

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



Certified to be
a true copy of
said document
on file in my
office.

A handwritten signature in black ink, appearing to be "JP", is written over the text of the City Clerk's name.

City Clerk of
the City of
Manhattan
Beach

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.

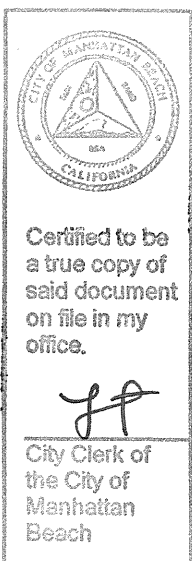
SECTION 8. On January 14, 2014, the City Council provided another opportunity for representatives of RREEF and 3500 Sepulveda LLC, and all other interested persons, to comment on the Project. After providing that opportunity, the Council adopted a motion to direct staff to draft resolutions for the Council 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.

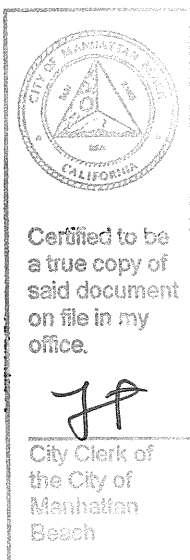
SECTION 12. On May 20, 2014, the City Council provided another opportunity for the public, including representatives of 3500 Sepulveda, to comment on the draft resolutions and the conditions attached to Resolution 14-0026. After the public provided comments, the Council made a motion to return with resolutions 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;*

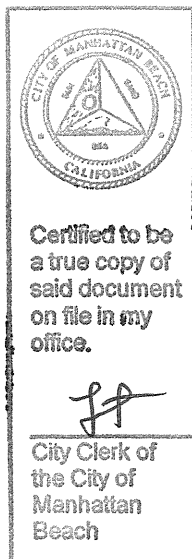
- a. The site is located within Area District II and, with the exception of the northwest corner described below, is zoned Community Commercial (CC). The purpose of the CC zoning district is to provide sites for planned commercial centers which contain a wide variety of commercial establishments, including 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.

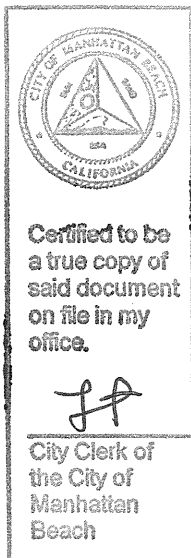
- iv. Bars, convenience stores, gyms, liquor stores and similar uses will not be allowed as the traffic and/or parking demands for those uses would exceed the on-site capacity, which could cause adverse impacts on adjacent uses and the surrounding street systems.
 - v. Restaurants (eating and drinking 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.

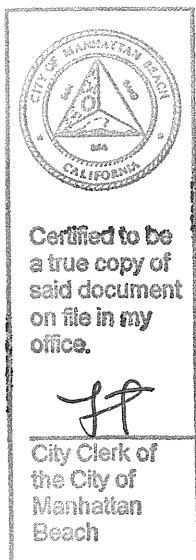
- iii. Due to the scale of the development, there is also an opportunity for retailers and other commercial users that require larger spaces which cannot be provided in the other smaller scale commercial areas in town. These retail uses will be encouraged by improving the strength of the anchor tenants 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;*

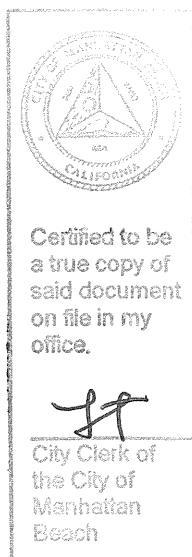
- a. The Project is consistent with the following Goals and Policies of the General Plan: A summary of the reasons for consistency are provided for each of the five categories.

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.

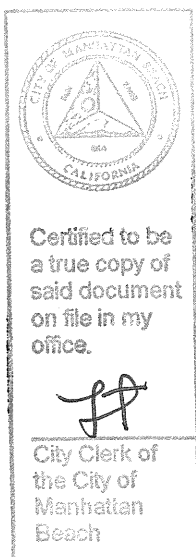
- Policy LU-1.2: Require the design of all new construction to utilize notches, balconies, rooflines, open space, setbacks, landscaping, or other architectural details to reduce the bulk of buildings and to add visual interest to the streetscape.
- Goal LU-2: Encourage the provision and retention of 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

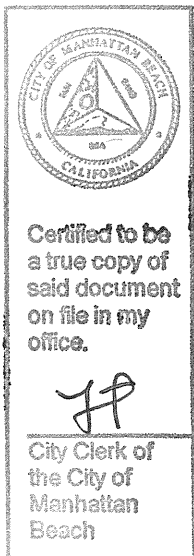


existence of the underlying hydrocarbon contamination and achieve clean storm water run-off prior to reaching the public storm drain system.

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.

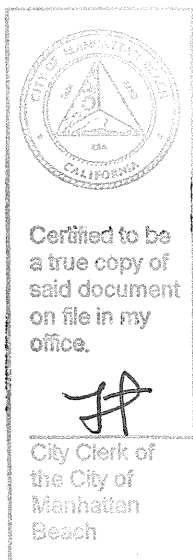
Policy CR-5.11: Support sustainable building practices.

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.

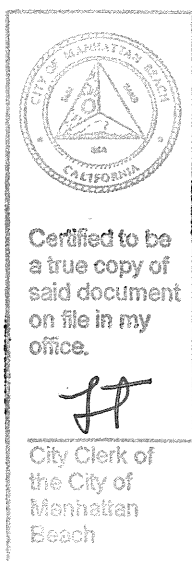
Noise Element

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.

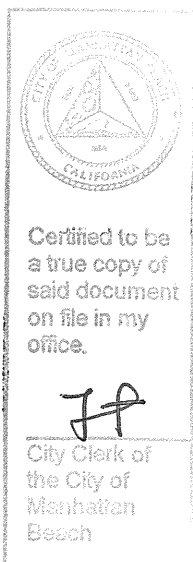
- b. The proposed location of the improvements and the proposed conditions under which it will be operated and maintained will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed Project site or in or adjacent to the neighborhood of such use; and 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.



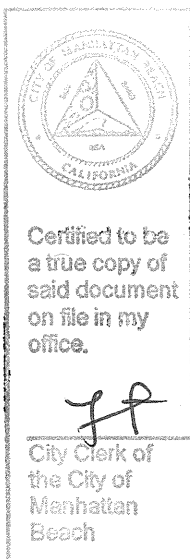
3. The proposed use will comply with the provisions of Manhattan Beach Municipal Code Title 10, including any specific condition

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

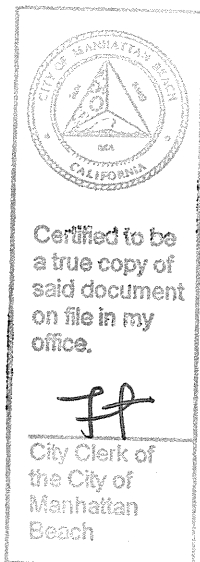


dispersed) lighting patterns, as well as screening by existing buildings. Buffering also is achieved by the difference in ground elevation relative to the nearest residential properties. Project lighting is consistent with the Code standards which regulate lighting. Thus, the Project will not adversely 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

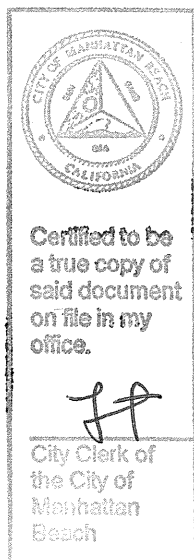


the property owner to develop above grade in order to receive the same privileges as property owners without similar soil conditions.

- 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;

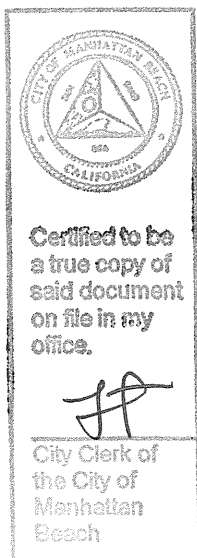
l) Exclude certain square footage-Allow the following sign area to be excluded from counting towards the total allowed square footage: Project graphic banners, Parking Deck Entry signs, Directional Signs, Sidewalk Signs, Temporary A Frame/Sign Holder Signs, and non-tenant oriented portions of Gateway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

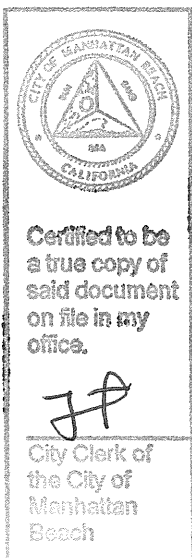


not be impacted by the proposed sign exception, as conditioned. The approved sign exception would be consistent with the Community Commercial and General Commercial zoning districts, since it will provide uniform site signage that is attractive and require the removal of outdated, obsolete signage. Clear 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;

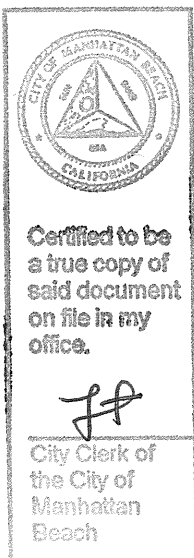
- a. The exceptions, as conditioned, will promote the preservation of the character and quality of the area consistent with the character of Area District II.
- b. The signage will use high quality and attractive materials, blending with the architectural theme of the mall expansion, while enhancing 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.

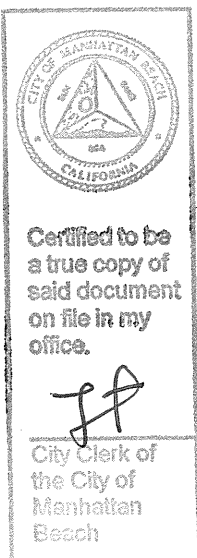
4. *Review.* Provisions of the Master Use Permit Amendment, Variance, and Sign Exception/Program Amendment are subject to review by the Community Development Department within six months after occupancy of the first building constructed in Phase I and yearly thereafter.

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.

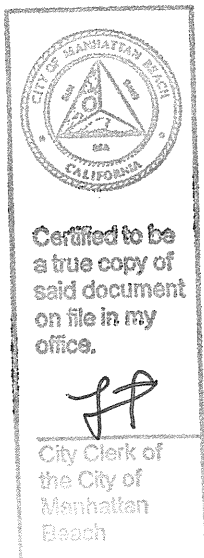
AESTHETICS

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.

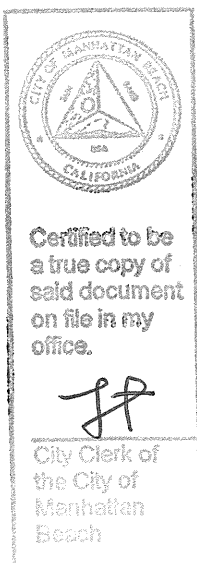
11. Signage Site-wide Plan/Master Sign Program. The Project shall provide consistent signage improvements throughout the Shopping Center property. The total square footage of signage for the Shopping Center property shall not exceed 9,500 square feet as established herein and as defined by the Code.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

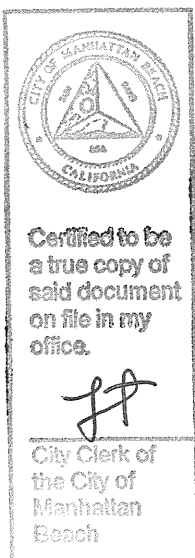
h. The signage for Phase III shall not be installed until Phase III is approved and developed. The signage allocated for and located within the Northwest corner, Phase III, including the square footage and number of signs, shall not be reallocated or used for Phase I or Phase II development.

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

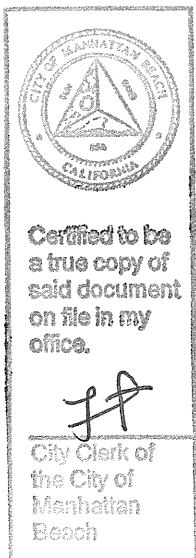
13. In connection with **Phase I (Village Shops)**, RREEF must comply with the following conditions:

- 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



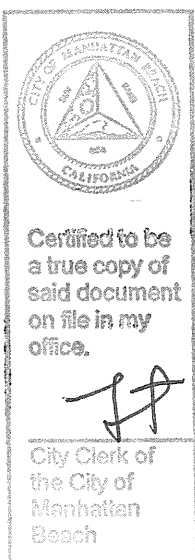
Plans; and the release of the vacated space formerly occupying the Men's Store to RREEF for redevelopment.

- 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:

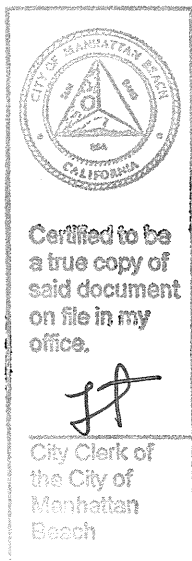
- a. Building and parking site plan-layout within the Development Area Envelopes.
- b. Facades/elevations design motifs.
- c. Colors, textures, and materials as concept design.
- d. Landscaping, lighting, signage, and common area treatments as concept design.
- e. Streetscape and common-outdoor plaza 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.**

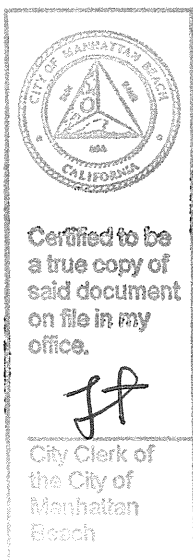
- a. **Good Faith Negotiations with Fry's.** If Fry's indicates in writing to RREEF that it desires to continue to operate the Fry's retail store at its current location after the termination date of its current lease which expires in December 2016, RREEF will negotiate in good faith with Fry's on an 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

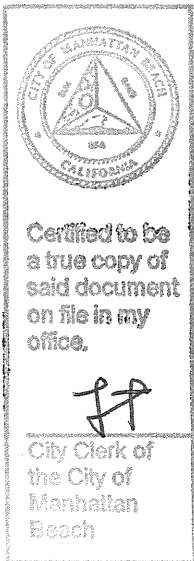
26. **Deliveries.** Delivery activities that are adjacent to residentially zoned and improved properties shall be limited to between 7:00 a.m. and 10:00 p.m. Monday through Friday and between 8:00 a.m. and 10:00 p.m. on Saturdays, Sundays and major holidays, including New Year's Day, Memorial Day, Independence 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.

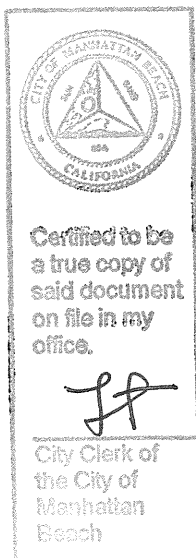
g. RREEF shall work cooperatively with the Fire Department to provide, if feasible, a pedestrian ramp or at-grade access at the rear of the existing enclosed main Shopping Center to facilitate the safe removal of patients from that location.

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.

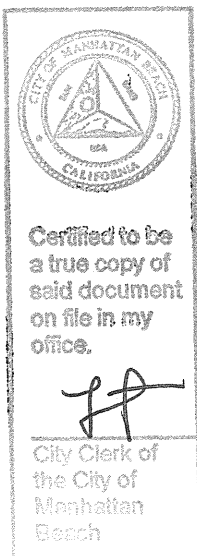
31. **Police Special Event/Security and Cedar Way Plan.** RREEF shall provide a Holiday/Sales-Special Events/Peak Customer Security, Traffic and Parking Control Plan as part of the overall Security Plan. The Plan shall include a provision for reimbursement of Police services when additional services 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



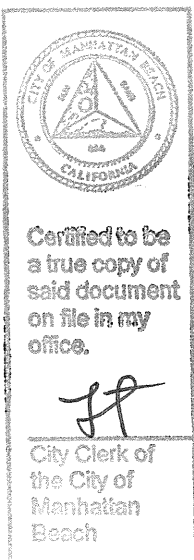
the perimeter of the property, with interconnected walkway and bicycle networks and linkages to off-site improvements and transit (including pavement treatment, raised intersections, improved pedestrian crossings, bike parking, and arrows). Crosswalks with activated flashing beacons on key uncontrolled 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.

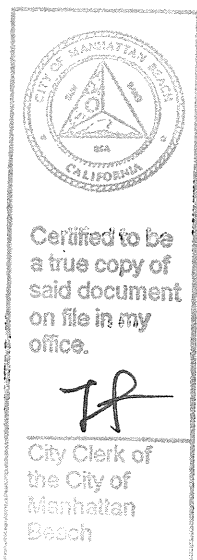
37. **Valet Parking Management Plan.** RREEF shall provide a Valet Parking Management Plan to designate valet parking areas, circulation, hours, days, rates, validations, operations, terms, remote drop-off/pick-up location, signage, passenger drop-off and pick-up, implementation schedule, etc. The Plan 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.

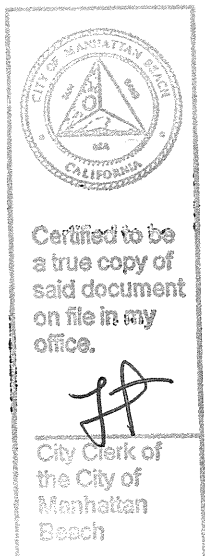
RREEF shall also be required to dedicate land or submit and record an irrevocable offer to dedicate (IOD) land, and construct, or fund the construction of, any required improvements related solely to the driveway on Sepulveda Boulevard, subject to the City of Manhattan Beach Public Works and Caltrans 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



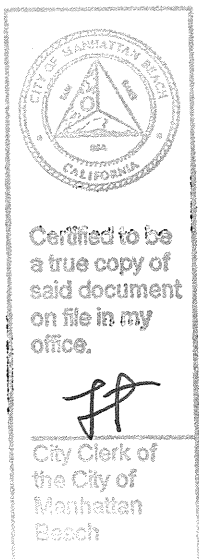
of plans for Phase I. RREEF shall dedicate the property and construct the improvements per plans approved by the City in connection with the construction of Phase I.

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.

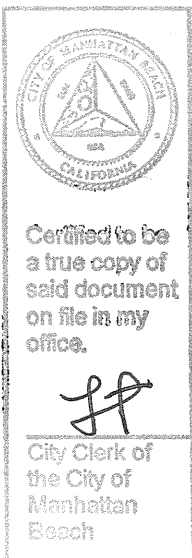


43. **Sepulveda Boulevard and Rosecrans Avenue Corner.** RREEF shall provide an irrevocable offer to dedicate (IOD) at the southeast corner of Sepulveda Boulevard and Rosecrans Avenue for future road and sidewalk widening with an 8 foot sidewalk width, corner improvements, including a 40 foot diagonal 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.

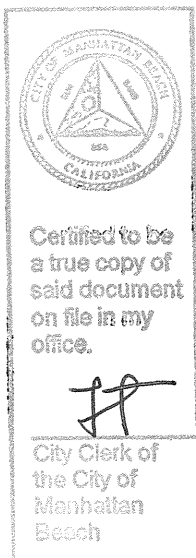
47. **Rosecrans Avenue U-turn at Village Drive.** The City and RREEF will work cooperatively to secure a "U-Turn" movement from eastbound Rosecrans Avenue at Village Drive if the U-turn can be designed to Traffic Engineering standards, all safety criteria is met, and traffic flow is not significantly 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.

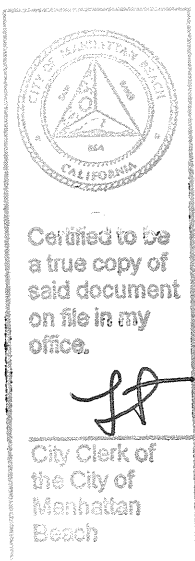
m. Fashion Boulevard at Carlotta Way, shall be designed to line up east to west and not be off-set to the satisfaction of the City Traffic Engineer.

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.

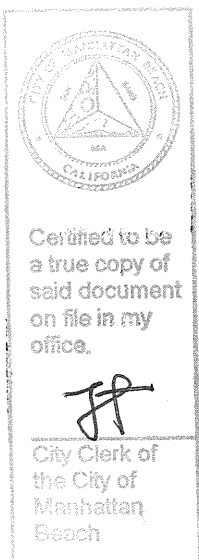
51. **Transit Plan.** RREEF shall submit a Transit Plan to provide a transit route through the Shopping Center property between Rosecrans Avenue and Village Drive via Fashion Boulevard with the plans for Phase II. The plans for Phases II and III shall be consistent with the Transit Plan. RREEF shall 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)



Certified to be a true copy
of the original of said
document on file in my
office.



City Clerk of the City of
Manhattan Beach, California