

WH Manhattan Beach LP
4640 Admiralty Way, Suite 231
Marina Del Rey, CA 90292

Residence Inn Manhattan Beach

Update Report to Carrie Tai and Quinn Barrow as of November 20, 2020

Re: Residence Inn Manhattan Beach hotel located at 1700 N. Sepulveda Blvd., Manhattan Beach, CA (the “**Hotel**”)

Carrie and Quinn,

As we agreed in our Zoom meeting on October 26, 2020, this memo is intended to provide an update to you and to the Council regarding the steps the Hotel (both through its owner and through its management) has already taken and is actively undertaking to respond to the issues raised at the October 20, 2020 City Council Hearing. As you will see from this update, there are still issues that must be resolved before we can proceed with some of the efforts we are pursuing; however, we believe we have made significant progress on all fronts.

First and foremost, we want you to know that we heard both the neighbors and the Council members loud and clear and have literally sprung into action to address the issues brought to the Council. To date those actions have included the following:

1. WH Manhattan Beach, LP, the owner of the Hotel (“**Owner**”), immediately convened a special meeting and obtained authorization for the funds needed to undertake the identified safety-oriented improvements at the Hotel as further described below.
2. Owner and Manager arranged calls with Marriott International, Inc. (“**Marriott**”) regarding Owner’s contractual obligations pursuant to its franchise license agreement, and confirmed that the actions described below will not violate that agreement nor jeopardize the Marriott franchise that is so vital to the Hotel’s success.
3. Evolution Hospitality (the hotel manager) (“**Manager**”), contacted the neighbors living adjacent to the Hotel’s eastern fence line to both assure them that their concerns were heard and to open a line of communication for future concerns. That has already proved its value when, for example, the Manhattan Beach Fire Department on October 6th released a large quantity of water in the Hotel’s parking lot while checking the Hotel fire suppression system, which flowed under the emergency access gates and into the street east of the Hotel. While the Hotel did not have advance notice that the Fire Department would be making the check, once Manager determined what had happened, Manager was able to reach out to the neighbors and assure them that the flow was simply water from the Fire Department test and not something to be concerned about. The Manager is working with the Fire Department to get advance notice of such tests in the future so that the Hotel can provide a heads up to the neighbors and try to prevent the flow of excessive water from the hotel parking lot into the residential area to the east.

4. Owner has instructed Manager to maintain a log of neighbor calls and Manager responses thereto and to provide copies of the log to Owner at regular intervals in order to be certain that concerns are being promptly responded to.
5. Manager is working to set up a system of regular communications with the neighbors to make sure there are no issues Manager has not heard and responded to.
6. Manager has reached out to the Manhattan Beach Police Department and is following up on the MBPD concerns and getting copies of incident reports in order to see whether there are additional steps the Hotel can take to prevent any future incidents.
7. The Hotel is in the process of installing additional no-smoking signage throughout the property. The Hotel already posts highly visible no-smoking signage at the registration area within the Gatehouse building and within all guestroom suites. Additional no-smoking signage will be posted on the exterior of each of the 22 guestroom buildings and on the eastern fence of the property. The installation is in process and was nearly complete as of 11/19.
8. The Hotel has installed motion activated flood lights at the rear of the property adjacent to the Hotel's eastern fence and is in the process of installing wifi-enabled High Definition Digital IP Cameras with Night Vision in this area.
9. The Hotel has removed the two storage containers that had been sitting in the western portion of the parking lot.
10. The Hotel requires all guests at check-in to sign a copy of the hotel's "Code of Conduct", which, among other things (i) advises guests of their obligation to respect the Hotel's and City's non-smoking policies and laws, (ii) requires guests to observe the Hotel's "quiet hours" inside and outside of their guestrooms in accordance with local noise restrictions, and (iii) clearly states the Hotel's limit on guestroom occupancy (the maximum occupancy varies by size of suite) beginning at 9:00 P.M. PT. The Code of Conduct makes it clear that violations of the Code of Conduct may result in forfeiture of up to all of the guest's deposit (a deposit is required for each reservation) and (if necessary) eviction from the Hotel.
11. The Hotel has instructed its professional security services (who are on-site 7 days per week) to patrol all areas of the Hotel including the parking lot to ensure that all guests comply with the Hotel's Code of Conduct, including, but not limited to, no-smoking and noise restrictions.
12. The Owner has engaged Johnson Braund, Inc., a highly qualified architectural firm, and McGuire Builder's Inc. as general contractor in anticipation of replacing the wooden fence along the Hotel's eastern property line with a new fence having a height of 9 to 10 feet above the grade level on both the western and eastern sides of the fence (we anticipate the fence will most likely be 10 feet, subject to review and sign off from the neighbors). Due to the height of the fence, this construction project requires the submittal of plans and a structural review by a qualified engineer as a prerequisite to obtaining a City building permit. These consultants are currently working on the plans; however, we anticipate it will

take an additional 2 weeks to complete the plans and submit them to the City. Hotel management has been in discussions with the neighbors to the east of the hotel to keep them informed regarding the need to trim trees and remove vegetation that has grown from their property onto the existing fence, which work Owner's landscaping company will perform at Owner's expense. The Hotel (both Owner and Manager) are committed to working expeditiously with the City and the neighbors to complete this project. We have attached a design sketch for the proposed fence replacement project hereto.

13. The Hotel has been communicating with the Fire Department to confirm the existing Fire Department access gates at the rear of the Hotel can also be increased in height to 10 feet and to determine the best locking mechanism for the MBFD's exclusive use. These gates are controlled by the Fire Department so the Hotel cannot unilaterally make any changes to them.
14. The Owner is working with Choate Parking Consultants, Inc. and the City's traffic engineer to figure out the optimal location for mechanical parking control system gates, which shall be installed to limit vehicular access beyond the guest check-in area to vehicles (i) registered by the Hotel and furnished with a card key or similar access gate control device, and (ii) displaying a Hotel issued parking pass within the vehicle. Those discussions are on-going, and while Owner has approved the installation of such a system, the specific locations for this system has not been determined yet due to (i) Fire Department access requirements (the Fire Department has strict requirements regarding turn radius for its fire engines) and (ii) the potential loss of parking spaces, which would reduce the total number of parking spaces below the City's required total based on the Hotel's room count. The consultant has just provided an updated set of preliminary drawings (attached) based on the site plan, which we intend to use to advance discussions with the City and determine an acceptable solution.

We hope that the steps already undertaken and those underway make it clear that the Hotel is working very hard to address the concerns of the neighbors and City Council. Please let us know if you have any questions or suggestions.

Sincerely,

WH Manhattan Beach LP

David Millard

David Millard

EVP & Managing Director