians, bikes and emergency vehicle access only.

32. Package Check. RREEF shall provide a central package check service for customer use for purchases within the Mall. The Plan for the secure location and operation of the service shall be subject to the City Police Department review and comments and the Community Development Department review and approval. The intent of this condition is for security and convenience in a central location near the valet and loading/unloading area, or other central location, so packages can be held and then loaded directly into the customers' vehicle. RREEF shall submit Plans to the City Police and Community Development Departments with the submittal of plans for Phase I. The City will review and comment/approve the Plan, and RREEF shall install the improvements per the approved Plan prior to the issuance of the first building final for Phase I.

TRANSPORTATION, CIRCULATION AND PARKING

33. Veterans Parkway Linkage Plan. RREEF shall submit a Veterans Parkway Linkage Plan as depicted in the Approved Plans to provide bicycle and pedestrian paths under the Sepulveda Bridge and onto the Shopping Center property that link the Shopping Center property and Veterans Parkway. The Veterans Parkway Linkage Plan shall include lighting, signage, and other improvements to enhance the aesthetics, usability and security of the area, to create an inviting entry and secure environment, and to connect the site. The Veterans Parkway Linkage Plan shall coordinate with the construction of the improvements on the Shopping Center property and the Sepulveda Bridge widening project. RREEF shall submit the Plan to the City Police, Fire, Public Works and Community Development Departments, the City Traffic Engineer, and if necessary Caltrans, with the submittal of plans for Phase I. The City, and any other agency with jurisdiction, will review and approve the Plan, and RREEF shall install the improvements per the approved Plan. The City shall maintain the public portions, and the Mall shall maintain the private portions.

34. Bicycle and Pedestrian Plan. RREEF shall submit a Bicycle and Pedestrian Plan (the "Plan" in this condition) to provide bicycle and pedestrian improvements throughout the Shopping Center property as depicted in the Approved Plans, including

the perimeter of the property, with interconnected walkway and bicycle networks and linkages to off-site improvements and transit (including pavement treatment, raised intersections, improved pedestrian crossings, bike parking, and arrows). Crosswalks with activated flashing beacons on key uncontrolled crossings on Carlotta Way, such as at Carlotta Way in the vicinity of the 3500 Sepulveda Boulevard building, shall be provided. A dedicated separate bikeway under the Sepulveda Bridge, through the Shopping Center Property, and connecting to Village Drive shall be provided. The bikeway in the lower level parking lot shall connect from under the Sepulveda Bridge and up to the Fry's site, but it does not need to continue and connect to Rosecrans Avenue. A separate pedestrian pathway (maximum width of six feet clear) shall link the entire length of the lower level parking lot (Sepulveda Bridge to Rosecrans Avenue). The bike path on Cedar Way shall extend south from Fashion Avenue to Village Circle; a sharrow shall be provided from Rosecrans Avenue to Marine Avenue, as well as a sharrow on Fashion Avenue. The bike network shall connect on and off site and to the bike racks/lockers/facilities, with racks distributed in key locations. The Plan shall include an active "Walk to the Mall" program to encourage non-motorized access to the Shopping Center. The Plan shall include a component of working and partnering with groups that promote walking and alternative forms of transportation. The improvements shall generally be consistent with the Approved Plans, although the pavement treatments shall be provided throughout Cedar Way from Macy's Fashion store to Ralph's. Additional improvements shall be provided at the Ralph's/CVS building at the south end of the Shopping Center to enhance pedestrian accessibility and safety from the parking lot to the buildings as depicted in the Approved Plans. All access shall meet ADA requirements.

Improvements shall be installed per the approved plans with each Phase, except that the off-site linkages and on-site improvements outside of the Development Area as identified in the Approved Plans shall be installed prior to the completion of Phase I, as determined to be feasible by the Community Development Director.

RREEF shall submit the Plan to the City Police, Fire, Public Works and Community Development Departments and the City Traffic Engineer with the submittal of plans for Phase I. The Plan shall include a phasing plan for construction of the improvements that considers construction Phasing on the property, as well as the Sepulveda Bridge widening project. The City will review and approve the Plan, and RREEF shall install the improvements, and RREEF shall maintain the improvements, except for those located on public land such as the extension of Veteran's Parkway under the Sepulveda Bridge as set forth in Condition 33, which shall be maintained by the City, per the approved Plan.

35. Pedestrian Off-site Linkage Plan. RREEF shall provide improvements to the City leased parking lot to encourage and enhance use of the parking lot for employees and customers. Such improvements shall include and be limited to: wayfinding signage and lighting on the staircase serving the City leased parking lot; wayfinding signage and lighting on the staircase between the Village homes and the Shopping Center site; wayfinding signage from the Senior Housing; and maintenance of landscaping on the slope. RREEF shall submit a Pedestrian Off-site Linkage Plan to the City Police, Fire, Public Works and Community Development Departments and the City Traffic Engineer with the submittal of plans for Phase I. The City will review and approve the Plan, and RREEF shall install the improvements per the approved plan prior to the issuance of the first building final for Phase I. Upon the City's acceptance of RREEF's improvements to the City's parking lot, the City will release and indemnify RREEF from any liability related to the improvements.

36. Employee Parking Management Program. The Project shall provide an Employee Parking Management Program to encourage remote parking, parking in the lower level parking lot, off-site parking, walking, biking, transit use, carpooling and other forms of alternative and non-motorized transportation, and incentives to reduce employee parking. Street or other public parking, other than the leased City parking lot off of Village Drive, shall not be used for employee parking. The Program shall actively promote reducing employee parking, shall prohibit parking in structures and

certain surface lots during the peak parking season, and shall include active enforcement by Shopping Center personnel. The Program shall be submitted to the Community Development Department and the City Traffic Engineer for review and approval with the submittal of plans for Phase I and annual reporting shall be provided. The City will review and approve the Program, and RREEF shall implement the Program and install any required improvements per the approved Program prior to the issuance of the first building final for Phase I. The City may request periodic review and adjustment of the Employment Parking Management Program, in cooperation with RREEF, if needed to ensure the goals of this condition and the Program are being met.

37. Valet Parking Management Plan. RREEF shall provide a Valet Parking Management Plan to designate valet parking areas, circulation, hours, days, rates, validations, operations, terms, remote drop-off/pick-up location, signage, passenger drop-off and pick-up, implementation schedule, etc. The Plan shall be submitted to the Community Development Department and the City Traffic Engineer for review and approval with the submittal of plans for Phase I. The City will review and approve the Plan and RREEF shall implement the Plan during Phase I, in accordance with the approved implementation schedule in the Plan. If it is determined that the valet parking is not being fully utilized, RREEF may modify or cease providing valet parking with the approval of the Director of Community Development.

38. Electric Vehicle (EV) Charging. RREEF shall install and maintain for public use EV parking/charging stations within the parking structures and/or parking lots at a ratio of a minimum of 1 percent of the total on-site parking spaces, and phased up to 3 percent as usage demands. The installation of stations up to 1 percent may also be phased. RREEF shall provide a minimum of 8 EV parking/charging stations in Phase I. The number of EV parking/charging stations shall be increased in minimum groups of 8 up to 1 percent based on usage. Electrical conduit to support additional charging stations (resulting in a supply of charging stations of up to 3 percent of the total on-site parking spaces) will be installed throughout the Shopping Center site, as is deemed appropriate during initial construction, for future conversion based on usage. The EV parking/charging stations shall be reviewed by the City and RREEF on an annual basis and will evaluate usage, and phasing of future installation of additional EV parking/charging stations. An annual report on charging station use shall be submitted to the Director of Public Works for review and approval, to determine whether evidence supports demand for the phasing and future installation of EV parking/charging stations. The stations shall provide a Level 2 charging capacity (120-240 volts, or as required by Southern California Edison), may charge prevailing rates for the purchase of the energy, and the parking spaces will be designated for the exclusive use of EV charging. RREEF shall submit plans to the Community Development Department with the submittal of plans for each parking structure. The City will review and approve the Plan, and RREEF shall install the improvements per the approved Plan with each parking structure.

39. Sepulveda Boulevard. The retention, modification, relocation and/or removal of the existing Fry's driveway off Sepulveda Boulevard that accesses the Northwest Corner parcel is subject to review and approval of Caltrans and the City Public Works, Fire, Police and Community Development Departments.

RREEF shall reimburse the City the \$12,455 cost of the Caltrans required Traffic Stimulation Study that evaluated the impact of the Fry's driveway to the traffic flow on Sepulveda Boulevard.

The retention, modification, relocation, and/or removal of the existing Fry's driveway off Sepulveda Boulevard that accesses the Northwest Corner may be phased as follows: (a) Through the end of 2016, or when Fry's vacates the site, whichever comes first, the existing driveway condition (entry and exit, right in and out) may remain; (b) At the end of 2016, or when Fry's vacates the site, whichever comes first, the driveway must be reconfigured/relocated to be entry, right-in only; (c) At the end of 2016, if Fry's continues to occupy the site or if at any time another tenant occupies the

existing site, the Sepulveda driveway must be reconfigured/relocated to be entry, right-in only; (d) If at any time the site is vacant the driveway shall be barricaded from use or removed; (e) If at any time the site is vacant for 12 months the driveway shall be removed. If the driveway is removed then the curb, gutter, sidewalk and any other required improvements shall be installed by RREEF as soon as possible, as determined by the City, unless building plans for Phase III have been approved; and (f) If the driveway is removed any future driveway for Phase III - Northwest Corner development shall be entry right-in only. Prior to December 31, 2016, plans for the driveway modifications or removal/relocation and related improvements shall be submitted to the City and Caltrans and shall include a schedule for completion of the improvement. The City will cooperate with RREEF to secure approvals affecting this Fry's Sepulveda driveway. The driveway modifications or removal/relocation and related improvements shall be completed by RREEF per the approved Plan. RREEF shall coordinate driveway modifications or removal/relocation with the Sepulveda Bridge widening project.

RREEF shall also be required to dedicate land or submit and record an irrevocable offer to dedicate (IOD) land, and construct, or fund the construction of, any required improvements related solely to the driveway on Sepulveda Boulevard, subject to the City of Manhattan Beach Public Works and Caltrans approval. The required lane width, sidewalk, driveway access design, disabled accessibility, and other improvement details shall be subject to City of Manhattan Beach Public Works and Community Development Departments and Caltrans approval. RREEF, City, and Caltrans shall coordinate improvements related to the Sepulveda Boulevard driveway with the Sepulveda Bridge widening project. The schedule for the dedication or IOD and related improvements shall be included with the Plans for the driveway modifications or removal/relocation. The City shall submit a Right-of-Way Map to RREEF, to indicate all of the required right-of-way, easements, and other information required by the dedication for the Sepulveda Boulevard bridge widening project RREEF by June 30, 2014.

RREEF shall also submit dedications, required for the Sepulveda bridge widening project, subject to the City Public Works and Community Development Departments and Caltrans review and approval. The final dedications shall be based on the final design of the Sepulveda Bridge. Dedications shall also include permanent dedications, permanent easement(s) for drainage and any other required utilities, and maintenance easements necessitated by the bridge widening.

RREEF shall also provide temporary construction easement(s) for the temporary construction staging area associated with the Sepulveda bridge widening project, subject to the City Public Works and Community Development Departments and Caltrans' review and approval. The temporary construction staging area shall be located in the lower level parking lot immediately adjacent to the northeast of the bridge for bridge construction, and access from the staging area shall be provided through the lower level parking lot to Rosecrans Avenue. Access to the bridge and roadway for construction shall also be required from RREEF's property.

The City shall submit a Right-of-Way Map to RREEF, to indicate all of the required right-of-way, easements, and other information required by the dedication for the Sepulveda Boulevard bridge widening project by June 30, 2014. The dedications and easements shall be submitted prior to the submittal of plans for Phase I to plan check, or October 31, 2014, whichever comes first. The City and Caltrans, if Caltrans requires, will review and approve the dedication and easements, and RREEF shall implement the provisions as detailed in the approval.

RREEF shall provide an irrevocable offer to dedicate (IOD) at the southeast corner of Sepulveda Boulevard and 33rd Street to accommodate improvements for a future right-turn pocket/deceleration lane from northbound Sepulveda Boulevard to eastbound 33rd Street prior to issuance of permits for Phase I. RREEF shall submit plans for the improvements to the Public Works, Fire, Police, and Community Development Departments and the City Traffic Engineer, for review and approval with the submittal

of plans for Phase I. RREEF shall dedicate the property and construct the improvements per plans approved by the City in connection with the construction of Phase I.

40. **Rosecrans Avenue.** RREEF shall provide an irrevocable offer to dedicate (IOD), for a new acceleration/deceleration lane and improved sidewalk on the south side of Rosecrans Avenue, beginning a minimum of 160 feet west of the future Cedar Way extension to the easternmost driveway serving the lower level parking lot off of Rosecrans Avenue prior to issuance of permits for Phase I. The IOD shall provide for a 12 foot curb lane width and 8 foot sidewalk; however, the sidewalk shall be continuous from Sepulveda Boulevard to Village Drive. RREEF shall submit plans for the improvements to the Public Works, Fire, Police and Community Development Departments and the City Traffic Engineer, for review and approval, for the eastern portion serving as a turn lane into the lower level parking driveway with the submittal of plans for Phase I. RREEF shall submit plans for the improvements to the Public Works, Fire, Police and Community Development Departments and the City Traffic Engineer, for review and approval, for the portion adjacent to the Cedar Way extension with Phase II and for the easternmost driveway with the submittal of plans for Phase II, or six months following the vacation of Fry's from the site, whichever comes first. RREEF shall dedicate the property and construct the eastern portion serving as a turn lane into the lower level parking driveway per plans approved by the City in connection with the construction of Phase I. In connection with the construction of Phase II, RREEF shall construct the portion adjacent to the Cedar Way extension.

41. **Rosecrans Avenue Median.** The existing median break and left-turn pocket from westbound Rosecrans Avenue, to the existing Fry's driveway on the south side of Rosecrans Avenue that accesses the Northwest Corner parcel, shall be closed and restored/reconstructed as a median when Fry's vacates the site, or when Cedar Way is extended through to Rosecrans Avenue, whichever comes first. The existing median break and left-turn pocket from eastbound Rosecrans Avenue, into an existing curb-cut and driveway apron on the north side of Rosecrans Avenue shall also be closed and restored/reconstructed when Fry's vacates the site or when Cedar Way is extended through to Rosecrans Avenue, whichever comes first.

If the developer of The Point in El Segundo submits plans for the Rosecrans Avenue median prior to Fry's vacating the site or prior to the Cedar Way extension, the City will work cooperatively with RREEF, the City of El Segundo, and The Point developer to address the median break into Fry's driveway (westbound Rosecrans Avenue, southbound into the Fry's driveway) while Fry's occupies the site, to the satisfaction of the City Traffic Engineer. If the developer of The Point in El Segundo has not submitted plans for the Rosecrans Avenue median work when Fry's vacates the site, or prior to the Cedar Way extension, RREEF shall submit plans for the improvements to the Public Works, Fire, Police and Community Development Departments and the City Traffic Engineer, as well as the City of El Segundo if any of the improvements are located within that City, for review and approval. The improvement plans shall be submitted prior to Fry's vacating the site, unless Fry's vacates the site prior to December 2016, or prior to the Cedar Way extension, whichever first occurs, and the improvement plans shall include a schedule for the completion of the improvements. RREEF shall construct the improvements, or cause the improvements to be constructed, per Plans by the City.

42. **Rosecrans Avenue Left-turn Prohibitions.** On Rosecrans Avenue, no left turns are allowed out of any driveways or Cedar Way from the project site to westbound Rosecrans Avenue. RREEF shall submit plans for signage and other improvements required by the City and a schedule for completion to the Public Works, Police, Fire and Community Development Departments and the City Traffic Engineer, for review and approval, with the submittal of plans for Phase I. Any portions of the improvements within another jurisdiction shall also require a permit from that jurisdiction. RREEF shall install the improvements per the approved plans, in accordance with the City Traffic Engineers requirements.

43. **Sepulveda Boulevard and Rosecrans Avenue Corner.** RREEF shall provide an irrevocable offer to dedicate (IOD) at the southeast corner of Sepulveda Boulevard and Rosecrans Avenue for future road and sidewalk widening with an 8 foot sidewalk width, corner improvements, including a 40 foot diagonal corner cut off measured from the back of the new sidewalks, ADA access, traffic signal and utility modifications and other improvements as needed to transition and tie together the Sepulveda Boulevard and Rosecrans Avenue improvements, and upgrade the area to current standards for pedestrian access, upon completion of the Sepulveda Bridge Widening, or the submittal of plans for Phase III, whichever comes first. RREEF shall submit concept plans for the improvements to the Public Works, Fire, Police and Community Development Departments, the City Traffic Engineer, and Caltrans for review and approval, with the submittal of the IOD, and shall include a schedule for the completion of the improvements. The schedule for completion of the improvements shall be coordinated with RREEF's construction associated with Sepulveda Boulevard (Fry's) driveway, the Rosecrans Avenue improvements, and other applicable improvements in the area including but not limited to construction of future Phase III. RREEF shall dedicate the property and construct the improvements per the plans approved by the City. While designing any improvements along Sepulveda Boulevard or at the corner of Sepulveda Boulevard and Rosecrans Avenue, the City shall take into consideration RREEF's desire to provide a right-in only turn from Sepulveda Boulevard into the Northwest Corner of the Shopping Center Property.

44. **Village Drive at Rosecrans Avenue Part I.** RREEF shall provide an irrevocable offer to dedicate (IOD) at the southwest corner of Rosecrans Avenue and Village Drive to accommodate improvements for future dual-left turn lanes and improved truck-turning radii from westbound Rosecrans Avenue to southbound Village Drive provided that the dedication and improvements will not impact the structural integrity or conformance with applicable Codes of the Medical Building at 1200 Rosecrans Avenue. The IOD and a concept plan for the improvements shall be submitted to the Public Works and Community Development Departments, and the City Traffic Engineer, prior to the first building permit being completed (building permit final) for Phase I, and shall include a schedule for the completion of the improvements. The schedule for completion of the improvements shall be coordinated with other planned improvements for the area, including additional improvements at the intersection of Rosecrans Avenue and Village Drive anticipated to be completed by the developer of The Point at El Segundo. RREEF shall dedicate the property and construct, or cause to be constructed, the improvements during construction of Phase I and/or as part of the westbound dual left turn lane improvements on Rosecrans, whichever first occurs, pursuant to plans approved by the City.

45. **Village Drive at Rosecrans Avenue Part II.** RREEF shall provide an irrevocable offer to dedicate (IOD) to provide for future road and sidewalk widening including a minimum of a six foot dedication on Village Drive, a 40 foot diagonal corner cut off, and a 12 foot dedication on Rosecrans Avenue, to accommodate a wider (6 foot to 8 foot) sidewalk, landscaping, disabled access ramps, traffic signal and utility modifications and other improvements on Village Drive and Rosecrans Avenue, as determined feasible from Traffic Engineering standards prior to the first building permit being completed (building permit final) for Phase I. This dedication would accommodate a total of two lanes Northbound and two lanes Southbound on Village Drive and the required corner transition improvements at Rosecrans Avenue and Village Drive if the Medical Building at 1200 Rosecrans Avenue is no longer at the Shopping Center property. If the Medical Building at 1200 Rosecrans Avenue is no longer at the Shopping Center property and the City determines that right-of-way improvements are needed, RREEF shall dedicate the property and shall provide a fair-share contribution to fund the construction of the improvements.

46. **Irrevocable Offer to Dedicate (IOD).** All IODs shall be recorded with the Los Angeles County Recorder's office. All IODs shall have a project description and include a general legal description, prepared by RREEF. All IODs shall be submitted to the City for review and approval and shall be recorded when required by the City as

set forth in the applicable Condition. The dedication of property included in an IOD shall include any temporary right of entry/access, temporary construction easements, utility easements, permanent dedications for roadway and bridge widening improvements, and permanent maintenance easements, in connection with the improvements required by the City per this Master Use Permit and the applicable Plan.

47. Rosecrans Avenue U-turn at Village Drive. The City and RREEF will work cooperatively to secure a "U-Turn" movement from eastbound Rosecrans Avenue at Village Drive if the U-turn can be designed to Traffic Engineering standards, all safety criteria is met, and traffic flow is not significantly impacted. RREEF is not required to install these improvements; however, if RREEF seeks to install these improvements, RREEF shall submit plans for the improvements to the Public Works, Police, Fire and Community Development Departments and the City Traffic Engineer, for review and approval. Any portions of the improvements within another jurisdiction shall also require a permit from that jurisdiction. RREEF shall install the improvements per plans approved by the City.

48. Marine Avenue-Cedar Way. The existing driveway access at Marine Avenue and Cedar Way shall be improved to provide one or two inbound lane and three outbound lanes, and shall be designed to accommodate emergency vehicle access. The widening shall include all related public and private improvements, and dedication of land if necessary, to accommodate the improvements. RREEF shall submit plans for the improvements to the Public Works, Fire, Police, and Community Development Departments and the City Traffic Engineer, for review and approval, with the submittal of plans for Phase I. RREEF shall construct the improvements per the plans approved by the City prior to the issuance of a certificate of occupancy for Phase I.

49. Construction Traffic and Parking Management Plans. The required Construction Parking Management Plan shall be implemented during all construction activity. The required Construction Traffic Management Plan shall address, but not be limited to the following; the management of all construction traffic during all phases of construction, including delivery of materials and parking of construction related vehicles; driver-less vehicles blocking neighbors' driveways without written authorization; the overnight storage of materials in the roadway; and limiting the hours of construction deliveries on weekend mornings where such activities including driving, parking and loading/unloading in areas adjacent to residential uses. The Construction Traffic Management Plan shall be coordinated with the traffic management plan for the Sepulveda Bridge widening project. RREEF shall submit the Plan, and an implementation schedule to the Public Works, Fire, Police, and Community Development Departments and the City Traffic Engineer, for review and approval, with the submittal of plans for Phase I. RREEF shall implement the Plan in accordance with a schedule approved by the City.

50. Traffic, Circulation, and Parking Plan. A Traffic, Circulation, and Parking Plan for all parking and roadway striping, signage, pavement treatment (including sharrow markings), pedestrian and bike access shall be provided throughout the Shopping Center property as depicted on the Approved Plans. The Traffic, Circulation, and Parking Plan shall include but not be limited to the following features:

- a. Compact parking spaces shall not be allowed unless approved by the Director of Community Development in limited situations when there are no other design options and the compact spaces will maximize use of the parking structure or lot.
- b. Installation of disabled access parking spaces that exceed the minimum number of required spaces, evenly distributed throughout the site at convenient locations.
- c. Parking structures shall have a minimum of two vehicle entry-exit points and three if over 600 spaces, and shall provide parking occupancy systems with

permanent electronic displays in proximity to parking structure entrances showing unoccupied spaces on each level.

d. Parking shall be provided at a minimum ratio of 4.1 spaces per 1,000 square feet of gross leasable floor area (GLA).

e. Parking shall not be reserved for any particular user, except for disabled parking spaces, EV charging stations, van/car pool spaces, or low emitting vehicles as designated in the approved Employee Parking Management Plan, including in instances where designated parking is required in a tenant's lease, and any Valet Parking Plans.

f. Passenger loading zones shall be provided near the Village Shops.

g. At a minimum, the central core portion of Cedar Way (between buildings "E" and "F" and the main Mall building) shall be constructed with decorative pavement. Curbs, landscaping, bollards or other architectural or hardscaping improvements shall be used to prevent vehicles from driving onto pedestrian only walkways. Stopping, parking and loading shall be prohibited in the decorative pavement area, but accessed by vehicles through the decorative pavement area shall be permitted.

h. Separate pedestrian walkways shall be provided to all parking structures.

i. Truck loading spaces shall be provided close to all buildings.

j. RREEF shall provide a U-turn, traffic circle or other connection at the Rosecrans Avenue entrance in the lower level parking lot with a minimum outside turning radius of 30 feet to internally connect both drive aisles.

k. Northbound left-turn pockets shall be provided on Carlotta Way at 27th and 30th Street entry points. An east-west two-way internal drive aisle will be provided as far south as feasible between Carlotta Way and Cedar Way. No dead-end aisles may be permitted.

l. Cedar Way, Carlotta Way and Fashion Boulevard shall have a minimum 25 foot width for adequate vehicle circulation and turning movements. Roadways with separate bike lanes (not sharrows) shall provide a minimum 30 foot roadway width.

m. Fashion Boulevard at Carlotta Way, shall be designed to line up east to west and not be off-set to the satisfaction of the City Traffic Engineer.

n. The driveway access between the lower level parking and Carlotta Way, north of the 3500 Sepulveda Boulevard building, shall be revised to minimize the sharp angle.

o. RREEF shall work cooperatively with the City Traffic Engineer to minimize conflicts and improve visibility and safety with the location of parking spaces with direct access onto internal private streets (Cedar, Fashion and Carlotta) and onto accessways leading into parking structures.

p. With the extension of Cedar Way to Rosecrans Avenue, the existing Fry's driveway, access on Rosecrans Avenue, and parking lot shall be designed and reconfigured as needed to meet the requirements of the City Traffic Engineer.

q. The North Parking Structure shall include a stairway and elevator on the west side of the parking deck to provide external access.

- r. The North Parking Structure shall be limited to G+2, with level 2 set-back 90 feet from the western edge of the parking structure's footprint (so that the western-most 90 feet of the parking structure essentially is capped at G+1).
- s. Thirty additional parking spaces shall be provided on the west side of the lower level parking lot with pedestrian access to the 3500 Sepulveda building.
- t. A right turn/deceleration lane from northbound Sepulveda Boulevard at 33rd Street shall be provided into the Project site.

RREEF shall submit plans for the improvements, and an implementation schedule to the Public Works, Fire, Police, and Community Development Departments and the City Traffic Engineer, for review and approval, with the submittal of plans for the applicable Phase. RREEF shall construct the improvements per the Plan approved by the City, prior to the issuance of a building permit final for the applicable Phase.

51. Transit Plan. RREEF shall submit a Transit Plan to provide a transit route through the Shopping Center property between Rosecrans Avenue and Village Drive via Fashion Boulevard with the plans for Phase II. The plans for Phases II and III shall be consistent with the Transit Plan. RREEF shall coordinate with transit providers and the City to provide a transit route through the Shopping Center including cooperating on grant applications and the design and implementation of improvements within the Shopping Center property to accommodate the transit route. If a transit provider agrees to route through the Shopping Center, RREEF shall make the necessary improvements within the Shopping Center site to accommodate transit through turning radius, clearance, transit stops, shelters, linkages, signage, and similar improvements. Public transit improvements, as detailed above, shall be installed on the property, and on adjacent public property if feasible, providing connectivity on and off-site with transit, pedestrians and bikes. If a transit provider agrees to route through the Shopping Center, RREEF shall construct the improvements, or cause the improvements to be constructed, per the Plan approved by the City.

52. Oak and Cedar Avenues Traffic Study. RREEF has offered to voluntarily fund the cost, up to \$20,000 for the City to evaluate non-residential traffic issues on Oak Avenue and Cedar Avenue. The study area shall be determined by the City, but shall focus on the corridor along Oak Avenue between Manhattan Beach Boulevard and 33rd Street and Cedar Avenue between 18th Street and Marine Avenue, and other streets as deemed necessary by the City. The study scope shall include, but not be limited to, cut-through traffic, commercial parking, and speeding. The study will evaluate traffic issues, recommend options to address the issues and include temporary measures, monitoring, follow-up studies, and permanent improvements as needed. The funds for the study shall be submitted by RREEF with the submittal of the first set of plans to plan check for Phase I or initiation of the study, whichever comes first, and returned to RREEF at the end of 12 months if the study is not initiated by the City.

53. Financial Security for Off-site Improvements. RREEF shall submit to the City a cost estimate for completion of all of the required off-site improvements, including but not limited to the traffic and public improvements and the Veterans Parkway connection and improvements, with the submittal of the first set of plans to plan check for Phase I. If the City accepts the final cost estimate, RREEF shall provide a bond or other financial security, equal to 1.25 times the estimated cost of the improvements, acceptable to the satisfaction of the Finance Director, Director of Public Works and the City Attorney, prior to the issuance of building permits for Phase I.

WASTEWATER /UTILITIES

54. Cleaning Outside. No outside cleaning of kitchen floor mats or shopping carts will be permitted on the site. All kitchen floor mats shall be cleaned in such a manner that the run-off wastewater drains only to a private sewer drain on the premises.



55. **Grease Inceptors and Trash Enclosure Plan.** RREEF shall upgrade any existing grease inceptors to current standards, as feasible, in areas of new construction. RREEF shall also upgrade any existing trash enclosures to provide covers, and adequate room for solid waste, recyclables and food waste recycling. Existing trash enclosures shall also be tied into sanitary sewers, if feasible. RREEF shall work with Waste Management, or the current waste provider, and Public Works to develop a Plan for the improvements to the existing facilities. RREEF shall then submit plans for the improvements to the Public Works, Fire and Community Development Departments, for review and approval, with the submittal of plans for Phase I and shall include a schedule for the completion of the improvements. RREEF shall construct the improvements, or cause the improvements to be constructed, per the Plan as approved by the City, in connection with each phase of construction.

56. **Utilities.** All private utilities on the site shall be maintained by the property owner not the City.

SECTION 19. The time within which judicial review, if available, of this decision must be sought is governed by California Code of Civil Procedure Section 1094.6, unless a shorter time is provided by other applicable law. The City Clerk shall mail by first class mail, postage prepaid, a certified copy of this Resolution and a copy of the affidavit or certificate of mailing to RREEF, 3500 Sepulveda and any other persons or entities requesting notice of the decision.

SECTION 20. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 2nd day of December, 2014.

Ayes: Howorth, Lesser and Mayor Powell

Noes: D'Errico and Burton

Absent: None

Abstain: None



Wayne Powell, Mayor
City of Manhattan Beach

Attest:



Liza Tamura, City Clerk

(SEAL)

EXHIBIT E

THIRD ADDENDUM TO THE ENVIRONMENTAL IMPACT REPORT

FOR

MANHATTAN VILLAGE SHOPPING CENTER ENHANCEMENT PROJECT

Prepared for

City of Manhattan Beach

October 2019

Prepared by

**Eyestone Environmental on Behalf of
Community Development Department
City of Manhattan Beach**

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Appendices

Appendix A Traffic Memorandum

**THIRD ADDENDUM TO THE
ENVIRONMENTAL IMPACT REPORT
FOR
MANHATTAN VILLAGE SHOPPING CENTER ENHANCEMENT PROJECT**

1. Purpose

This Third Addendum has been prepared to augment the previously adopted Environmental Impact Report (Certified EIR) that was certified by the City Council of the City of Manhattan Beach (City) on December 2, 2014, for the Manhattan Village Shopping Center Enhancement Project (Approved Project); the First Addendum approved in December 2016; and the Second Addendum approved in September 2017. This Third Addendum, together with the above-mentioned Certified EIR and First Addendum and Second Addendum, serves as the environmental review for the Master Use Permit (MUP) amendment to allow specified Personal Improvement Services within the Manhattan Village Shopping Center (MVSC) and the ancillary sale of alcohol for off-site consumption at additional restaurant locations within the MVSC. This Addendum has been prepared pursuant to the provisions of the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 *et seq.*, and the State and local CEQA Guidelines.

Pursuant to the provisions of CEQA and the State CEQA Guidelines, the City is the Lead Agency and is charged with the responsibility of deciding whether or not to approve the proposed MUP amendments. As part of the decision-making process, the City is required to review and consider the potential environmental effects that could result from modifications to the Approved Project analyzed in the previously adopted Certified EIR, First Addendum, and Second Addendum.

2. Required Findings for Use of an Addendum

California Code of Regulations, Title 14 (hereinafter, "State CEQA Guidelines"), Sections 15162 through 15164, set forth the environmental review requirements when a new discretionary action is required for a previously approved project.

Pursuant to State CEQA Guidelines Section 15162:

- (a) When an EIR has been certified...for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:
 - 1. Substantial changes are proposed in the project which will require major revisions of the previous EIR...due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
 - 2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
 - 3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete...shows any of the following:
 - (A) The project will have one or more significant effects not discussed in the previous EIR;

- (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

If some changes or additions to a previously-prepared EIR are necessary but none of the conditions specified in State CEQA Guidelines Section 15162 are present, the lead agency shall prepare an addendum (State CEQA Guidelines, Section 15164(a)). Further, the addendum should include a “brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162,” and that “explanation must be supported by substantial evidence” (State CEQA Guidelines, Section 15164(e)). The addendum need not be circulated for public review, but may simply be attached to the Final EIR (Ibid.; State CEQA Guidelines, Section 15164(c)) and considered by the decision-making body prior to making a decision on the project.

In performing the required analysis and determining that the criteria are met for use of an addendum, this Addendum relies on use of a Modified Environmental Checklist Form, as suggested in Section 15063(d)(3) of the State CEQA Guidelines. Section 6 of this Addendum contains the Modified Environmental Checklist Form and explains the basis for each response to the questions on that Form. This Addendum evaluates the changes to the Manhattan Village Shopping Center Enhancement Project, as set forth in the approval documents dated December 2, 2014 with revisions in December 2016 and June 2017 and measures the impacts of those changes against the checklist questions presented in Section 6 of this Addendum.

Based on this analysis and the information contained herein, substantial evidence supports the conclusion that the proposed MUP amendments are not substantial changes and do not require major revisions to the Certified EIR. There are no new significant environmental impacts associated with implementation of the proposed modifications. In addition, substantial evidence supports the conclusion that the circumstances under which the Approved Project would be undertaken have not substantially changed, and there is no evidence of new or more severe environmental impacts arising out of the proposed amendments.

More specifically, the analysis in Section 6 of this Addendum demonstrates that like the Approved Project, the proposed MUP amendments would not result in any significant and unavoidable adverse impacts to the environment, as all potentially significant impacts would be mitigated to less than significant levels. No changes to the mitigation measures set forth in the adopted Mitigation Monitoring and Reporting Program (MMRP) are proposed. In addition, there are no substantial changes in the existing conditions on or around the Shopping Center site that affect the analyses presented in the Certified EIR. Therefore, the minor changes resulting from the proposed MUP amendments do not meet the standards for a subsequent or supplemental EIR pursuant to State CEQA Guidelines Section 15162.

3. Previously Approved Project

The Certified EIR for the Manhattan Village Shopping Center Enhancement Project addressed potential impacts associated with development of additional shopping center uses that would result in up to 696,509 square feet of gross leasable area (GLA) when accounting for the equivalency program included as part of the Project. On December 2, 2014 the City Council approved the construction of new retail and restaurant GLA and three parking structures; reconfiguration of existing surface parking areas; and

installation of signs to identify and advertise the businesses within MVSC. A total of 652,709 square feet of GLA (662,426 square feet with the Equivalency Program) was approved.

In addition, a First Addendum to the Certified EIR was prepared and approved in December 2016 to address an Updated Site Plan that included reconfiguration of proposed buildings and parking structures within the previously approved development footprint. The types of uses to be developed did not change and the overall GLA was not increased. A Second Addendum to the Certified EIR was approved in September 2017 to address refinements to certain conditions of approval in connection with construction resequencing and further site plan refinement.

As discussed in detail in Section II. Project Description of the Draft EIR, the Approved Project includes an equivalency program whereby retail, retail, restaurant, cinema, office, medical office, and health club uses may be exchanged for each other based on specific p.m. peak hour trip conversion factors.¹ However, the maximum amount of net new restaurant square footage may not exceed 43,266 and the maximum amount of net new office square footage may not exceed 57,750. In addition, in no event would the exchange result in more than 133,389 square feet of net new GLA within the Approved Project's Development Area.

4. Previously Certified EIR

The Certified EIR fully analyzed the potential environmental impacts of the Manhattan Village Shopping Center Enhancement Project. The Certified EIR determined that the Manhattan Village Shopping Center Enhancement Project would not have the potential to create a significant environmental effect on any environmental resource except with respect to aesthetics/visual quality (construction and operation), light/glare (construction and operation), construction-related regional air emissions, hazards and hazardous materials (construction and operation), construction noise, fire protection (construction and operation), police protection (construction and operation), and construction-related traffic and parking. With respect to these potentially significant impacted areas and resources, the Certified EIR identified feasible mitigation measures that would reduce each impact to a less than significant level. Both the First Addendum and the Second Addendum did not change any of the impact conclusions. As such, the Approved Project was not found to result in any significant and unavoidable adverse impacts to the environment. A summary of the identified potentially significant impacts and associated mitigation is provided below.

- **Aesthetics/Visual Quality (Construction and Operation)**—Neither the Approved Project's construction activities or design/operational characteristics were found to substantially alter or degrade the existing visual character of the Shopping Center site or surrounding area. Although impacts were found to be less than significant, mitigation measures, including daily visual inspections of the construction site, temporary construction fencing with screening material, and preparation and implementation of landscape plan, were provided to ensure potential aesthetic/visual quality impacts associated with construction and operation would be less than significant.
- **Light/Glare (Construction and Operation)**—Neither temporary lighting associated with Project construction activities nor the increase in ambient light associated with operational lighting were found to substantially alter the character of the area, interfere with nearby residential uses, or interfere with the performance of an off-site activity. Although impacts were found to be less than significant, mitigation requiring the use of low reflectivity lighting, the use of

¹ Appendix D of the Traffic Study (included as Appendix G of the Draft EIR) provides an equivalency table based on the peak hour trip generation of the various land uses that could be developed as part of the Approved Project.

cutoff optics and shielding, and review of a photometric lighting plan was provided to ensure less than significant impacts. Potential glare impacts were found to be less than significant, and no mitigation measures were required.

- **Construction-Related Regional Air Emissions**—Construction-related daily maximum regional emissions would not exceed the South Coast Air Quality Management District (SCAQMD) daily significance thresholds for criteria pollutants. Concurrent construction of the Approved Project's components also would not exceed the SCAQMD daily significance thresholds for any of the pollutants. Although impacts were found to be less than significant, mitigation measures were proposed to provide dust control, minimize exhaust emissions, use alternative fuel sources when feasible, and ensure compliance with SCAQMD requirements, thus ensuring impacts would remain less than significant.
- **Hazards and Hazardous Materials (Construction and Operation)**—Potentially significant impacts were identified based on the potential for exposure of construction workers to contaminated soil during earthwork activities and exposure of commercial workers to hazardous vapors from groundwater as a result of vapor intrusion. Proposed mitigation measures, including preparation and implementation of a Soil Management Plan with specific performance standards tied to regulatory requirements and a vapor intrusion protection system, were determined to reduce such impacts to less than significant levels.
- **Construction Noise**—Temporary but potentially significant noise impacts were identified based on the potential for on-site construction activities to exceed the significance thresholds at nearby sensitive receptors. Mitigation in the form of a sound barrier wall, noise control devices for construction equipment, and compliance with noise requirements, would reduce such impacts to less than significant levels.
- **Fire Protection (Construction and Operation)**—Although construction impacts were found to be less than significant, mitigation was proposed to ensure that emergency access to the Shopping Center site would remain unobstructed during construction. Similarly, while impacts with regard to the capability of existing fire protection services, fire safety design, and operational access would be less than significant, mitigation measures were proposed to guarantee compliance with Manhattan Beach Fire Department (MBFD) requirements and incorporate appropriate fire prevention and suppression features, thus ensuring impacts would be less than significant.
- **Police Protection (Construction and Operation)**—Potentially significant impacts were identified based on the potential for increased demand for police response during construction. Mitigation to implement security measures and ensure emergency access during construction would reduce such impacts to less than significant levels. In addition, although operational impacts were found to be less than significant, mitigation was proposed to ensure the inclusion of crime prevention features and compliance with Manhattan Beach Police Department (MBPD) requirements, thus ensuring impacts would be less than significant.
- **Construction-Related Traffic and Parking**—Although the impact of construction trips would be less than significant during the A.M. and P.M. peak hours, the City required mitigation in the form of an approved Construction Traffic Management Plan prior to commencement of construction. This plan, set forth in Mitigation Measure H-1, requires implementation of traffic control measures and devices, consistent with current California Manual of Uniform Traffic Control Devices standards, throughout the duration of Project demolition and construction. In addition, while the Traffic Study indicated that on-site parking during construction may occasionally fall below the parking requirements set forth in the MUP, the parking demand analysis demonstrated that the parking supply typically would be adequate to meet the peak monthly parking demand at the Shopping Center site. Nonetheless, a Construction Parking

Management Plan was required as mitigation. This plan, set forth in Mitigation Measure H-2, would ensure adequate parking would be provided for the Shopping Center in the event of a shortfall relative to peak parking demand, particularly during the holiday season in December, through the provision of off-site parking (e.g., at the nearby City-owned lot or other lots in the area). Mitigation Measure H-2 also set a performance standard that requires the Applicant to provide the number of off-site spaces necessary to meet demand and demonstrate that agreements have been signed to guarantee the availability of those parking spaces. Under the Updated Plan, one construction sub-sequence (Sequence 3/Stage 7) would not have sufficient on-site parking to meet the December peak parking demand on a weekday and weekend. This temporary shortfall is the same issue that would occur under the holiday construction schedule analyzed in the Certified EIR and will be addressed via use of the nearby City-owned parking lot or other lots in the area, as set forth in Mitigation Measure H-2. With implementation of mitigation, construction-related traffic and parking impacts would remain less than significant.

Based on the analyses provided within the Certified EIR, impacts with respect to the following issues were determined to be less than significant and did not require or otherwise involve mitigation: views; shading; construction-related air quality (local air emissions, toxic air contaminants, and odors); operational air quality, including global climate change; hydrology and water quality (construction and operation); land use; operational noise; operational traffic; water (construction and operation); and wastewater (construction and operation). In addition, based on substantial evidence, the City determined through the Initial Study that the Approved Project would not have the potential to cause significant impacts related to: agricultural resources; biological resources; cultural resources; geology and soils; mineral resources; population, housing, and employment; parks and recreation; libraries; schools; solid waste; and energy. Therefore, these areas were not required under CEQA to be analyzed in the Certified EIR.

As detailed above, with respect to those potentially significant impacted areas and resources, the Certified EIR identified feasible mitigation measures that would reduce all such potential impacts to less than significant levels. As such, the Approved Project would not result in any significant and unavoidable adverse impacts to the environment.

5. Project Changes Addressed in this Addendum

The Applicant proposes modifications to the MUP to permit “boutique” fitness studio uses, as well as the ancillary sale of alcohol for off-site consumption at additional restaurant locations within MVSC. Specifically, Condition Nos. 18 and 20 of the MUP are proposed to be revised to read as follows:

18. Land Uses and Square Footages. The existing Shopping Center contains approximately 572,837 square feet gross leasable area (GLA). The Project may add a maximum of 79,872 net new square feet GLA (89,589 square feet with the Equivalency Program) within Phases I and II in the Development Area. The Shopping Center property may not exceed 686,509 square feet GLA (696,226 square feet with the Equivalency Program). Any increase in the floor area of non retail uses above 20 percent of GLA for the Shopping Center shall require Equivalency Program review. Retail Sales as well as Banks and Savings and Loans uses, shall be classified as retail uses.

For any proposed square footage that exceeds 686,509 square feet, up to the 696,226 square foot cap, RREEF shall submit traffic and parking data for review by the Community Development Department and the City Traffic Engineer to determine if the proposal is consistent with the trip generation and parking thresholds established in the Certified Final EIR and the Equivalency Program. The study shall include an update of the sitewide list of tenants in Exhibit “A”, uses and GLA, and RREEF shall pay the cost of the City Traffic Engineer’s review.

The following land uses are allowed in the Shopping Center, provided that no land use type exceeds the applicable maximum square footage for each type:

- a. Retail Sales (including drug stores)
- b. Personal Services (e.g., Beauty salons, Dry-Cleaners, Shoe repair)
- c. Food and Beverage Sales (including Grocery Stores, but excluding high traffic generating or high parking demand land uses such as liquor or convenience stores as determined by the Director)
- d. Offices, Business and Professional—69,300 square feet maximum for Business and Professional offices. Additionally, 28,800 square feet maximum for Medical and Dental offices (existing square footage rounded, plus an additional 7,000 square feet allowed). The 3500 Sepulveda Boulevard building may be occupied with 100% Business and Professional and/or Medical and Dental offices, as long as the total combined office square footage on the entire Mall site does not exceed 98,100 square feet, and the parking requirements are met.
- e. Banks and Savings and Loan—36,200 square feet maximum (existing square footage, no additional square footage allowed). If any of the existing bank operators in stand-alone buildings adjacent to Sepulveda Boulevard terminate their bank operation for a period longer than 6 months (except for suspended operation in the event of fire, casualty or major renovation), they may not be replaced with another bank or savings and loan use. This clause is not intended to govern business name changes or mergers or acquisitions among bank operators, commercial banks or savings and loans. No new bank or savings and loan uses are permitted in existing or new stand-alone buildings. New banks or savings and loan uses are limited to a maximum of 2,000 square feet in area.
- f. Eating and Drinking Establishments (restaurants)—89,000 square feet maximum, which includes outdoor dining areas for restaurants that provide full table service.
- g. Personal Improvement Services (limited to Fitness Studios and their ancillary components)—25,000 square feet maximum for fitness studios. No individual fitness studio use (including any ancillary components) shall exceed 5,000 square feet.
- ~~g.~~ h. Uses identified as permitted (by right) in the underlying zoning district (CC) which are not included in this Master Use Permit shall be left to the discretion of the Director to determine if the use is a retail or non-retail use, and if Planning Commission review is required.

The following uses are not permitted by this Master Use Permit:

- a. Personal Improvement Services (Gyms, Dance studios, Trade schools, etc), except for fitness studios as provided in 18.g. above.
- b. High traffic generating or parking demand land uses, including but not limited to, liquor stores and convenience stores as determined by the Director of Community Development.

c. Bars.

20. Alcohol Off-Site Sales. An amendment to the Master Use Permit must be approved by the City prior to the sale of alcohol other than for on-site consumption at an eating and drinking establishment, unless specifically permitted by this Resolution. Tenants with existing ABC licenses and City approval for off-site alcohol sales and/or on-site tasting—i.e., Ralphs, CVS, and the Vintage Shoppe—may continue to sell alcohol for off-site consumption and/or on-site tasting in accordance with their approvals. In addition to these tenants with existing ABC licenses and City approvals, this Master Use Permit authorizes up to four (4) restaurants to offer ancillary off-site alcohol sales provided that such ancillary sales are conducted pursuant to an approved ABC license. Specific proposals for ancillary off-site alcohol sales for any restaurant at the Shopping Center are subject to the administrative approval by the Director to determine consistency with the Master Use Permit.

These modifications to the MUP would not change the physical aspects of the Project. Specifically, the development footprint, total square footage permitted, and height of proposed buildings approved as part of the Approved Project would not change. In addition, access and parking would not be modified. All of the mitigation measures included in the Certified EIR and MMRP would also continue to be implemented. In addition, the provisions of the equivalency program described above would also continue to be implemented in the event that the non-retail square footage exceeds 20 percent, which would ensure that no new peak hour trips would occur beyond those set forth in the Certified EIR.

With respect to construction, the proposed modifications would not involve construction activities in previously unforeseen areas of the Project Site, would not result in an increase in the maximum amount of grading or depth of grading as compared to the Approved Project, nor would they involve changes in the anticipated equipment mix.

6. Evaluation of Environmental Impacts

The Modified Environmental Checklist Form below is used to compare the anticipated environmental effects of a project with those disclosed in the previous EIR and to review whether any of the conditions set forth in Section 15162 of the State CEQA Guidelines requiring preparation of a subsequent environmental document are met. The Form is used to review the potential environmental effects of the proposed project for each of the following areas:

- | | |
|--------------------------------------|--------------------------------------|
| • Aesthetics | • Land Use and Planning |
| • Agriculture and Forestry Resources | • Mineral Resources |
| • Air Quality | • Noise |
| • Biological Resources | • Population and Housing |
| • Cultural Resources | • Public Services |
| • Energy | • Recreation |
| • Geology and Soils | • Tribal Cultural Resources |
| • Greenhouse Gas Emissions | • Transportation/Traffic |
| • Hazards and Hazardous Materials | • Utilities and Service Systems |
| • Hydrology and Water Quality | • Wildfire Hazards |
| | • Mandatory Findings of Significance |

There are six possible responses to each of the questions included on the Modified Environmental Checklist Form:

A. Substantial Change in Project Requiring Major Revision of Previous EIR.

This response is used when the project has changed to such an extent that major revisions of the previous EIR are required due to the involvement of new significant environmental effects or an increase in the severity of the previously identified significant effects.

B. *Substantial Change in Circumstances under which Project is Undertaken Requiring Major Revision of Previous EIR.*

This response is used when the circumstances under which the project is undertaken have changed to such an extent that major revisions of the previous EIR are required because such changes would result in the project having new significant environmental effects or would substantially increase the severity of the previously identified significant effects.

C. *New Information of Substantial Importance Showing New or Greater Significant Effects Than Identified in Previous EIR*

This response is used when new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified, shows that the project would have a new significant environmental effect or more severe significant effect than identified in the previous EIR.

D. *New Information of Substantial Importance Showing Ability to Substantially Reduce Significant Impacts Identified in Previous EIR.*

This response is used when new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified, shows:

- (1) The significant environmental effects of the project could be substantially reduced through imposition of mitigation measures or alternatives that although previously found to be infeasible are in fact now feasible, but the project proponent declines to adopt them; or
- (2) The significant environmental effects of the project could be substantially reduced through imposition of mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR, but the project proponent declines to adopt them.

E. *Less Than Significant Impact/No Changes or Circumstances and No New Information That Would Require the Preparation of a New EIR.*

This response is used when: (1) the potential impact of the project is determined to be below known or measurable thresholds of significance and would not require mitigation; or (2) there are no changes in the project or circumstances and no new information that would require the preparation of a new EIR and/or EIR pursuant to Public Resources Code Section 21166 and Section 15162 of the State CEQA Guidelines.

F. *No Impact.*

This response is used when the proposed project does not have any measurable environmental impact.

The Modified Environmental Checklist Form and the accompanying evaluation of the responses included below provide the information and analysis upon which the City of Manhattan Beach makes its determination that no subsequent environmental document beyond this Addendum is required for the proposed modifications to the MUP.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

1. AESTHETICS. Would the project:						
a) Have a substantial adverse effect on a scenic vista?					X	
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?						X
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?					X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?					X	
The Certified EIR concluded view and shading impacts would be less than significant; impacts related to aesthetics/visual quality and light/glare were likewise found to be less than significant although mitigation was nonetheless proposed. The proposed modifications to the MUP to provide for up to 25,000 square feet of fitness studio uses and up to four restaurants to offer ancillary off-site alcohol sales pursuant to an approved ABC license would not change any of the physical characteristics of the Project, including the development footprints, building height, or sources of light and glare. As such, the proposed modifications to the MUP would not create any new or more severe impacts associated with aesthetics, views, shading, or light and glare beyond those already anticipated in the Certified EIR. The mitigation measures contained within the previously adopted MMRP would remain applicable and would be implemented, thus reducing all potentially significant aesthetic impacts to less than significant levels. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to aesthetic resources. Therefore, the City finds: A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred; B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and C. None of the proposed project changes would significantly affect this environmental resource.						

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

2. AGRICULTURE RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:						
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?						X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?						X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?						X
d) Result in the loss of forest land or conversion of forest land to non-forest use?						X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?						X
The Initial Study prepared for the Approved Project concluded no impacts related to agricultural resources would occur. As no agricultural zoning, Williamson Act-enrolled land, agricultural uses, or related operations exist within the Project Site or the surrounding area, and development would continue to be located within the development boundaries of the Approved Project, no impact to agricultural resources would occur as a result of the proposed MUP amendments. Furthermore, the City of Manhattan Beach does not contain land designated as a timberland production zone. Thus, no impacts associated with agricultural resources would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to agricultural resources. Therefore, the City finds:						

Manhattan Village Shopping Center Enhancement Project Third Addendum

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?					X	
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?					X	
c) Expose sensitive receptors to substantial pollutant concentrations?					X	
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?						X

The Certified EIR concluded construction-related and operational air quality impacts, including both local and regional emissions, would be less than significant; however, mitigation was provided to further reduce construction-related regional emissions. Odor impacts were determined in the Certified EIR to be less than significant. The proposed modifications to the MUP would not change the development area, amount of grading, peak construction activities, equipment mix, or maximum amount of GLA permitted. In addition, as discussed below, with implementation of the equivalency program, the number of vehicular trips would not increase as a result of the proposed modifications to the MUP. In addition, no substantial sources of odors would be implemented as part of the MUP amendments. Thus, no new construction-related or operational air quality impacts would result from the proposed modifications beyond those already anticipated in the Certified EIR. The mitigation measures contained within the previously adopted MMRP would remain applicable and would be implemented, thus reducing all potentially significant air quality impacts to less than significant levels. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to air quality.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

4. BIOLOGICAL RESOURCES. Would the project:						
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?						X
b) Have substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?						X
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?						X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?					X	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?						X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?						X
The Initial Study prepared for the Approved Project determined no impacts to biological resources would occur. The Project Site is located in an urbanized area and none of the following is located on-site or in the immediate vicinity: suitable habitat for candidate, sensitive, or special status species; riparian habitat or other sensitive natural communities; federally protected habitat; or wildlife corridors or native wildlife nursery sites. In addition, since development would occur within the Development Area previously analyzed, the proposed modifications to the MUP would not require the removal of additional trees or vegetated areas. Thus, no impacts to biological resources would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to						

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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biological resources.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

5. CULTURAL RESOURCES. Would the project:

a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?						X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?					X	
c) Disturb any human remains, including those interred outside of formal cemeteries?					X	

The Initial Study prepared for the Approved Project determined impacts related to historic and archaeological resources, as well as human remains would be less than significant. There are no historic resources located on-site, and it was determined that the Approved Project would not disturb, damage, or degrade potential unique archaeological resources, archaeological sites that are considered historic resources. As development would continue to be located within the development boundaries of the Approved Project and would not increase the total amount of floor area, the proposed areas of disturbance, the amount of grading, or the depth of grading set forth in the Certified EIR, no new impacts associated with cultural resources would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales. Therefore, such impacts would continue to be less than significant. As such, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to cultural resources.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

6. ENERGY. Would the project:

a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?					X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?					X	

This checklist question was not part of Appendix G of the State CEQA Guidelines when the Certified EIR was prepared. Nonetheless, the Initial Study determined that natural gas and electricity infrastructure would be available to accommodate the Approved Project. In addition, as discussed in the Certified EIR, the Approved Project would comply with Title 24 of the California Code of Regulations, which sets forth the Building Energy Efficiency Standards to limit the amount of energy consumed by the Project, as well as other more recent energy conservation regulations such as CALGREEN. Furthermore, at a minimum, the Project would be designed and constructed to achieve LEED Silver or equivalence and would seek certification to that effect. As such, the Approved Project would not result in the unnecessary consumption of energy or conflict with a state or local plan regarding energy. The proposed modifications to the MUP would not increase the overall amount of GLA within the MVSC or result in uses that would generate a substantial demand for energy. As such, potential impacts associated with energy would continue to be less than significant with implementation of the proposed MUP amendments. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to energy.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

7. GEOLOGY AND SOILS. Would the project:

a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:						
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.					X	
ii) Strong seismic ground shaking?					X	

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Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

iii) Seismic-related ground failure, including liquefaction?					X	
iv) Landslides?						X
b) Result in substantial soil erosion or the loss of topsoil?					X	
c) Be located on a geologic unit that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?					X	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?					X	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?						X
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?						X

The Initial Study for the Approved Project determined that less than significant impacts with respect to geology and soils would occur, as the Approved Project's construction and operational activities would not expose people to earthquake fault ruptures, strong seismic ground shaking, liquefaction, landslides, soil erosion, or expansive soils. The proposed modifications to the MUP would not increase the general areas to be developed, total square footage, the types of uses, or the building heights anticipated in the Certified EIR. In addition, the proposed modifications to the MUP would not change the overall construction assumptions (e.g., the maximum amount of grading, the depth of grading, foundation methods, etc.) set forth in the Certified EIR. Furthermore, proposed development would continue to comply with regulatory requirements, including the Uniform Building Code (UBC), to minimize the potential for any seismic-related ground failures. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to geology and soils.

With regard to paleontological resources, the Initial Study prepared for the Approved Project determined impacts related to paleontological resources would be less than significant. As development would continue to be located within the development boundaries of the Approved Project and would not increase the total amount of floor area, the proposed areas of disturbance, the amount of grading, or the depth of grading set forth in the Certified EIR, no new impacts associated with paleontological resources would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales. Therefore, such impacts would be less than significant. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to paleontological resources.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

8. GREENHOUSE GAS EMISSIONS. Would the project:

a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?					X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?					X	

The Certified EIR concluded the would result in a less than significant impact related to global climate change. Proposed development with the modifications to the MUP would continue to be located within the development boundaries of the Approved Project. The proposed modifications would not: change the overall construction assumptions set forth in the Certified EIR, introduce additional stationary source emissions, or generate additional daily traffic that would result in additional mobile source emissions as compared to the Approved Project. Furthermore, the new development would continue to implement the same energy and water conservation measures set forth in the Certified EIR and would not conflict with any applicable plan, policy, or regulation intended to reduce GHG emissions. No greater GHG emissions would result as compared to the Approved Plan. Thus, no new impacts associated with climate change would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales, and the Certified EIR's conclusion of a less than significant impact would remain the same. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to greenhouse gas emissions.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

9. HAZARDS AND HAZARDOUS MATERIALS. Would the project:

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?					X	
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Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?					X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?						X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?					X	
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?						X
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?					X	
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?						X

The Certified EIR concluded impacts related to soil contamination would be potentially significant; mitigation was proposed to reduce such impacts to a less than significant level. The modifications to the MUP would not involve additional areas of disturbance, an increase in the depth of grading, or additional floor area beyond those previously evaluated in the Certified EIR. In addition, the proposed amendments to the MUP would not result in an increase in the routine transport or release of hazardous materials in the environment, or an increase in hazards to the public or the environment beyond that already anticipated in the Certified EIR. The mitigation measures contained within the previously adopted MMRP with specific performance standards tied to regulatory requirements would remain applicable and would be implemented as part of the proposed modifications to the MUP, thus reducing all potentially significant hazards and hazardous materials impacts to less than significant levels. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to hazards.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
C. None of the proposed project changes would affect this environmental resource.

10. HYDROLOGY AND WATER QUALITY. Would the project:

a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?					X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?					X	
c) Substantially alter the existing drainage pattern of the site or area including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:					X	
i) Result in substantial erosion or siltation on- or off-site;					X	
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;					X	
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or					X	
iv) impede or redirect flood flows?					X	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?					X	
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?					X	

The Certified EIR concluded construction-related and operational impacts associated with surface water hydrology and water quality would be less than significant. The proposed modifications to the MUP would not increase the total amount of shopping center floor area or the proposed areas of disturbance compared to the Approved Project, nor would the

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

proposed modifications increase any violations of water quality standards, deplete groundwater, or alter drainage patterns beyond that anticipated in the Certified EIR. In addition, proposed development would continue to comply with all regulations related to hydrology and water quality. Thus, no new impacts associated with hydrology and water quality would occur; such impacts would remain less than significant. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to hydrology and water quality.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

11. LAND USE AND PLANNING. Would the project:

a) Physically divide an established community?					X	
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?					X	

The Certified EIR concluded impacts related to land use consistency and compatibility would be less than significant. The proposed modifications to the MUP would not: increase the total amount of shopping center floor area as compared to the Approved Project, introduce incompatible uses, involve development in areas of the Project Site previously unforeseen, or involve changes in the Equivalency Program. In addition, the general locations and heights of buildings would be consistent with those anticipated and evaluated in the Certified EIR. Furthermore, with the proposed MUP amendments, the Project would continue to be consistent with the land use plans and regulations that govern development of the Project Site. Therefore, the proposed modifications to the MUP would not create any new or more severe impacts associated with land use consistency or land use compatibility. As such, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to land use.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified;
- C. None of the proposed project changes would significantly affect this environmental resource.

12. MINERAL RESOURCES. Would the project:

a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?						X
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Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?						X
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The Initial Study prepared for the Approved Project determined no impact related to mineral resources would occur. As there are no known mineral resources in the Project area, there would be no loss of availability of a known mineral resource of value to the region and residents of the State as a result of development of the Project Site. Given proposed development would continue to be located within the development boundaries of the Approved Project and involve the same land uses, no impacts associated with mineral resources would occur as a result of the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to mineral resources.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

13. NOISE. Would the project result in:

a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?					X	
b) Generation of excessive groundborne vibration or groundborne noise levels?					X	
e) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?					X	

The Certified EIR concluded construction noise impacts would be less than significant with mitigation and operational noise impacts would be less than significant. Construction activities would occur within the same general locations as evaluated in the Certified EIR, and the proposed modifications to the MUP would not increase the amount of grading or the anticipated equipment mix. In addition, modifications to the MUP would not increase the total amount of shopping center floor area, introduce new sources of noise not previously accounted for as part of the Approved Project, or

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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generate additional traffic beyond that anticipated in the Certified EIR. Further, the mitigation measures contained within the previously adopted MMRP would remain applicable and would be implemented as part of the modifications to the MUP, thus reducing all potentially significant noise impacts to less than significant levels. Nothing contained in the proposed changes to the Approved Project would alter the type, level, or severity of impact with respect to noise.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

14. POPULATION AND HOUSING. Would the project:

a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?					X	
b) Displace substantial numbers of existing people or housing, necessitating the construction of the replacement housing elsewhere?						X

The Initial Study prepared for the Approved Project determined no impacts related to population, housing, and employment would occur. As the modifications to the MUP involve similar uses as the Approved Project and do not include any residential uses, substantial population growth is not expected to occur. Additionally, the Project would continue to have a beneficial effect on employment and would continue to improve the local jobs/housing balance. Therefore, the Project would continue to fall within SCAG population, housing, and employment projections for the area, and no new impacts associated with population, housing, or employment would occur as a result of the proposed amendments to the MUP. Such impacts would remain less than significant. Accordingly, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to population and housing.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact

15. PUBLIC SERVICES. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

a) Fire protection?					X	
b) Police protection?					X	
c) Schools?					X	
d) Parks?					X	
e) Other public facilities?					X	

The Initial Study prepared for the Approved Project concluded impacts related to schools, parks, and other public facilities such as libraries would be less than significant. The Certified EIR determined impacts related to fire protection would be less than significant, although mitigation was nonetheless proposed; police impacts were found to be less than significant with mitigation. Like the Approved Project, the proposed modifications to the MUP do not include any residential uses, and the number of employees and visitors to the site is not anticipated to increase as compared to the Approved Project. Thus, the proposed modifications to the MUP would not result in an increased demand for public services, including police protection, fire protection, schools, parks, and other public facilities such as libraries, beyond that already anticipated in the Initial Study and Certified EIR. The mitigation measures contained within the previously adopted MMRP would remain applicable and would be implemented, thus reducing all potentially significant police and fire protection public service impacts to less than significant levels. All other public service impacts would remain less than significant, and no mitigation would be required. Nothing contained in the proposed changes to the MUP would alter the type, level, or severity of impact with respect to public services.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

16. RECREATION.

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?					X	
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Manhattan Village Shopping Center Enhancement Project Third Addendum

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?					X	
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The Initial Study prepared for the Approved Project concluded impacts related to parks and recreation would be less than significant. The proposed modifications to the MUP would not induce population growth, either directly or indirectly, that would result in increased use of local or regional parks or recreational facilities, and there would continue to be less than significant impacts as a result of the proposed modifications with respect to use of parks and recreational facilities. Thus, no new impacts associated with recreation would occur with the proposed modifications to the MUP to permit fitness studios and ancillary off-site alcohol sales; such impacts would remain less than significant. Therefore, the proposed modification to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to recreation.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
- C. None of the proposed project changes would significantly affect this environmental resource.

17. TRANSPORTATION. Would the project:

a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities?					X	
b) Conflict or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b)? [Note that the City has not yet incorporated use of a Vehicle Miles Traveled (VMT) methodology. VMT is not required to be implemented until July 2020. As such, the analysis below is based on the same criteria included in the Certified EIR.]					X	
c) Substantially increase hazards due to geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?						X
d) Result in inadequate emergency access?					X	

The Certified EIR determined all transportation-related impacts would be less than significant, although mitigation was proposed to address construction-related traffic and parking.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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The following analysis of transportation, access, and parking impacts associated with the modifications to the MUP is primarily based on the Traffic Memorandum prepared by Gibson Transportation Consulting, Inc., provided in Appendix A of this Addendum.

Traffic and Parking Impacts

The Certified EIR determined all transportation-related impacts would be less than significant, although mitigation was proposed to address construction-related traffic and parking.

With regard to construction impacts, the proposed modifications to the MUP would not change the amount of construction, peak construction activities, grading, export or equipment mix evaluated in the Certified EIR. As such, construction traffic and parking impacts would continue be similar to those within the Certified EIR and would be less than significant with implementation of the mitigation measures set forth in the MMRP.

With regard to operational impacts, the modifications to provide for ancillary off-site alcohol permits would not result in additional traffic generation or parking demand. As such the discussion below focuses on the implications of including fitness studios as a permitted use within the MUP.

Fitness studios for yoga, indoor cycling, Pilates, and other similar uses are typically smaller in size (e.g., less than 5,000 square feet) as compared to traditional full-service “gyms” (e.g., 24-Hour Fitness or LA Fitness) that have floor areas of 30,000-50,000 square feet. Fitness studios also compliment other uses in shopping centers, such as athletic apparel retailers and health-oriented dining options. Fitness studios typically offer scheduled classes with a set number of patrons and instructors and specialize in one or two fitness areas.

As discussed in detail in Appendix A, per the ULI/ICSC studies, the best way to predict the overall parking demand and trip generation of a regional shopping center such as MVSC is to measure the amount of major non-retail space in the center (i.e., office, cinema, restaurant, etc.). The definition of major non-retail spaces includes restaurants, entertainment space, and cinemas, i.e., land uses that would increase or decrease the trip generation characteristics and/or change the arrival/departure patterns as well as increase or decrease the parking demand and/or the parking patterns throughout the day. For centers with up to 20 percent major non-retail space, the ULI/ICSC studies present a recommended parking ratio that applies to the entire center. As required in the MUP and further discussed in the Certified EIR, the approved parking ratio for MVSC is 4.1 spaces per 1,000 square feet. For centers with more than 20 percent major non-retail space, the ULI/ICSC studies recommend their analysis as a mixed-use development, rather than a regional shopping center, and the use of the Shared Parking, 2nd Edition model to estimate the parking requirements.

Additional fitness studio uses up to the maximum of 25,000 provided by the MUP amendments or other combination of uses that would exceed the 20 percent of non-retail uses at MVSC would be subject to the equivalency program for the Approved Project described above. It is important to note that swapping from one non-retail use to another non-retail use would maintain the balance of retail to non-retail floor area at MVSC. However, any conversion from retail to non-retail uses would exceed 20 percent and would be subject to the equivalency program outlined in Appendix E of the Certified EIR’s Traffic Study. As discussed in detail in the Traffic Memorandum provided in Appendix A, should the maximum 25,000 square of fitness studio uses replace retail uses at MVSC, then the non-retail uses would exceed the 20 percent threshold and the trip equivalency factors would then be utilized. As an example, as shown in Table 3 of the Traffic Memorandum, 25,000 square feet of fitness studio uses is equivalent to 32,500 square feet of retail uses in terms of trips. This is because fitness studio uses generate more trips than retail uses. Therefore, assuming the Approved Project is fully built out, approximately 7,500 square feet of retail would need to remain vacant (32,500 square feet – 25,000 square feet = 7,500 square feet) at MVSC in order to support the conversion of retail to fitness studio uses and

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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maintain the same number of trips as established in the Certified EIR. As such, required use of the Equivalency Program in the event that the non-retail uses within the shopping center exceed 20 percent of the uses set forth in the proposed MUP amendments would ensure that additional trips would not be generated. As such, no new significant traffic impacts would result.

With regard to parking, the Traffic Memorandum included as Appendix A also includes a shared parking analysis based on the same parking methodology and assumptions presented in the Certified EIR. Based on the results of the shared parking analysis for up to 25,000 square feet of fitness center uses, the parking demand is estimated to be 2,577 spaces during a weekday and 2,683 spaces on a weekend day. With a parking supply of 2,685 spaces, the parking supply would be sufficient to meet the parking demands of the site on both a weekday and weekend. It should be noted that the parking supply does not include the approximately 140 parking spaces that are leased by MVSC within the adjacent City-owned lot (or other lots in the area) that are used for overflow and/or employee parking, particularly during the holiday periods. Based on the parking analysis, the parking supply of 2,685 spaces can accommodate up to 25,000 square feet of fitness studio uses within MVSC.

As previously discussed, the mitigation measures contained within the previously adopted MMRP would remain applicable and would continue to be implemented, thus reducing all potentially significant transportation/traffic and parking impacts to less than significant levels. Thus, no new impacts associated with traffic and parking would occur as a result of the proposed modifications to the MUP; such impacts would remain less than significant.

Access and Internal Circulation

No changes to the site plan are proposed as part of the MUP amendments. Accordingly, no new impacts related to access or internal circulation would occur.

Conclusion

Based on the analysis above and as discussed in more detail in the Traffic Memorandum provided in Appendix A of this Addendum, the proposed modifications to the MUP would not change the findings of the traffic, access, and parking impact analyses in the Certified EIR. Thus, no significant operational traffic, access, or parking impacts would result from the proposed modifications. Furthermore, all of these impacts were considered and analyzed in the Certified EIR, and nothing contained in the proposed changes to the MUP would alter the type, level, or severity of impact with respect to transportation/traffic or parking.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred.
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified.
- C. None of the proposed project changes would affect this environmental resource.

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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18. TRIBAL CULTURAL RESOURCES. Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:						
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or					X	
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.					X	
These environmental checklist questions were recently added to Appendix G of the State CEQA Guidelines and were not specifically addressed in the Certified EIR. However, the Initial Study addressed tribal cultural resources within Environmental Checklist Question V.b. As discussed therein, results of the NAHC Sacred Lands record search and NAHC-recommended follow-up inquiries to Native American groups and individuals affiliated with the project vicinity indicate that no known Native American cultural resources are present within the project site. In addition, results of the cultural resource records search through the CHRIS-SCCIC did not indicate any known burials within the project site, or within a one quarter-mile radius of the project site. Furthermore, should inadvertent discovery of such resources occur, the Project would implement the requirements of the Public Resources Code and Health and Safety Code, as applicable. Implementation of these regulatory requirements would ensure that potential impacts associated with human remains would be less than significant. The proposed modifications to the MUP would not change the areas to be developed or the depth of grading. As such, potential impacts associated with tribal cultural resources would be less than significant. Therefore, the proposed modifications to the MUP would not alter the type, level, or severity of impacts previously evaluated with respect to tribal cultural resources. Therefore, the City finds: A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred. B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified. C. None of the proposed project changes would affect this environmental resource.						

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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19. UTILITIES AND SERVICE SYSTEMS. Would the project:						
a) Require or result in the construction of new or expanded water or wastewater treatment, or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?					X	
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?					X	
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?					X	
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?					X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?					X	
The Initial Study prepared for the Approved Project determined solid waste and energy impacts would be less than significant. The Certified EIR similarly concluded water and wastewater impacts would be less than significant. The proposed modifications to the MUP would include fitness studio uses and the ancillary off-site sale of alcohol. These modifications would not result in an increase in the demand for utilities. In particular, a fitness studio less than 5,000 square feet would generate demand for utilizes that would be typical of retail uses. In addition, no changes to the proposed utility infrastructure from that evaluated in the Certified EIR would be required. Thus, no new impacts associated with utilities would occur as a result of the proposed modifications to the MUP; such impacts would remain less than significant.. Nothing contained in the proposed changes to the Approved Project would alter the type, level, or severity of impact with respect to utilities and service systems. Therefore, the City finds: A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred; B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and C. None of the proposed project changes would affect this environmental resource.						

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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20. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:						
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?						X
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?						X
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?						X
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?						X
These environmental checklist questions were recently added to Appendix G of the State CEQA Guidelines and were not specifically addressed in the Certified EIR. However, the Initial Study addressed wildland fires within Environmental Checklist Question VII.h. As discussed therein, no wildlands or areas of wildlands mixed with urban uses are located within several miles of the project site. In addition, the proposed structures would be constructed to meet or exceed current fire codes. Thus, no impacts related to wildland fires would occur. As the proposed amendments to the MUP do not involve physical changes to the Approved Project, including its location, no impacts would occur. Nothing contained in the proposed changes to the Approved Project would alter the type, level, or severity of impact with respect to wildfires. Therefore, the City finds: A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred; B. New information of substantial importance with respect to this environmental resource/impact resulting in new significant effects or a substantial increase in the severity of previously identified effects has not been identified; and C. None of the proposed project changes would affect this environmental resource.						

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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21. MANDATORY FINDINGS OF SIGNIFICANCE:

a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?					X	
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)					X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?					X	

As summarized above, potential impacts associated with the proposed modifications to the MUP would be within the envelope of impacts previously addressed in the Certified EIR. Like the Approved Project, the proposed modifications to the MUP would not: degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory; have impacts that are individually limited, but cumulatively considerable; or have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly. In addition, the mitigation measures contained within the previously adopted MMRP would remain applicable and would be implemented, thus reducing all potentially significant impacts to less than significant levels. Thus, the proposed modifications to the MUP would not create new or more severe significant impacts, and no significant new information would result. Furthermore, these impacts were considered and analyzed in the Certified EIR, and nothing contained in the proposed changes to the Approved Project would alter the type, level, or severity of impacts considered and analyzed in the Certified EIR.

Therefore, the City finds:

- A. Substantial changes in the project and project circumstances resulting in new significant effects or a substantial increase in the severity of previously identified significant effects have not occurred;
- B. New information of substantial importance with respect to this environmental resource/impact resulting in new

Manhattan Village Shopping Center Enhancement Project Third Addendum

Issues and Supporting Information Sources	Substantial Change in Project Requiring Major EIR Revisions	Substantial Change in Circumstances Requiring Major EIR Revisions	New Information Showing New or Greater Significant Effects than Previous EIR	New Information Showing Ability to Reduce, but not Eliminate Significant Effects in Previous EIR	Less than Significant Impact/No Changes or New Information Requiring Preparation of an EIR	No Impact
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significant effects or a substantial increase in the severity of previously identified effects has not been identified; and
C. None of the proposed project changes would significantly affect this environmental resource.

Appendix A

Traffic Memorandum



MEMORANDUM

TO: Anne McIntosh, City of Manhattan Beach

CC: Stephanie Eyestone-Jones, Eyestone Environmental

FROM: Sarah M. Drobis, P.E.
Richard Gibson, LEED Green Associate

DATE: August 21, 2019

RE: Trip Generation and Shared Parking Demand for
Fitness Studio Uses in Manhattan Village Shopping Center
Manhattan Beach, California

Ref: J1106c

Gibson Transportation Consulting, Inc. (GTC) reviewed the requested application for a Master Use Permit (MUP) amendment for the Manhattan Village Shopping Center (MVSC) to permit Personal Improvement Services (limited to fitness studio uses), as well as the ancillary sale of alcohol for off-site consumption at additional locations within MVSC. This memorandum also reflects the review of the supporting traffic and parking analyses contained in the approved environmental documents, including the Environmental Impact Report (EIR) prepared for the MVSC Enhancement Project (Project), which was certified by the City of Manhattan Beach (City) in 2014, and subsequent Addenda to the EIR (collectively referred to as EIR). GTC was asked to review the trip generation and peak parking demands of MVSC with the inclusion of fitness studio uses consistent with the traffic and parking analyses contained in the approved EIR.

OVERVIEW

Based on the application for the MUP amendment, RREEF is requesting a modification to the prohibition against Personal Improvement Services to allow for fitness studios up to a maximum of 25,000 square feet (sf) at MVSC. No individual fitness studio use shall exceed 5,000 sf. RREEF is currently requesting 7,800 sf of fitness studio uses that is comprised of three separate fitness studio tenants to be included in the tenant mix at MVSC, which is within the maximum fitness studio floor area identified in the MUP amendment.

Fitness studios for yoga, indoor cycling, Pilates, and other similar uses are typically smaller in size (e.g., less than 5,000 sf) as compared to traditional full-service “gyms” (e.g., 24-Hour Fitness or LA Fitness) that have floor areas of 30,000-50,000 sf. Fitness studios also compliment other uses in shopping centers, such as athletic apparel retailers and health-oriented dining options. Fitness studios typically offer scheduled classes with a set number of patrons and instructors and specialize in one or two fitness areas. The fitness studio concepts have become common in shopping centers including The Point El Segundo, El Segundo Plaza, etc.

The Project land use program with the proposed 7,800 sf of fitness studio tenants is summarized in Table 1. As shown, the land use and tenant mix at MVSC would consist of 7,800 sf of fitness studio uses, 524,898 sf of retail, 89,000 sf of restaurant, 9,298 sf of general office, and 21,712 sf of medical office space. The latest site plan highlighting the buildings and parking areas throughout the Project is provided in Attachment A.

TRIP GENERATION AND PARKING FOR SHOPPING CENTERS

As described in the EIR, two national research studies – *Parking Requirements for Shopping Centers, 2nd Edition* (Urban Land Institute [ULI] and International Council of Shopping Centers [ICSC], 1999) and *Shared Parking, 2nd Edition* (ULI/ICSC, 2005) – analyzed parking (and trip generation) at regional shopping centers and mixed-use developments. The studies acknowledge that mixed-use developments are far more prevalent than they once were and that the mixture of land uses within those developments is more and more diverse. The concept of a regional shopping center has expanded to cover land uses other than traditional department store-type merchandise.

Per the ULI/ICSC studies, the best way to predict the overall parking demand and trip generation of a regional shopping center is to measure the amount of major non-retail space in the center (i.e., office, cinema, restaurant, etc.) The definition of major non-retail spaces includes restaurants, entertainment space, and cinemas, i.e., land uses that would increase or decrease the trip generation characteristics and/or change the arrival/departure patterns as well as increase or decrease the parking demand and/or the parking patterns throughout the day.

For centers with up to 20% major non-retail space, the ULI/ICSC studies present a recommended parking ratio that applies to the entire center. As required in the MUP and further discussed in the EIR, the approved parking ratio for MVSC is 4.1 spaces per 1,000 sf. For centers with more than 20% major non-retail space, the ULI/ICSC studies recommend their analysis as a mixed-use development, rather than a regional shopping center, and the use of the *Shared Parking, 2nd Edition* model to estimate the parking requirements. A small fitness studio use (e.g., yoga studio) or small food use (e.g., pretzel or cookie shop) located within a shopping center, for example, would attract trips similar to retail uses during the shopping center peak periods. However, these types of spaces were included as part of the non-retail space at MVSC in order to provide a conservative analysis.

PROPOSED FITNESS STUDIO TENANTS

Trip Generation

As previously noted, RREEF is currently requesting 7,800 sf of fitness studio uses (three fitness studio tenants) to be included in the tenant mix at MVSC. Since the overall size (652,708 sf) of the Project would not change, the overall trip generation of the Project would remain the same as long as the amount of non-retail (i.e., office, restaurant, fitness studio) remains at less than 20% of the total development, according to *Shared Parking, 2nd Edition* and consistent with the analyses contained in the EIR. The ancillary sale of alcohol for off-site consumption at additional locations within MVSC would similarly not change the total floor area and, therefore, would not affect trip generation or parking. As shown in Table 1, with the proposed 7,800 sf of fitness studio

uses, the amount of non-retail floor area remains less than 20%. Accordingly, the trip generation during the weekday morning and afternoon peak hours and Saturday mid-day peak hour would be the same as that studied in the EIR. Therefore, the Project will have the same traffic impact results as shown in Table 12 of the EIR Traffic Study – i.e., no significant Project traffic impacts.

Parking

As described in the EIR, based on the MUP, the Project should maintain a parking ratio of 4.1 spaces per 1,000 sf of gross leasable area in the shopping center plus 170 spaces for Fry's. The proposed parking supply at MVSC includes a total of 2,685 parking spaces within the parking garages and surface parking lots, as shown in Attachment A. Since MVSC consists of a total of 652,708 sf of floor area, including 46,200 sf for Fry's, the parking requirement for MVSC is 2,657 spaces (MVSC: $606,508 \text{ sf} \times 4.1/1,000\text{sf} = 2,487 \text{ spaces} + 170 \text{ spaces Fry's} = 2,657 \text{ spaces total}$).

By comparison, the proposed parking supply of 2,685 spaces will accommodate the parking requirement with a surplus of 28 spaces. Similar to trip generation, according to ULI/ICSC, MVSC should be treated as a unified regional shopping center with a single trip rate and single parking rate (e.g., approved MVSC parking ratio of 4.1 spaces per 1,000 sf) for parking demand purposes. As cited in the EIR, the MUP parking ratio is established to serve MVSC parking requirements during the most intense operating period, which is the holiday shopping period between mid-November and Christmas, predicated on the operation of an off-site employee parking program during the holidays. As the parking supply will maintain the required parking ratio of 4.1 spaces per 1,000 sf plus the Fry's parking requirement of 170 spaces, the findings and conclusions are the same as those in the EIR.

MAXIMUM FITNESS STUDIO USES

Land Use Equivalency and Trip Generation

Because the Project could be developed over a long period of time, the economic conditions might suggest a different combination of land uses would be more appropriate for the site. The EIR recognized that the combination of land uses at MVSC may change over time and the non-retail uses may exceed 20% of the shopping center and, as such, included a trip equivalency program. The equivalency program is based on the maximum number of peak hour trips projected to be generated by the proposed combination of land uses. As further described in the EIR, the equivalency program simply says that any land use that is allowed under the MUP can be developed as part of the shopping center as long as the afternoon peak hour trips do not exceed the total number of trips evaluated in the EIR. Appendix E of the EIR Traffic Study, provided in Attachment B, details trip generation equivalency rates for potential on-site land uses that could be used to test other combinations of land uses that may be developed without triggering a significant impact to traffic at or near MVSC. Additionally, Appendix E of the EIR Traffic Study includes the various land uses allowable under the MUP that may be developed as part of MVSC, including "health club" uses, which is equivalent to fitness studio uses for purposes of this analysis.

As previously discussed, the proposed mix of uses including the 7,800 sf of fitness studio uses is below the 20% threshold for non-retail uses and, therefore, would have the same trip generation

and parking requirements as studied in the EIR. However, additional fitness studio uses up to the maximum of 25,000 sf or other combination of uses that would exceed the 20% of non-retail uses at MVSC would be subject to the equivalency program. It is important to note that swapping from one non-retail use to another non-retail use would maintain the balance of retail to non-retail floor area at MVSC. However, any conversion from retail to non-retail uses would exceed 20% and would be subject to the equivalency program outlined in Appendix E of the EIR Traffic Study.

Based on the Conditions of Approval, the Project is required to supply the City with a tenant space chart, which is a detailed list of every tenant in the Project by land use category and size. The City reviews the tenant space chart to determine if the square footages by land use is still within the limits of the EIR for the approved Project. If there were a change in land use, a trip generation calculation, including equivalency factors if necessary, would accompany the new tenant space chart to document that the Project is still within the envelope of the EIR trip limits.

Should the maximum 25,000 sf of fitness studio uses replace retail uses at MVSC, then the non-retail uses would exceed the 20% threshold, as shown in Table 2. As this scenario reflects more than 22% of non-retail uses, the trip equivalency factors are utilized. Table 3 provides an example of the trip equivalency analysis based on the maximum of 25,000 sf of fitness studios uses that is replacing retail uses. As shown, 25,000 sf of fitness studio uses is equivalent to 32,500 sf of retail uses in terms of trips. This is because fitness studio uses generate more trips than retail uses. Therefore, assuming the Project is fully built out, approximately 7,500 sf of retail would need to remain vacant ($32,500 \text{ sf} - 25,000 \text{ sf} = 7,500 \text{ sf}$) at MVSC in order to support the conversion of retail to fitness studio uses and maintain the same number of trips as established in the EIR.

Shared Parking Demand

RREEF is requesting a 25,000 sf cap on total fitness studio uses at MVSC. The City asked that tests be performed to determine the maximum amount of fitness studio floor area that could be supported within the development from a traffic and parking standpoint. Since the overall size of the development would not change, the overall trip generation of the Project would not change with the equivalency program (as discussed above). The parking demand of the Project, however, could change as the amount of fitness studio (i.e., non-retail) space increases and the retail space correspondingly decreases. Therefore, a shared parking analysis was conducted to assess the maximum amount of fitness studio floor that could be accommodated by the parking supply. This parking demand analysis was based on the same parking methodology and assumptions as presented in the Traffic Study (Chapter 10) and EIR.

Tables 4 and 5 and Charts 1 through 3 show the shared parking model assumptions and hourly parking demands by land use during the peak month of December for MVSC with up to 25,000 sf of fitness uses. The parking demand rates and other assumptions shown in Table 4 are taken directly from the shared parking model in the EIR. The parking demand rates, seasonal variation, and hourly accumulation patterns for fitness studios are based on *Shared Parking, 2nd Edition*. Further information regarding the seasonal variation in parking demand for various land uses contained in the EIR and based on *Shared Parking, 2nd Edition* is provided in Attachment C. Table 5 shows the hourly parking demand by land use for each hour of the day during the peak month of December. Based on the results of the shared parking analysis, the parking demand during the peak day and month of the year is estimated to be 2,577 spaces during a weekday and 2,683 spaces on a weekend day. With a parking supply of 2,685 spaces, the parking supply would be

sufficient to meet the parking demands of the site on both a weekday and weekend. It should be noted that the parking supply does not include the approximately 140 parking spaces that are leased by MVSC within the adjacent City-owned lot (or other lots in the area) that are used for overflow and/or employee parking, particularly during the holiday periods.

Based on the parking analysis, the parking supply of 2,685 spaces can accommodate up to 25,000 sf of fitness studio uses within MVSC.

SUMMARY

Based on the review detailed above, the proposed land use program that includes approximately 7,800 sf of fitness studio uses would not change the findings of the traffic, access and parking impact analyses in the EIR. Specifically, the trip generation forecast would be the same and would not result in any significant traffic impacts at the study intersections. In addition, the parking supply would continue to meet the minimum parking ratios and parking demand.

Therefore, no new significant traffic, access or parking impacts would result from the MUP Amendment to accommodate fitness studios or ancillary sale of alcohol for off-site consumption. The conversion of floor area to fitness studio uses up to the maximum of 25,000 sf that would cause the balance of non-retail uses at MVSC to exceed 20% of the shopping center would be subject to the equivalency program outlined in Appendix E of the EIR Traffic Study.

Based on the equivalency program, 25,000 sf of fitness studio is equivalent to 32,500 sf of retail uses. Should the maximum 25,000 sf of fitness studio uses replace retail uses at MVSC, and exceed 20%, approximately 7,500 sf of retail would need to remain vacant or decommissioned ($32,500 \text{ sf} - 25,000 \text{ sf} = 7,500 \text{ sf}$) at MVSC assuming the Project is fully built out, in order to maintain the same number of trips as established in the EIR. Further, according to the shared parking analysis, even when each land use is considered individually, the peak parking demands of MVSC can be accommodated at all times by the on-site parking supply with up to 25,000 sf of fitness studio uses.

**TABLE 1
PROPOSED LAND USE SUMMARY**

LAND USE	APPROVED PROJECT	% OF TOTAL
Retail	524,898 sf	80.4%
Restaurant	89,000 sf	13.6%
General Office	9,298 sf	1.4%
Medical Office	21,712 sf	3.3%
Fitness Studio [a]	7,800 sf	1.2%
Non-Retail Subtotal	127,810 sf	19.6%
Grand Total	652,708 sf	100.00%

[a] Reflects the proposed three fitness studio tenants that total 7,800 square feet.

TABLE 2
EXAMPLE LAND USE SUMMARY
WITH MAXIMUM FITNESS STUDIO USES

LAND USE	APPROVED PROJECT	% OF TOTAL
Retail	507,698 sf	77.8%
Restaurant	89,000 sf	13.6%
General Office	9,298 sf	1.4%
Medical Office	21,712 sf	3.3%
Fitness Studio [a]	25,000 sf	3.8%
Non-Retail Subtotal	145,010 sf	22.2%
Grand Total	652,708 sf	100.00%

[a] Reflects a maximum of 25,000 sf of fitness studio uses that could replace retail uses (as opposed to other non-retail uses such as restaurant or office uses).

**TABLE 3
EXAMPLE PEAK HOUR TRAFFIC EQUIVALENCY PROGRAM
WITH MAXIMUM FITNESS STUDIO USES**

Convert Retail to Other Land Uses					Convert Other Land Uses to Retail				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of retail is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of retail:
PM Outbound	Retail	1.73	1.00	10,000 sf of retail	Retail	1.73	1.00	10,000 sf of retail	10,000 sf of retail
	Office	1.24	1.39	13,900 sf of office	Office	1.24	1.39	10,000 sf of office	7,194 sf of retail
	Med Office	2.72	0.64	6,360 sf of med office	Med Office	2.72	0.64	10,000 sf of med office	15,625 sf of retail
PM Inbound	Retail	1.60	1.00	10,000 sf of retail	Retail	1.60	1.00	10,000 sf of retail	10,000 sf of retail
	Fitness Studio	2.08	0.77	7,700 sf of fitness studio	Fitness Studio	2.08	0.77	10,000 sf of fitness studio	12,987 sf of retail
	Cinema	5.14	0.31	3,100 sf of cinema	Cinema	5.14	0.31	10,000 sf of cinema	32,258 sf of retail

Convert Office to Other Land Uses					Convert Other Land Uses to Office				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of office is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of office:
PM Outbound	Office	1.24	1.00	10,000 sf of office	Office	1.24	1.00	10,000 sf of office	10,000 sf of office
	Retail	1.73	0.72	7,168 sf of retail	Retail	1.73	0.72	10,000 sf of retail	13,889 sf of office
	Fitness Studio	1.96	0.63	6,327 sf of fitness studio	Fitness Studio	1.96	0.63	10,000 sf of fitness studio	15,873 sf of office
	Cinema	3.43	0.36	3,615 sf of cinema	Cinema	3.43	0.36	10,000 sf of cinema	27,778 sf of office
	Med Office	2.72	0.46	4,559 sf of med office	Med Office	2.72	0.46	10,000 sf of med office	21,739 sf of office

Convert Medical Office to Other Land Uses					Convert Other Land Uses to Medical Office				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of medical office is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of medical office:
PM Outbound	Med Office	2.72	1.00	10,000 sf of med office	Med Office	2.72	1.00	10,000 sf of med office	10,000 sf of med office
	Retail	1.73	1.57	15,700 sf of retail	Retail	1.73	1.57	10,000 sf of retail	6,369 sf of med office
	Fitness Studio	1.96	1.39	13,900 sf of fitness studio	Fitness Studio	1.96	1.39	10,000 sf of fitness studio	7,194 sf of med office
	Cinema	3.43	0.79	7,900 sf of cinema	Cinema	3.43	0.79	10,000 sf of cinema	12,658 sf of med office
	Office	1.24	2.19	21,900 sf of office	Office	1.24	2.19	10,000 sf of office	4,566 sf of med office

Convert Health Club to Other Land Uses					Convert Other Land Uses to Fitness Studio				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	25,000 of fitness studio is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	25,000 sf of land use	is equivalent to sf of fitness studio:
PM Inbound	Fitness Studio	2.08	1.00	25,000 sf of fitness studio	Fitness Studio	2.08	1.00	25,000 sf of fitness studio	25,000 sf of fitness studio
	Office	0.26	8.00	200,000 sf of office	Office	0.26	8.00	25,000 sf of office	3,125 sf of fitness studio
	Med Office	1.00	2.08	52,000 sf of med office	Med Office	1.00	2.08	25,000 sf of med office	12,019 sf of fitness studio
	Cinema	5.14	0.40	10,000 sf of cinema	Cinema	5.14	0.40	25,000 sf of cinema	62,500 sf of fitness studio
	Retail	1.60	1.30	32,500 sf of retail	Retail	1.60	1.30	25,000 sf of retail	19,231 sf of fitness studio

Convert Cinema to Other Land Uses					Convert Other Land Uses to Cinema				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of cinema is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of cinema:
PM Inbound	Cinema	5.14	1.00	10,000 sf of cinema	Cinema	5.14	1.00	10,000 sf of cinema	10,000 sf of cinema
	Retail	1.60	3.21	32,100 sf of retail	Retail	1.60	3.21	10,000 sf of retail	3,115 sf of cinema
	Fitness Studio	2.08	2.47	24,700 sf of fitness studio	Fitness Studio	2.08	2.47	10,000 sf of fitness studio	4,049 sf of cinema
	Office	0.26	19.77	197,700 sf of office	Office	0.26	19.77	10,000 sf of office	506 sf of cinema
	Med Office	1.00	5.14	51,400 sf of med office	Med Office	1.00	5.14	10,000 sf of med office	1,946 sf of cinema

[a] The fitness studio uses reflect the "Health Club" land use category outlined in Appendix E of the Traffic Study contained in the EIF

**TABLE 4
SHARED PARKING DEMAND SUMMARY
MVSC FITNESS STUDIO - MAXIMUM FLOOR AREA**

PEAK MONTH: DECEMBER -- PEAK PERIOD: 1 PM, WEEKEND

Land Use	Project Data Quantity Unit		Weekday					Weekend					Weekday			Weekend		
			Base	Mode	Non-	Project	Unit	Base	Mode	Non-	Project	Unit	Peak Hr	Peak Mo	Estimated	Peak Hr	Peak Mo	Estimated
			Rate	Adj	Captive	Rate	Unit	Rate	Adj	Captive	Rate	Unit	Adj	Adj	Parking	Adj	Adj	Parking
					Ratio					Ratio			1 PM	December	Demand	1 PM	December	Demand
Super Regional Shopping Center (>600 ksf)	507,698	sf GLA	2.75	1.00	1.00	2.75	/ksf GLA	3.42	1.00	1.00	3.42	/ksf GLA	1.00	1.00	1,396	0.95	1.00	1,649
Employee			0.80	1.00	1.00	0.80	/ksf GLA	0.90	1.00	1.00	0.90	/ksf GLA	1.00	1.00	406	1.00	1.00	457
Family Restaurant	89,000	sf GLA	9.00	1.00	0.65	5.85	/ksf GLA	9.00	1.00	0.65	5.85	/ksf GLA	0.90	1.00	469	0.85	1.00	443
Employee			1.00	1.00	1.00	1.00	/ksf GLA	1.00	1.00	1.00	1.00	/ksf GLA	1.00	1.00	89	1.00	1.00	89
Fitness Studio	25,000	sf GLA	6.60	1.00	0.85	5.61	/ksf GLA	5.50	1.00	0.85	4.68	/ksf GLA	0.70	0.90	88	0.30	0.90	32
Employee			0.40	1.00	1.00	0.40	/ksf GLA	0.25	1.00	1.00	0.25	/ksf GLA	0.75	1.00	8	0.50	1.00	3
Office 25 to 100 ksf	31,010	sf GLA	0.30	1.00	1.00	0.30	/ksf GLA	0.03	1.00	1.00	0.03	/ksf GLA	0.45	1.00	4	0.80	1.00	1
Employee			3.47	1.00	1.00	3.47	/ksf GLA	0.35	1.00	1.00	0.35	/ksf GLA	0.90	1.00	97	0.80	1.00	9
													Customer	Customer	1957	Customer	Customer	2125
													Employee	Employee	600	Employee	Employee	558
													Reserved	Reserved	0	Reserved	Reserved	0
													Total	Total	2557	Total	Total	2683

Notes:

Fitness studio reflects the "Health Club" land use category, parking demand ratios, seasonal variation, and hourly accumulation pattern provided in ULShared Parking, 2nd Edition.

Parking demand for retail, restaurant, and office uses is consistent with EIR.

TABLE 5
HOURLY PARKING DEMAND BY LAND USE
MVSC FITNESS STUDIO - MAXIMUM FLOOR AREA

December																							
Weekday Estimated Peak-Hour Parking Demand																							
	6 AM	7 AM	8 AM	9 AM	10 AM	11 AM	12 PM	1 PM	2 PM	3 PM	4 PM	5 PM	6 PM	7 PM	8 PM	9 PM	10 PM	11 PM	12 AM	Overall Pk 1 PM	AM Peak Hr 11 AM	PM Peak Hr 1 PM	Eve Peak Hr 6 PM
Super Regional Shopping Center (>600 ksf)	14	70	209	419	768	1,047	1,256	1,396	1,396	1,396	1,326	1,187	1,117	1,047	907	698	419	140	-	1,396	1,047	1,396	1,117
Employee	41	61	162	305	345	386	406	406	406	406	406	386	386	386	365	305	162	61	-	406	386	406	386
Family Restaurant	130	260	312	390	443	469	521	469	260	234	234	390	417	417	417	312	286	260	130	469	469	469	417
Employee	45	67	80	80	89	89	89	89	89	67	67	85	85	85	85	71	58	58	31	89	89	89	85
Fitness Studio	88	50	50	88	88	101	76	88	88	88	101	114	149	134	119	104	52	15	-	88	101	88	149
Employee	8	8	8	8	8	8	8	8	8	8	8	10	10	8	5	2	2	2	-	8	8	8	10
Office 25 to 100 ksf	-	-	2	5	9	4	1	4	9	4	1	1	-	-	-	-	-	-	-	4	4	4	-
Employee	3	32	81	103	108	108	97	97	108	108	97	54	27	11	8	3	1	-	-	97	108	97	27
TOTAL DEMAND	232	380	573	902	1,308	1,621	1,854	1,957	1,753	1,722	1,662	1,692	1,683	1,598	1,443	1,114	757	415	130	1,957	1,621	1,957	1,683
	97	168	331	496	550	591	600	600	611	589	578	535	508	490	463	381	223	121	31	600	591	600	508
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	329	548	904	1,398	1,858	2,212	2,454	2,557	2,364	2,311	2,240	2,227	2,191	2,088	1,906	1,495	980	536	161	2,557	2,212	2,557	2,191
																				2,557	2,212	2,557	2,191

December																							
Weekend Estimated Peak-Hour Parking Demand																							
													Overall Pk	AM Peak Hr	PM Peak Hr	Eve Peak Hr							
	6 AM	7 AM	8 AM	9 AM	10 AM	11 AM	12 PM	1 PM	2 PM	3 PM	4 PM	5 PM	6 PM	7 PM	8 PM	9 PM	10 PM	11 PM	12 AM	1 PM	11 AM	1 PM	6 PM
Super Regional Shopping Center (>600 ksf)	17	87	174	608	1,042	1,215	1,476	1,649	1,736	1,736	1,649	1,562	1,389	1,302	1,128	868	608	260	-	1,649	1,215	1,649	1,389
Employee	46	69	183	343	388	434	457	457	457	457	457	434	388	366	343	297	206	69	-	457	434	457	388
Family Restaurant	52	130	234	364	469	469	521	443	338	208	234	312	364	364	338	156	130	78	52	443	469	443	364
Employee	45	67	80	80	89	89	89	89	89	67	67	85	85	85	85	71	58	58	31	89	89	89	85
Fitness Studio	84	48	37	53	37	53	53	32	26	32	58	106	118	75	37	12	1	1	-	32	53	32	118
Employee	3	3	3	3	3	3	3	3	3	3	5	6	6	5	3	1	1	1	-	3	3	3	6
Office 25 to 100 ksf	-	-	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	1	1	1	-
Employee	-	2	7	9	10	11	10	9	7	4	2	1	1	-	-	-	-	-	-	9	11	9	1
TOTAL DEMAND	153	265	446	1,026	1,549	1,738	2,051	2,125	2,101	1,976	1,941	1,980	1,871	1,741	1,503	1,036	739	339	52	2,125	1,738	2,125	1,871
	94	141	273	435	490	537	559	558	556	531	531	526	480	456	431	369	265	128	31	558	537	558	480
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	247	406	719	1,461	2,039	2,275	2,610	2,683	2,657	2,507	2,472	2,506	2,351	2,197	1,934	1,405	1,004	467	83	2,683	2,275	2,683	2,351
																				2,683	2,275	2,683	2,351

CHART 1
WEEKDAY MONTH-BY-MONTH ESTIMATED PARKING DEMAND

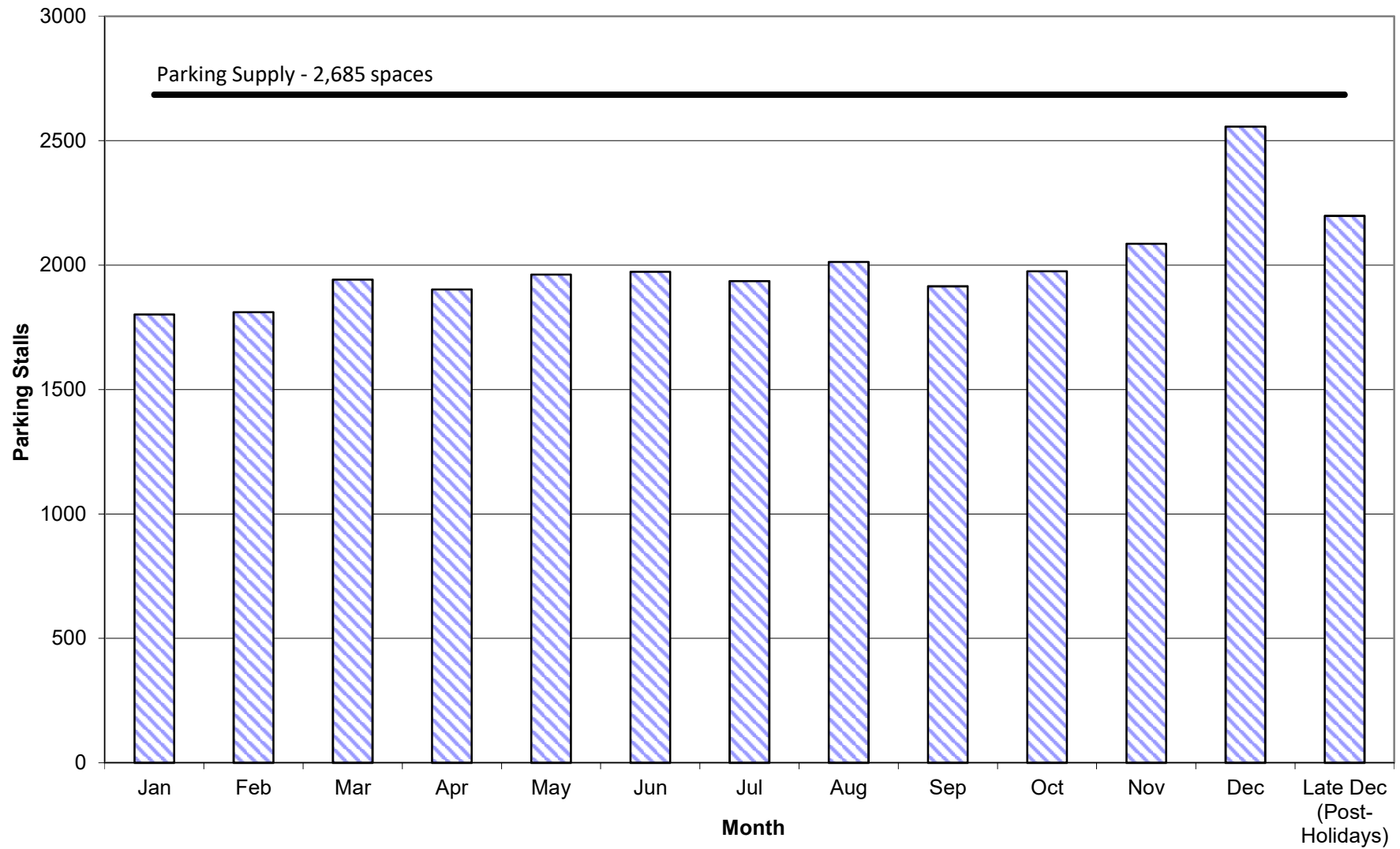


CHART 2
WEEKEND MONTH-BY-MONTH ESTIMATED PARKING DEMAND

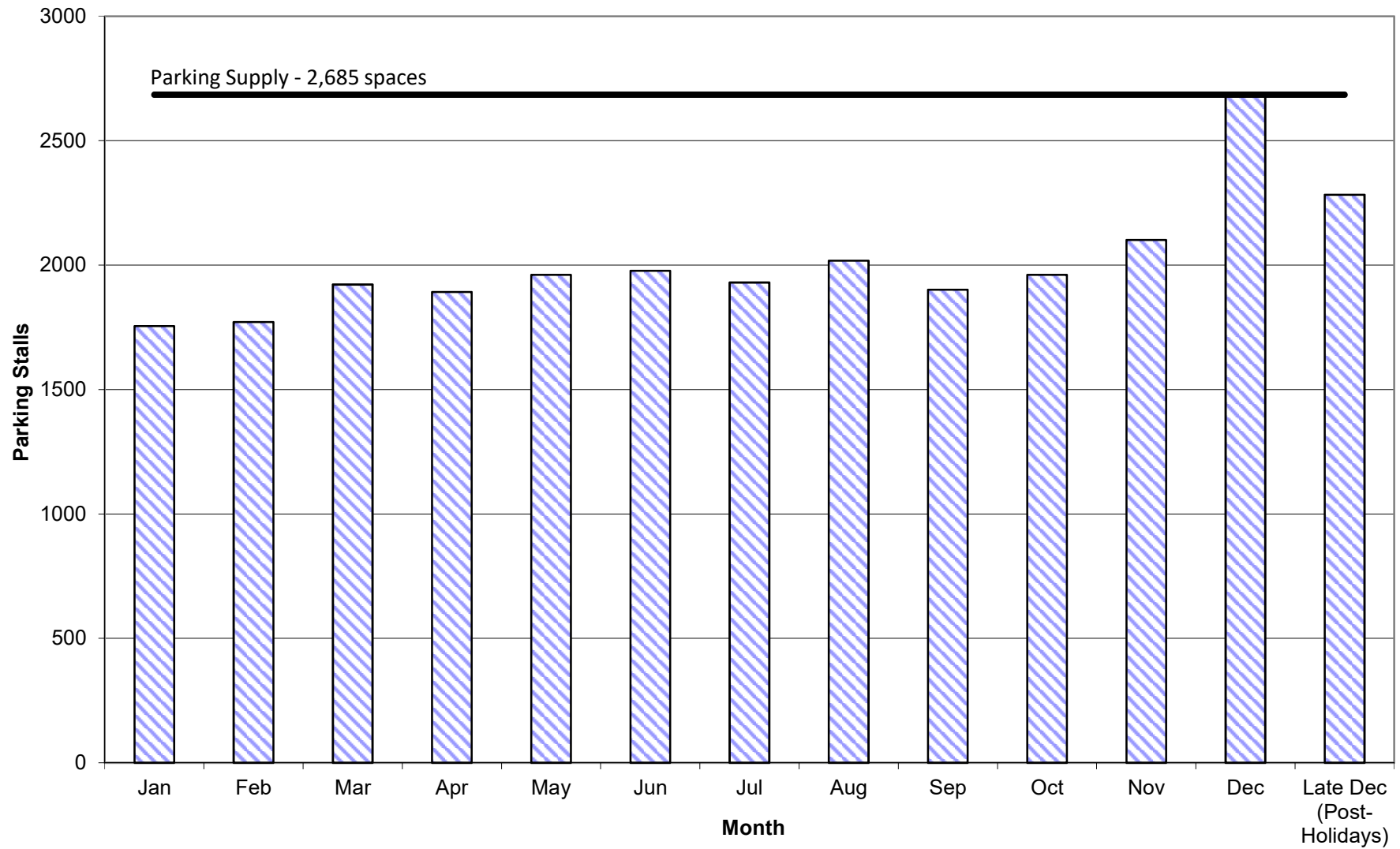
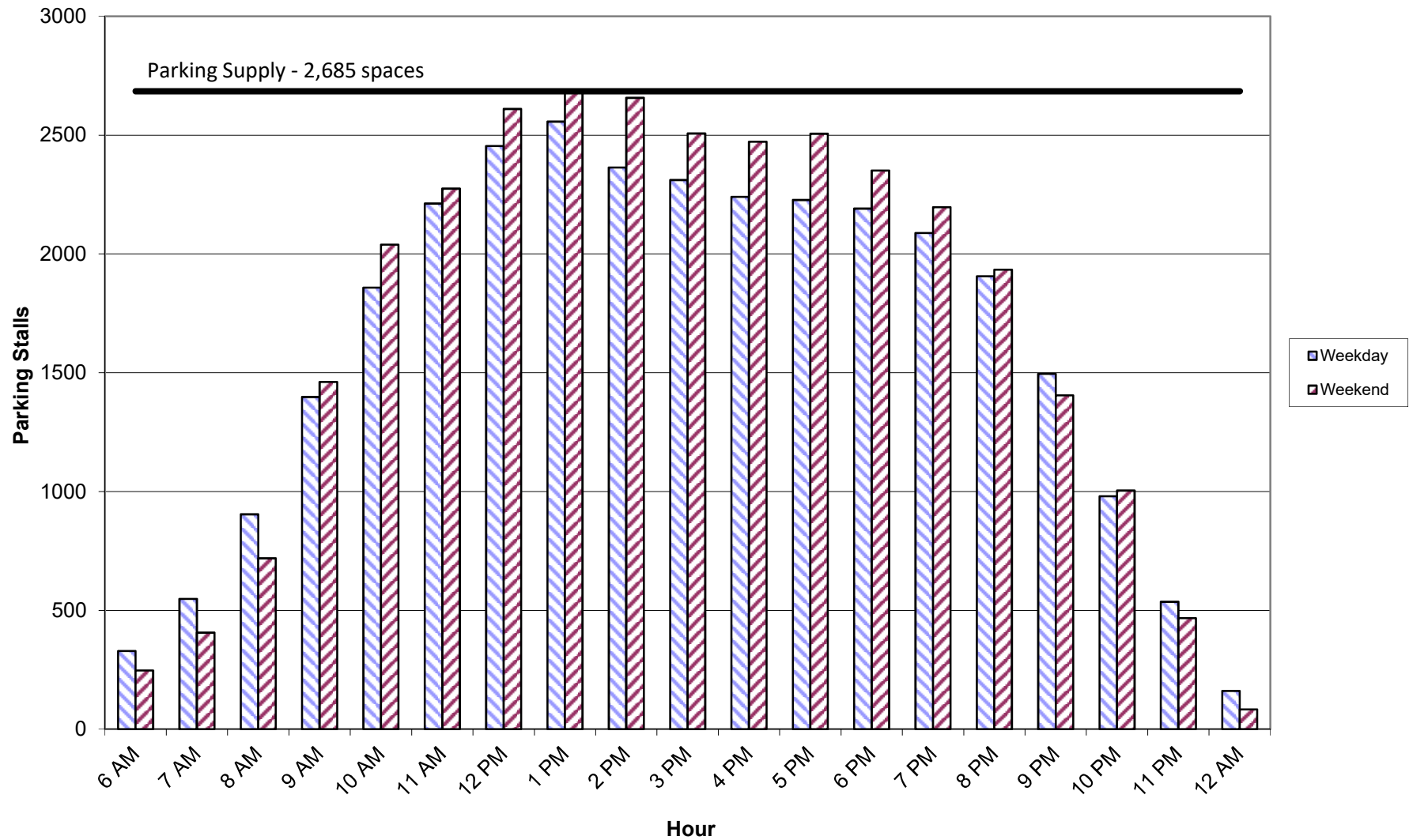
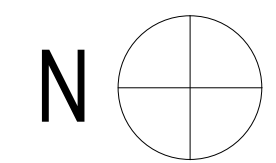


CHART 3
PEAK MONTH DAILY PARKING DEMAND BY HOUR



Attachment A
MVSC Site Plan and Parking Layout



Attachment B
Appendix E of the EIR Traffic Study

APPENDIX E
PEAK HOUR TRAFFIC EQUIVALENCY PROGRAM
MANHATTAN VILLAGE SHOPPING CENTER

Convert Retail to Other Land Uses					Convert Other Land Uses to Retail				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of retail is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of retail:
PM Outbound	Retail	1.73	100.0%	10,000 4.1	Retail	1.73	1.00	10,000 sf of retail	10,000 sf of retail
	Office	1.24	139.0%	13,900 1.2	Office	1.24	1.39	10,000 sf of office	7,194 sf of retail
	Med Office	2.72	64.0%	6,360 sf of med office	Med Office	2.72	0.64	10,000 sf of med office	15,625 sf of retail
PM Inbound	Retail	1.60	100.0%	10,000 sf of retail	Retail	1.60	1.00	10,000 sf of retail	10,000 sf of retail
	Health Club	2.08	77.0%	7,700 sf of health club	Health Club	2.08	0.77	10,000 sf of health club	12,987 sf of retail
	Cinema	5.14	31.0%	3,100 sf of cinema	Cinema	5.14	0.31	10,000 sf of cinema	32,258 sf of retail

Convert Office to Other Land Uses					Convert Other Land Uses to Office				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of office is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of office:
PM Outbound	MVSC	606508.00	2486.68	10,000 4	Office	1.24	1.00	10,000 sf of office	10,000 sf of office
	Fry's	46200.00	170.00	7,168 sf of retail	Retail	1.73	0.72	10,000 sf of retail	13,889 sf of office
	Total Spaces	1.96	2656.68	6,327 sf of health club	Health Club	1.96	0.63	10,000 sf of health club	15,873 sf of office
	Supply	2680.00	23.32	3,615 sf of cinema	Cinema	3.43	0.36	10,000 sf of cinema	27,778 sf of office
	Med Office	2.72	0.46	sf of med office	Med Office	2.72	0.46	10,000 sf of med office	21,739 sf of office

Convert Medical Office to Other Land Uses					Convert Other Land Uses to Medical Office				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of medical office is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of medical office:
PM Outbound	Med Office	2.72	1.00	10,000 sf of med office	Med Office	2.72	1.00	10,000 sf of med office	10,000 sf of med office
	Retail	1.73	1.57	15,723 sf of retail	Retail	1.73	1.57	10,000 sf of retail	6,369 sf of med office
	Health Club	1.96	1.39	13,878 sf of health club	Health Club	1.96	1.39	10,000 sf of health club	7,194 sf of med office
	Cinema	3.43	0.79	7,930 sf of cinema	Cinema	3.43	0.79	10,000 sf of cinema	12,658 sf of med office
	Office	1.24	2.19	21,935 sf of office	Office	1.24	2.19	10,000 sf of office	4,566 sf of med office

Convert Health Club to Other Land Uses					Convert Other Land Uses to Health Club				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of health club is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of health club:
PM Inbound	Health Club	2.08	1.00	10,000 sf of health club	Health Club	2.08	1.00	10,000 sf of health club	10,000 sf of health club
	Office	0.26	8.00	80,000 sf of office	Office	0.26	8.00	10,000 sf of office	1,250 sf of health club
	Med Office	1.00	2.08	20,800 sf of med office	Med Office	1.00	2.08	10,000 sf of med office	4,808 sf of health club
	Cinema	5.14	0.40	4,047 sf of cinema	Cinema	5.14	0.40	10,000 sf of cinema	25,000 sf of health club
	Retail	1.60	1.30	13,000 sf of retail	Retail	1.60	1.30	10,000 sf of retail	7,692 sf of health club

Convert Cinema to Other Land Uses					Convert Other Land Uses to Cinema				
Controlling Flow	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 of cinema is equivalent to:	Land Use	Trip Rate (tr/1,000 sf)	Equivalency	10,000 sf of land use	is equivalent to sf of cinema:
PM Inbound	Cinema	5.14	1.00	10,000 sf of cinema	Cinema	5.14	1.00	10,000 sf of cinema	10,000 sf of cinema
	Retail	1.60	3.21	32,125 sf of retail	Retail	1.60	3.21	10,000 sf of retail	3,115 sf of cinema
	Health Club	2.08	2.47	24,712 sf of health club	Health Club	2.08	2.47	10,000 sf of health club	4,049 sf of cinema
	Office	0.26	19.77	197,692 sf of office	Office	0.26	19.77	10,000 sf of office	506 sf of cinema
	Med Office	1.00	5.14	51,400 sf of med office	Med Office	1.00	5.14	10,000 sf of med office	1,946 sf of cinema

Attachment C
Shared Parking Seasonal Variations

**ATTACHMENT C
MANHATTAN VILLAGE SHARED PARKING MODEL
SEASONAL VARIATIONS**

Monthly Adjustments for Customer/Visitor Parking													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Late Dec
Shopping Center	56%	57%	64%	63%	66%	67%	64%	69%	64%	66%	72%	100%	80%
Restaurants	85%	86%	95%	92%	96%	95%	98%	99%	91%	96%	93%	100%	95%
Fitness Studio	100%	95%	85%	70%	65%	65%	65%	70%	80%	85%	85%	90%	95%
Office, Bank	100%	100%	100%	100%	100%	100%	95%	95%	100%	100%	100%	100%	80%

Monthly Adjustments for Employee/Resident Parking													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Late Dec
Shopping Center	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	90%	100%	90%
Restaurants	95%	95%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Fitness Studio	100%	100%	95%	80%	75%	75%	75%	80%	90%	95%	95%	100%	100%
Office, Bank	100%	100%	100%	100%	100%	100%	95%	95%	100%	100%	100%	100%	80%

Notes:

Monthly adjustments based on *Shared Parking, 2nd Edition* data.

**CITY OF MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF REGULAR MEETING
OCTOBER 9, 2019**

A. CALL MEETING TO ORDER

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 9th day of October, 2019, at the hour of 6:00 p.m., in the City Council Chambers, at 1400 Highland Avenue, in said City.

Chair Burkhalter called the meeting to order.

B. PLEDGE TO FLAG

C. ROLL CALL

Present: Fournier, Morton, Thompson, Ungoco, Chairperson Burkhalter
Absent: None
Others Present: Jeff Gibson, Interim Director of Community Development
Brendan Kearns, Assistant City Attorney
Ted Fatueros, Assistant Planner
Rafael Garcia, Assistant Planner
Rosemary Lackow, Recording Secretary

D. APPROVAL OF AGENDA

It was moved and seconded (Thompson/Morton) to approve the agenda with no change. No objection, it was so ordered.

E. AUDIENCE PARTICIPATION (3-minute limit) - None

F. APPROVAL OF THE MINUTES

10/09/19-1. Regular Meeting – August 28, 2019

It was moved and seconded (Thompson/Morton) to approve the minutes based on the following changes in last paragraph, bottom of page 7, requested by the Chair:

“Commissioners Thompson, Fournier, Ungoco and Chair Burkhalter joined in support of the project, with the following additional comments:architect has made great effort to mitigate its size and the building is actually under the height limit overall; pride is taken in the fact the City hasthe new fire house is a welcome culmination of years of planning;and finally, as a mitigation measures to help the neighbor to the south, rather than move the building, if the building cannot be moved, even an inch to the north, then it is was suggested that the drying tower be moved away from the south property line and that privacy or obscured glass be installed for all windows facing south.”

Roll Call:

Ayes: Fournier, Morton, Thompson, Ungoco, Chairperson Burkhalter
Noes: None
Absent: None
Abstain: None

G. PUBLIC HEARING

10/09/19-2. Consideration of a Use Permit to Allow an Office Use on the Ground Floor of a Building Previously Occupied by a Bank at 1419 Highland Avenue (Brett Zebrowski)

Chair Burkhalter opened the public hearing and invited a staff presentation. Director Gibson introduced Assistant Planner Ted Fatusos who gave a slide presentation summarizing the written staff report (full report:

http://cms6ftp.visioninternet.com/manhattanbeach/commissions/planning_commission/2019/20191009/agenda.htm). Mr. Fatusos highlighted: Project description/request (Use Permit to allow office use at 1419 Highland Avenue; applicant Zebrowski); Background and location; Zoning and use permit requirement; project details and Staff Recommendation to: conduct hearing, accept public input, and direct staff to prepare a Resolution either approving or denying based on appropriate findings (Staff – neutral). The latter included points for both approving and denying the project.

Chair Burkhalter invited questions of staff from the Commission.

Commissioner Thompson referred to the applicant's letter and noted that the applicant is arguing in favor of his application, that he would be freeing up ground floor space for new retail at his current location (1145 Highland); Commissioner Thompson asked whether a Use Permit would be required for a new tenant at that space? Mr. Fatusos responded that a Use Permit would **not** be required for a ground floor office as long as the space was not vacant for more than six straight months. Mr. Fatusos also confirmed Commissioner Thompson's understanding that there is no assurance that a retail space will replace Mr. Zebrowski's office and the space could be used as office or retail.

The Chair invited the applicant to address the Commission.

Brett Zebrowski, applicant, made the following points in favor of his project: 1) he is a long term resident who loves and supports the community; 2) understands the purpose of a Use Permit in this case; 3) believes that will be an appropriate use; 3) has a low parking demand; 4) does not rely on foot traffic; 5) will be a great neighbor; 6) generates very little trash and, lastly his business will be quiet and fit in well with the nearby residences.

Commissioner Thompson asked Mr. Zebrowski how he intends to use the second level roof deck; Mr. Zebrowski stated his intent to have a low-level use, such as for office meetings (15-20 persons typically), a place to take a break or talk on phone - uses typically related to a real estate office.

PUBLIC INPUT

Mr. Zebrowski responded to **Vice Chair Morton** that he would be agreeable to a condition that sets "common sense limits" on the roof top deck's use and to **Chair Burkhalter**, that he intends to do only non-structural physical changes to the building interior which includes an area formerly used as the bank vault. These changes will likely not require permits.

The Chair invited the public to testify.

Jill Lamkin, Executive Director, Downtown Business and Professional Association, stated she has submitted a letter; understands the land use issue as a former businessperson, with the mix of retail and offices, and the desire to preserve retail, but she wholeheartedly supports this case in that she believes it is a good location for an office, located at the end of a block of solid offices; and actually she believes this site is not so good for retail as such would be isolated; and lastly she believes the applicant will be a great neighbor.

There being no further speakers, Chair Burkhalter closed the public hearing and opened the floor to Commission discussion.

COMMISSION DISCUSSION

Commissioners Ungoco and Fournier disclosed individually that they have real estate licenses and in checking with the City Attorney, it was determined that there was no conflict of interest for either Commissioner. Both Commissioners provided statements, assuring that they can assess the application objectively, without bias, and act fairly and equitably.

Vice Chair Morton stated he fully supports the proposed change in use, and is compelled by: 1) site in the past was a real estate office; 2) adjoining spaces have a pattern of offices and if this were to be retail that retail would be disconnected from other retail uses which is not desirable and makes the space difficult to lease; 3) the applicant is a strong support in the community; and 4) it will be a great non-impactful use. In addition, he feels that the City can attach some common sense restrictions on use of the roof deck which will serve to avoid disturbance calls as has occurred in the past.

Commissioner Thompson stated he normally has concern with opening a new office on the ground floor Downtown, but he supports this application due to its location on the perimeter, not the core of the Downtown; he believes staff can suggest appropriate conditions that restrict use of the deck such as not renting out for parties, or limiting hours in the evening, which can mitigate neighborhood concerns. He would like to make sure the Resolution clearly states the importance of the specific location of the site and why that has an effect on the use.

Commissioner Fournier appreciates staff's position, in that is sensitive to the issues Downtown, and without reliving that – he appreciates that staff is deferring to the Commission to hear the community's input and then make a decision. He agrees with the position that the specific location is a unique factor and had this case been asking to be closer to the core of Downtown, near restaurants and lively uses, it would be a tougher decision for him. He does not recall the site being used for retail in the past, but rather as a small professional office. He sees this case as an exception and supports approval; as to deck restrictions, he suggests 11:00 P.M. as a cut-off but is open to discussing.

The Commission focused on a possible limitation on the roof deck, suggestions included: an early (9:00 or 10:00 P.M.) hour limit, with cut off at 9:00 P.M. for any amplified music or sound.

Chair Burkhalter stated his support and suggested a limitation on the maximum number of persons who can be assembled on the deck – i.e. fewer than the 49-maximum established by the Fire Department as an occupancy load.

Assistant Planner Fatuross responded to the Commission that this site has not had a use permit or had binding use conditions for the deck; as such the site is bound solely by City wide Noise Ordinance and entertainment regulations.

Commissioner Ungoco commented that there is a break in the cadence of pedestrian traffic in Downtown, starting with the parking lot opposite the library and he feels this use would restore day time vitality to the corner and part of the Downtown.

COMMISSION ACTION

Vice Chair Morton suggested a motion could be made to approve with direction to staff to work out appropriate restrictions on a roof deck and a draft resolution would be brought back for Commission review at the next meeting.

Chair Burkhalter asked for clarification on a procedural land use issue: if an office use is approved here and then is discontinued, then a six-month threshold would apply, but if another office came through, can he conclude that the new office would not be required to go through a discretionary permit process? Planner Fatuross confirmed, that the Chair's understanding is correct – that the Use Permit “runs with the land” as an entitlement – if the use remains an office with the first office and succeeding offices uses established within 180 days of the prior use, conceivably under the current law, this space could be an office use forever.

Chair Burkhalter asked whether, given the sensitivity to office space on ground floors, if there's any merit to also including a condition that restricts the use or requires the site to come back under review by the Commission in the future?

Assistant City Attorney Kearns advised that he thinks such a condition would be legally vulnerable and he does not recommend it.

Director Gibson stated he did not think a formal motion was needed, and summarized the Commission direction to: return a draft resolution approving the project –staff will work with the applicant to establish reasonable conditions that could include: limitation in the hours of the deck use, restriction of amplified sound, and a lowering of occupancy to less than 49 on the deck and the clarification as to replacement or change of use in the future - that conditions would continue to apply along with the entitlement. The draft resolution will come back at the next or a subsequent meeting.

10/09/19-3. Request for a Master Use Permit Amendment to allow Personal Improvement Services Limited to Fitness Studios and to Allow up to Four Restaurants to have Ancillary Off-Site Alcohol Sales in connection with the Master Use Permit for the remodel and expansion of the Manhattan Village Shopping Center located at 2600 through 3600 North Sepulveda Boulevard and 1180 through 1200 Rosecrans Avenue (Manhattan Village Shopping Center)

Chair Burkhalter opened the public hearing and invited a staff presentation.

Director Gibson introduced Assistant Planner Rafael Garcia who gave a slide presentation summarizing the written staff report, available in full at the following City website location: http://cms6ftp.visioninternet.com/manhattanbeach/commissions/planning_commission/2019/20191009/agenda.htm.

Mr. Garcia summarized the project, a Master Use Permit Amendment (MUPA) that would allow the shopping center owner, RREEF America REIT Corp, to change two conditions of approval on the current MUP that were imposed by the City Council in 2014. The first request, to allow up to 25,000 sq. feet of fitness studio space (5,000 sq. ft/studio) is based on an ongoing leasing strategy, a strong market demand and a desire to incorporate smaller fitness studios, which in turn will compliment future tenants lined up for the center with the center's redevelopment. The second request is to allow four additional ancillary off-sale alcohol licenses in conjunction with restaurants, based on industry trends for upscale restaurants, which is being felt at the Center. Staff recommends that the Commission conduct the public hearing and adopt the attached resolution, conditionally approving the application and adopting the third addendum to the EIR.

After going into project details including the definition of a "fitness studio" and "personal improvement services" uses. Chair Burkhalter invited questions from the Commission. Planner Garcia emphasized that Commission would still retain discretion as to the location of the additional alcohol licenses. Mr. Garcia noted representatives of the applicant are present.

Chair Burkhalter invited questions of staff from the Commission.

Commissioner Thompson asked if staff had read the letter submitted by Mr. Mark Neumann, for 3500 Sepulveda L.L.C; **Mr. Garcia** responded that staff has read the letter and he stated that 3500 Sepulveda site would be able to take advantage of the changes in the MUP, but how that happens is a civil matter between Mr. Neumann/tenants and property owner. Mr. Garcia assumes it would be on a "first come, first served" basis through the owner. He clarified that the four additional off-sale alcohol uses can only be conducted within restaurants. He explained how staff review of such requests at the center would be processed. He also indicated that the overall restaurant square footage allowance has not been exceeded. As such, any new restaurant requests with alcohol can be administratively approved. Also, during the review, staff reviews floor plans and business descriptions to ensure that the new use will be consistent with the with the MUP. The draft Resolution up for adoption tonight includes the verbiage within the conditions of approval that the alcohol licenses be limited to restaurants and incidental to the primary restaurant operation. The amendment does not limit the type of alcohol (e.g. beer/wine vs. distilled spirits) but the Commission has the discretion to be more restrictive.

The applicant was invited to address the Commission.

Jason Giannantonio, representative for RREEF, presented the application addressing questions from Commissioner Thompson. He emphasized the size of the studios was carefully considered and the target market was affluent persons who embrace a healthy lifestyle. He pointed to condition 20 where changes would allow additional sites for off-sale alcohol consumption. The request covers 3500 Sepulveda as well as the entire Shopping Center site. The three fitness studios are to be located along Cedar Way – two within the Village Shops (under construction) and one across from the Shops that will go into an existing space but with an entrance on Cedar. So far, they are looking only at beer/wine (private label) not distilled spirits.

Peter Gutierrez, attorney for RREEF, clarified that the applicant prefers to have no limitation on the alcohol license such as beer/wine only, for flexibility - to avoid the need in the future to have to come back before the Commission.

PUBLIC INPUT

Chair Burkhalter opened the floor to other interested parties.

Mike Simms, resident, and owner, Tin Roof Bistro, 3500 Sepulveda, indicated he would like to add a private label wine and have scotch/whiskey tastings as incidental to their restaurant similar to when you go to a winery in wine country. He appreciates his building owner and the property owner working together.

Mark Neumann, 3208 Laurel Ave for 20 years, represents the investors of 3500 Sepulveda, explained the history of his investment. He and others together purchased the building (in portion) 10 years ago unaware of a planned expansion in a poorly worded entitlement (Reso. PC 01-27), and this has cost him millions of dollars. He heard of this application only 8 days ago. He was surprised to see changes in the parking plan on page 133 of 137. His main issue with the project is that he feels he has suffered harm in losing parking in terms of the total amount (loss of 6 spaces) as well as convenient location for his tenants. He is not against the application and in fact thinks it will help his tenants, but he seeks protection in that in the past he was promised more parking from the owner and in reality, he has or will have less. He asked that the City ensure that: 1) the application has the proper legal description in the adopted Resolution (he believes his property description is left out); 2) that the approval applies to the entire site including 3500 Sepulveda; 3) that staff can approve alcohol licenses administratively; and 4) that “fitness studios” are properly being implemented as a defined land use. He concluded that he supports allowing hard spirits in the entitlement.

The Chair opened the floor to questions from the Commission.

Commissioner Thompson asked of the City Attorney representative whether any issues raised tonight have an effect on whether the Commission can act tonight.

Brandon Kearns, Assistant City Attorney, indicated that the letter from Mr. Neumann has been discussed at length with Community Development staff and advises that the Commission direct staff to ensure that the legal descriptions are correct, but as to the signatures on the application – the City’s policy is that for these amendments, it is not necessary. The burden is going to be on RREEF as the benefits will be enjoyed more widely on the site, and this has been the practice that has occurred in the past without incident. As to comments and discussion about an old (2008) MUP, he does not think that it needs to be modified – it is silent on this point. It should also be noted that the COA’s (conditions) for that MUP suggest that potentially in the future, off-site alcohol consumption would be occurring.

Commissioner Thompson asked how many MUPs have there been? **Mr. Garcia** is not sure of the past. Mr. Thompson explained he believes there is only one MUP and all other actions have been amendments to that. **Chair Burkhalter** suggested that, that being the case, this application for example would apply to all properties on the entire center site. It was clarified that the Commission should rely on staff for the parking requirement and supply and this is always reviewed with changes in the Center.

Mr. Garcia clarified that the current entitlement request would allow for up to four restaurants have incidental off-site alcohol consumption and up to 25,000 sq. feet of personal improvement services (5,000 sq. feet max each) and once the site reaches the limit no additional square footage will be allowed for said use. Further, the two amended conditions will apply to all properties in the Center. There is a wide variety of square footage limitations as part of the MUP, but again, once the limit of square footage is reached no additional square footage is allowed. In response to Commissioner Thompson, Mr. Garcia noted that staff did not have any significant concerns with regard to “hard” liquor in addition to beer/wine, but is mainly interested in limiting the alcohol to incidental and as part of restaurants, but this is at the discretion of the Commission.

There being no further questions or speakers, Chair Burkhalter **closed the public hearing** and opened the floor to Commission discussion.

COMMISSION DISCUSSION

Commissioner Thompson stated he believes that the Commission has the discretion to say where in the center the off-site sales can occur. He is presently not prepared to support allowing off-site sale for hard liquor – he would like more information for example from the Police Department. He would be ok with allowing the entitlement only as beer and wine for the entire site, but at this point would have the applicant come back with a subsequent request as needed. He supports the fitness studio request and believes that a mall needs flexibility for uses.

Vice Chair Morton supports the request, feeling that personal improvement services are a good fit, and also the alcohol request, for beer and wine and hard liquor, providing this is an incidental use (as described by Mr. Simms) and is subject to approval of the Community Development Director who would have enforcement authority. Summarily, he supports the staff recommendation “as is” with direction that Staff check the legal descriptions.

Commissioner Fournier inquired as to the specific concern of Commissioner Thompson with regard to alcohol.

Commissioner Thompson responded that he doesn’t feel comfortable only because he doesn’t know if hard alcohol was being anticipated by staff when the application was filed. **Commissioner Fournier** stated that if that is the issue, then he would like staff input.

Chair Burkhalter **re-opened** the public hearing for additional staff input.

Public Input (Re-opened)

Assistant Planner Garcia provided input: when the application was filed, it was specifically to allow relief from existing restrictions – for the purchases of bottles of wine. But as the staff processed the application, it became clear that the main issue was whether consumption would be off-site. Staff ultimately was not overly concerned with the distilled vs beer/wine distinction. Further, because alcohol sales (off-site) was involved, the application was forwarded to the Police Department and MBPD indicated it did not have any objection. He believes that Commissioner Thompson has valid points and again, the Commission can narrow the condition to apply only to non-hard spirits, but staff supports the draft Resolution “as-is” (silent on the type of alcohol being sold off-premise).

Mark Neumann requested clarification that, first he never signed the MUPA application, but it is being said that it will apply to 3500 Sepulveda Boulevard.

Assistant Planner Garcia reiterated that the MUPA will apply to the entire center and **Chair Burkhalter** stated more specifically, it will apply to 3500 Sepulveda Boulevard.

Mark Neumann questioned why this MUPA is different from a prior MUP, adding that he feels he has been “put through the ringer”.

Commissioner Thompson responded that he is relying on the City Attorney’s opinion tonight which has been given. He pointed out that the prior MUP was a different situation and staff received a different opinion from the City Attorney then. He feels that this is the same with all of the Commissioners – that they rely on the City Attorney for legal counsel.

Mr. Neumann accepted this explanation, recognizing it is favorable to his property, and requested further clarification as to the definition of a “fitness studio” which is not *per se* in the zoning code.

Assistant Planner Garcia stated that a fitness studio is indirectly defined in the Code, as a sub-category of “Personal Improvement Service” which applies to a use that involves instructional services of a personal nature. In the draft Resolution, the condition reads that personal improvement services are allowed, but limited to fitness studios only. He feels in his experience, this is fairly simple and straightforward.

Chair Burkhalter **closed the public hearing** and invited Commission discussion.

COMMISSION DISCUSSION

Commissioner Thompson noted that he is in support, but still has concerns about hard liquor. He suggests changing the condition to restrict off-sale of hard liquor.

Commissioner Fournier while he had concern about the type of liquor, he feels that if the Director represents that staff is comfortable with the Resolution as written, he supports.

Commissioner Ungoco is generally in support and feels that the application shows foresight in terms of the evolving nature of retail. He feels it is important to drive pedestrian traffic and, as dining changes, looking to the future, there is a movement towards hard liquor – the “spirits world” is abuzz with news of South Bay distilleries as in El Segundo where small batches are produced and sold. He feels it is even ironic that the South Bay area is getting a reputation for distilled spirits and this discussion is about excluding them from a key location that could be distributing them.

Chair Burkhalter stated he agrees and pointed out that the two changes apply to experiences, and enhancing of such at the Center. They are going with trends, but slightly holding them off a bit. The trend is that retail must be “experiential”. He believes the Commission should err on the side of being less, not more restrictive. He supports leaving the condition as is, silent on the type of alcohol. And, although not part of this application, he feels parking trends and how people access dining is a tangential issue that should be studied and accommodated (including app-based delivery service) in that these trends do not figure in parking calcs. He supports both of the changes as in the draft Resolution.

Commissioner Fournier stated he is very concerned with the free attitude with ride sharing which he thinks has gotten somewhat out of control. He does not want to re-open the public hearing but would caution the applicant and builders about this and would like to emphasize this, and referred to a big change recently at LAX restricting rideshare vehicles in the horseshoe.

Chair Burkhalter called for a motion.

It was subsequently moved and seconded (Thompson/Morton) to approve and adopt the attached resolution conditionally approving the application and adopting the third addendum to the EIR.

Roll Call:

Ayes:	Fournier, Morton, Thompson, Ungoco, Chairperson Burkhalter
Noes:	None
Absent:	None
Abstain:	None

Commissioner Thompson added that his motion included direction that staff check that all legal descriptions are accurate.

Chair Burkhalter called for a recess at 7:25; and at 7:30, he re-convened the meeting.

10/09/19-4. Appeal of the Director's Building Height Determination and Approval of Coastal Development Permit No. CA 19-06 for the Demolition of a Single-Family Residence and Construction of a new Three-story Single-Family Residence with a Two-Car Garage and Basement at 3009 Manhattan Avenue (Appellant McPherson)

Chair Burkhalter opened the hearing and invited a staff presentation. Assistant Planner Rafael Garcia gave a slide presentation summarizing the written staff report (full report at <https://www.citymb.info/departments/boards-and-commissions/planning-commission>, October 9th). **Mr. Garcia** covered: Background (lot size and location, zoning, existing 1926 home to be demolished), Proposal (new 30 story with garage and basement) and Coastal Permit Approval (July 2019). Mr. Garcia also provided details as to surrounding properties (120/121 30th Street to south and properties 3000 thru 3008 Manhattan Avenue to east), zoning height methodology (simple average of 4 corner lot elevations, based on survey), the basis of the appeal and the staff analysis and recommendation: that the Commission hold a public hearing, uphold the Community Development Director's administrative building height determination and decision, (approval of construction including height) and deny the appeal filed by Mr. McPherson.

Mr. Garcia emphasized that the Director's decision was based on Department policy and practice. It has been standard practice for staff to use the same corner elevations if available in the records, used for construction of an adjoining property. In this case Staff found a survey on file for the abutting half lot (at 30th St/Manhattan Avenue) that revealed that construction for that home did in fact use the same elevation shown at the Southwest property corner on the survey for the current application.

Chair Burkhalter questioned and Mr. Garcia confirmed that the historical survey shown is a legitimate survey and was used in a plan-check report; and is relevant to the case. In working with the appellant, **Mr. Garcia** asked for some proof or evidence that the adjoining property has been artificially raised which could give an advantage, as opposed to being artificially lowered, which can also happen when earth at a corner is lowered. Mr. Garcia agreed that a surveyor will provide the existing grade, and staff does not document "natural grade" – that is not what the code mandates. To truly establish a "natural grade" it would be imperative in all cases, to have a history of prior surveys. He feels that in order to justify requiring a lower height elevation, he would have had to have seen evidence from a prior survey, and this was not the case.

The Chair invited the Appellant to address the Commission.

Edwin McPherson, owner, 3000 Manhattan Avenue, characterized his position: feels that there have been several mis-statements by Mr. Garcia. He has lived in the Manhattan Beach sand area for 36 years and understands and accepts that views can be blocked by construction. His property is a full lot, oriented east/west and in constructing his own home, found that the height of his building at Bayview was pinched lower due to the height methodology; he accepted that. He believes that 3 of the 4 property corners have been measured to have equal elevations and he feels that this is counter to natural conditions and the way sand dunes are. He feels that this one corner has been artificially raised and this gives the building an advantage that he shouldn't have. He feels that the elevation in fact used for the property in the '90's also was wrong or against natural conditions and as a result that building appears as a monolith and now with this new construction that full lot will appear as a "duolith". He cited the relevant Code, 10.60.050 and showed photographs of the 3009 Manhattan Avenue property and feels that this case is a perfect example of the intent of the code, to use an alternative elevation that reflects a site's topography; he requested that the Commission reverse the administrative decision and direct staff to have new measurements taken consistent with the "letter and spirit of City rules and common sense".

Commissioner Thompson asked Mr. McPherson what elevation he thinks would be fair and should be used? Mr. McPherson responded, he is not absolutely sure, but in his opinion that staff should have easily determined that an elevation at that corner should be about four to five feet lower, or the northwest side of the lot should be comparable to the southwest side; after a brief discussion with the Chair, he agreed this would result after averaging all corners, in a building that would be about 1-foot lower.

Chair Burkhalter commented that what is important is Department policy and not just what conceptually should be applied. The policies that staff relies on do not use interpolation, but he explained, if the elevations were to be interpolated there would be a change of 4-feet and an overall reduction of 1-foot in the overall height.

Chair Burkhalter asked for clarification about a special provision in the City's Zoning Code that allows exception to the height limit of 12-inches for solar panels. **Mr. Garcia** noted that to utilize this exception a builder must submit a study that proves that without the exception, solar efficiency is compromised to a certain degree – but this had never been proven by any builder to his knowledge and it is staff policy to grant an exception of 6-inches only when installing solar on an existing building that is already built to the maximum height limit. In this case, as this is a new building, the applicant if desiring solar, should design to accommodate the panels to achieve the efficiency needed.

The Chair invited the Applicant to address the Commission.

Louis Tomaro, architect for 3009 Manhattan Avenue has designed many homes throughout the city, including other areas where there is a lot of topography. He explained that in cases as this where a half lot is involved, it is common for a center of a lot with to have a mounding or higher elevation to be consistent with “natural grade” because the corners have been cut to accommodate a street (or walk-street) or alley. He explained that the corner elevations are highly scrutinized and the City process involves not only a detailed survey that shows much detail as to conditions at the corners, but the City inspector also confirms the elevations in the field. In this case the survey shows that the center of the half lot is elevated and there is nothing around the corner such as a retaining wall that indicates the corner to be built up. Discretion is always used by staff to use an elevation, often averaging, when appropriate. In summary, he asks that the Commission confirm and uphold the Director's decision based on the existence of a historic survey for the southwest corner, fact that the survey does not indicate any proof of an artificially raised condition, and in keeping with long-standing policy and practice. He cautioned that if the Appellant is granted his appeal, this would potentially encourage other appeals to come forward, making building height by default, a frequent discretionary decision before the Commission.

Michael Zivec, 1256 6th Street is the owner/developer of 3009 Manhattan Avenue. He has been building in the City since 1964 and has never encountered a problem such as this regarding building height. He has designed a building “according to the rules” and urged that the Commission not “change the rules” now. He feels that the City cannot “go backward” and should move forward and asked that the Commission deny the appeal in accordance with City rules.

Juan Ruiz, owner, 3008 Manhattan Avenue for 16 years, supporting the Appeal, wanted to correct a staff statement that no comments other than the appeal were submitted, in that he had come to City Hall and expressed concerns on multiple occasions. He asked that staff look for all surveys for prior construction for the including one done in 1998

Commissioner Thompson inquired whether there is or did staff look for a survey for the full lot directly to the west? He would be interested in knowing the elevations on that lot along the east property line, and wondered if there is value to looking at this information.

Mr. Garcia responded that typically staff only looks at adjoining property elevations if there is/are shared corners used to average height, which is not the case here. If the Commission wishes, staff could look at this, but noted this approval was granted in July and staff has been working diligently on the case.

Chair Burkhalter noted that in this case staff followed policy but the code allows for some discretion to take an alternate elevation. Mr. Garcia iterated that in many cases they average shared corners, but again staff strictly followed policy to only apply shared corner elevations.

Dep Nguyen, 3008 Manhattan Avenue, wife of prior speaker Ruiz urged that the Commission understand that the proposed height will impact their family, and urged that the Commission look carefully and if there is a wall that has caused the ground to be raised artificially, that it is its duty to approve the Appeal. She feels the staff decision is counter to natural very steep conditions and is afraid if the administrative decision is upheld – that two wrongs will have occurred this would compound rather than correct a bad situation.

Discussion ensued about whether to ask for a survey for the west property. **Vice Chair Morton** stated he felt if such a survey were to be found and analyzed it would likely support the rationale of the appeal. **Mr. Garcia** reiterated that he does not disagree with the Appellant's rationale. However, he feels there is no value to resurrecting that survey (as asked by Commissioner Thompson, if you make a decision based on existing Department policy and protocol). But, again, staff can do this research, if requested. **Vice Chair Morton** noted his concern is that this might be something the Commissioner should consider including establishing whether that 1990's survey was in error or not and if the prior decision for height was wrong, perhaps staff is putting too much reliance on that. **Mr. Garcia** cautioned that this may create a precedent. **Chair Burkhalter** asked whether to ask for more research would not be so much going against Department policy, but is in fact authorized in the Code - that staff would be considering as an alternate policy. **Mr. Garcia** emphasized that, going back to Commissioner Thompson's point, this has no value if the Commission is to base its decision on whether staff followed policy and protocol.

Commissioner Fournier noted that as Mr. Tomaro has pointed out, staff does these analyses very frequently and he is concerned that if you go back and look at another survey, this will get very complicated.

Chair Burkhalter closed the hearing and redirected discussion among the Commissioners.

COMMISSION DISCUSSION

Commissioner Fournier continued, noted that if they go back and get another historical survey for the adjoining lot to the west, this begs the question - how far back to go? Is it prudent to start now basing a decision on natural vs. existing finished grade? He feels this would "open a can of worms". The City needs consistency and it concerns him that this could be a real policy laden decision that would take months to figure out. He appreciates the issues but feels that staff has done a great job, and the City was not developed as a mass-graded tract all built at the same time – each lot is a unique situation. Further, we are learning that the difference would be 1-foot in height and should the policy be changed to accommodate this? As to the question: do we have enough facts? Procedurally, he feels staff has done as much as they can.

Vice Chair Morton noted that again he feels that the code as written provides for discretion in the Code and he feels that the 4th corner is definitely an anomaly and defies logic and its clear that it was built up. He feels the key question is how to address that 4th corner. You have 2 surveys that put the corner at that elevation and this may be wrong. He feels possibly the Director should take another look at it just using the language of the code. There is too much of a discrepancy (between this and the other corners) to not look at again and it feels unfair.

Commissioner Thompson stated that he feels the Applicant made a very strong case - that the corner elevation is not an anomaly – because sand dunes go up and down all over the beach area. He doesn't believe, if they support the Director's decision, that this would be supporting an inaccuracy. It's true that the alleys and streets when cut into the natural topography can make it appear that the ground is raised and because this is a half lot, its very plausible that a corner occurs on a naturally high point or mounded area of the lot. He believes that equity is served by the Director's approval and the staff position is based on accuracy. He supports the Director's decision.

Commissioner Ungoco, made the points that, he feels that staff has done the best job in following existing code and policy and secondly, the current ocean view cannot be preserved as much as existing. He feels he must step back and look at the charge of the Commission is - to preserve the neighborhood character within the existing code, and he agrees that this building will actually appear as an average between nearby properties (between monolith and others), so it will be getting back closer to the scale of the area.

Chair Burkhalter noted that the City rule has different results depending on the size of the lot and the smaller the lot, the more extreme the resulting height limit could be. To be clear, even if using an alternate permitted methodology, using interpolation, the net building height would be affected by one only foot. But, we are not here tonight to re-write the code.

Commissioner Thompson called for a motion; it was subsequently moved and seconded (Thompson/Ungoco) to DENY the appeal.

Roll Call:

Ayes: Fournier, Thompson, Ungoco,
Noes: Morton, Chairperson Burkhalter
Absent: None
Abstain: None

H. DIRECTOR’S ITEMS – None

I. PLANNING COMMISSION ITEMS – None

J. TENTATIVE AGENDA – October 23, 2019

The Chair noted that two condominium projects are to be considered.

K. ADJOURNMENT TO – The meeting was adjourned at 8:45 p.m. to Wednesday, October 23, 2019 at 6:00 P.M. in the City Council Chambers, City Hall, 1400 Highland Avenue.

/s/Rosemary Lackow
ROSEMARY LACKOW
Recording Secretary

/s/Benjamin Burkhalter
BENJAMIN BURKHALTER
Chairperson

ATTEST:

/s/Jeff Gibson
JEFF GIBSON
Interim Community Development Director