

**CITY OF MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF REGULAR MEETING
JULY 24, 2013**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 24th day of July, 2013, at the hour of 6:30 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

1. ROLL CALL

Present: Andreani, Gross, Ortmann, Paralusz, Chairperson Conaway
Absent: None
Staff Present: Richard Thompson, Community Development Director
Laurie Jester, Planning Manager
Recording Secretary, Rosemary Lackow

2. APPROVAL OF MINUTES

07/24/13-1. Regular meeting – June 26, 2013 (Continued from July 10, 2013 meeting)

Commissioner Gross requested that the first sentence of paragraph 2 on page 10 be corrected to read: “. . . he understands that the reason to relocate 50 spaces is to provide....”

Commissioner Gross requested that the first paragraph on page 12 be revised to read: “Commissioner Gross commented that he noticed that the speakers tonight were much more positive towards the project as presented with 15 of 20 speakers, or 75% being positive.”

A motion was MADE and SECONDED (Paralusz/Andreani) to **APPROVE** the minutes of June 26, 2013, as amended.

AYES: Andreani, Gross, Paralusz, Chairperson Conaway
NOES: None
ABSENT: None
ABSTAIN: Ortmann

07/24/13-2. Regular meeting – July 10, 2013

A motion was MADE and SECONDED (Gross/Andreani) to **APPROVE** the minutes of July 10, 2013 with no amendments.

AYES: Andreani, Gross, Paralusz, Chairperson Conaway
NOES: None
ABSENT: None
ABSTAIN: Ortmann

3. AUDIENCE PARTICIPATION

Viet Ngo, Manhattan Beach resident and anti-corruption advocate, asked the Planning Commission to request that the Director of Community Development inform the Commission of the voting requirements of the Planning Commission, stating that he believes that for a resolution to be valid, it takes a vote of four Commissioners and he further stated that the minutes are the

official record of the proceedings and should be produced correctly. Development Director Richard Thompson addressed Mr. Ngo's concerns by stating that, a majority vote is needed to pass any Resolution by the Commission, and, for example, when there are either four or five voting members present, it takes at least three votes to pass a Resolution. Mr. Thompson stated further that a Commission quorum is three members, and in such a case, it would take two votes to pass a Resolution.

4. PUBLIC HEARING

07/24/13-3. Manhattan Village Shopping Center Enhancement Project, Final Environmental Impact Report (FEIR), Master Use Permit Amendment, Variance (Building Height), and Sign Exception/Sign Program, located on the east side of Sepulveda Boulevard between Rosecrans Avenue and Marine Avenue (2600 – 3600 Sepulveda Boulevard and 1220 Rosecrans Avenue).

Chairperson Conaway announced the application, and explained the format for the hearing.

Community Development Director Thompson made introductory remarks, noting that the project and public hearing background and concluded by stating the Staff recommendation is to approve the project subject to 64 conditions and many findings, in the submitted 45-page draft Resolution. Mr. Thompson stated that Staff has worked diligently with the applicant to resolve remaining issues.

Commissioner Ortmann announced that, although he missed the June 26th meeting, he had reviewed the record, including the video recording of the June 26 public hearing.

Planning Manager Laurie Jester pointed out some new materials, including written copies of three emails and some handouts, which include a strike-out/redlined list of proposed conditions that both Staff and the applicant have agreed to, as well as a letter from the applicant detailing their disagreement and suggestions for some conditions. Ms. Jester proceeded with a Staff Report and Power Point presentation, covering the project and background, including the adoption by the Commission at the last hearing of a Resolution certifying the Final EIR (FEIR). Ms. Jester emphasized that the FEIR certification does not give the applicant any development rights, that such rights would be conferred through the Master Use Permit. Ms. Jester noted that regarding the scope, there are no new proposed changes to the project square footage, however, at the direction of the Commission, Phase III is now included in the project but as a conceptual plan, with two options "A" and "B" being presented. The applicant would be required to bring back detailed plans for Commission review and approval at a future public hearing. Ms. Jester described several aspects of the project and proposed conditions intended to integrate Phase III into the overall project. Regarding signs, Staff recommends that the Planning Commission defer making a decision regarding the complete Sign Program to a future meeting, to allow a thorough review, with the exception of the Fry's signs, which are addressed in the Resolution; however Attachment B to the Staff Report contains draft Sign Program findings and conditions, should the Commission wish to include in a decision tonight. Manager Jester concluded by briefly reviewing the draft Resolution with the Commission, summarizing the Staff recommendation to approve the project and draft Resolution, including the submitted strikeout/redline changes to conditions.

Planning Manager Jester responded to three questions from Commissioner Andreani: 1) regarding application of the Equivalency Program, Ms. Jester stated that this program is allowed in the Resolution and would potentially be applied when the developer submits detailed plans and land uses; 2) regarding the northeast parking structure, Ms. Jester clarified that in Phase II it is

G+1 (2 levels) but in Phase III potentially it could have two more levels, but this is subject to the Commission's review and approval of a final Site Plan; and 3) regarding the overall increase in parking spaces with Phase III, referenced on page 3 of the Staff Report, Ms. Jester clarified there would be 595 and not 194 parking spaces.

In response to a question from Commissioner Gross regarding the "decommissioning" of over 8,600 square feet, Planning Manager Jester confirmed that this is due to the applicant's need to stay within the limits of square footage but theoretically could be reactivated in the future under the Equivalency Program.

In response to a question from Chairperson Conaway regarding Phase III: Planning Manager Jester confirmed that tonight the Commission would be approving a conceptual, not detailed plan for that phase, and pointed to condition 15 on page 29 of the draft Resolution which addresses the requirement for future Site Plan Review by the Planning Commission. In response to a question from Chair Conaway regarding the 2,928 total parking spaces estimated to be provided at completion of Phase III, Ms. Jester clarified that this is based on an additional two more levels of parking on the northeast structure if such is approved in the detailed Site Plan Review by the Commission. However, Ms. Jester also pointed out that if, in the future Phase III Site Plan Review, restaurant square footage is proposed beyond the 89,000 square foot cap (as analyzed in the EIR), additional parking would be required, and amendment to the Master Use Permit would be required.

With no further questions from the Commission, Chairperson Conaway invited the applicant to make a presentation and first clarify the items they will cover.

Mark English, RREEF, the applicant addressed the Commission explaining he wants to cover three provisions in the draft Resolution that the applicant does not agree to (that are detailed in a letter to the Commission), including; Signage (condition 11), EV (Electric Vehicle) Charging (condition 38), and land uses and square footages (condition 18). Mr. English explained that the applicant requests that a comprehensive Sign Program/Exception be approved with the Master Use Permit, not deferred to a later date.

Michael Burch, the sign consultant for RREER, addressed RREEF's proposed Master Sign Program and the intent is to address shortcomings from the 2002 Sign Program, while incorporating the new development into the Program. Existing signage types and square feet has been catalogued in accordance with the sign code. He went over the existing sign amounts, the code allowances, and how the amount allowed is based on street frontage. **Mr. Burch** explained the signs being proposed: pole signs, monument signs, tenant identification signs on parking structures, parking and directional signs, and building wall signs. A-frame signs enliven the retail experience, and overall there is very little change to the intensity of the existing Sign Program.

In response to a question from Commissioner Gross, **Mr. Burch** stated that, for the mall buildings that are not proposed to be changed, while those signs could potentially change, depending on the re-imagining of the center, most likely the modern family of signs erected in the 2002 renovation will not change.

In response to further questions from Commissioner Gross regarding possible sign changes, **Mr. Burch** stated that the sign sizes including height (except Fry's which is the subject of a Sign Exception) and the number of tenants on pole signs would not change and that for all of the new development the new signs would be similar to the 2002 signs in terms of size, height, number of tenants and quality of materials with some possible change in style and logos.

In response to a question from Commissioner Ortmann, **Mr. Burch** explained that when he says

they want to implement the Sign Program “in phases,” the intent is to obtain approval for an amount and types of signs with a reasonable limit for all phases, recognizing unique attributes, and without the need to return to the Commission in the future for additional approvals. **Mr. Burch** further clarified there is a major challenge in providing visibility given the line of banks on Sepulveda and the proposed parking structures.

In response to a question from Chairperson Conaway **Mr. Burch** confirmed that the height of signs are capped at 15 feet, 6 inches including the pole sign at the 33rd Street center entrance, but at Rosecrans Avenue the proposal is for a 30-foot tall sign. In response to a question from Chairperson Conaway regarding the Rosecrans Avenue corner sign, **Mr. Burch** indicated that the applicant’s goal is to match that 30 foot height of the current Fry’s sign and while a gateway sign at this location would be a requirement and included in Phase III, there is no detailed plan yet developed. **Mr. Burch** further clarified the applicant believes that due to topographic conditions at the Rosecrans corner, a 30 foot height is appropriate, but the new sign would very likely be smaller in surface area and have more character.

In response to a question from Chairperson Conaway to **Mr. English** regarding the urgency of the Sign Program, **Mr. English** stated that, while deferral of approval of the Signage is not a deal breaker, it is a very important issue to the tenants and is a factor in their lease negotiations.

Commissioner Gross inquired of **Mr. English**, if he could prioritize the applicant’s goals for the public hearing, if the Commission is not able to cover all items tonight. Development Director Thompson suggested that the Commission could approve signage only for Phases 1 and II because there is a lot of uncertainty for the signs for the Fry’s site and Rosecrans corner which would be in Phase III. Further Mr. Thompson stated that he expects that the new signs for the first two phases would be consistent with what exists today and suggested that the Commission ask the applicant if they can agree to approval of a Sign Program only for the first two phases.

In response to a question from Commissioner Ortmann as to the nature of disagreement between Staff and the applicant on Signs, Director Thompson explained that Staff is generally comfortable with the signs, size and square footage as proposed for Phases I and II, but is uncomfortable with approving Phase III signs at this time.

Chairperson Conaway suggested that the Commission come back to the issue of the Sign Program later in the evening.

Mark English stated that the applicant agrees to approving signs for Phases I and II at this time, with a conceptual amount of square footage for Phase III, and a requirement that, similar to the Phase III development, the applicant come back for approval later of a detailed Sign Program for Phase III.

Commissioner Paralusz inquired if Staff was in agreement with the applicant’s suggested approach, to which Development Director Thompson stated that Staff was not comfortable with any approval now of signage for Phase III including square footage. It was the consensus of the Commission that they revisit this issue later in the evening and it was clarified that approval of a Sign Program was still possible this evening.

Chairperson Conaway invited the applicant to proceed with presentation of other issues.

Mark English explained the applicant’s disagreement with condition 38 relating to EV Charging stations, stating that while RREEF fully supports charging stations, and providing a quantity of up to 3% of the parking spaces, they take exception to the schedule for build out in the draft condition. **Mr. English** proposed that RREEF install 8 stations early on and phase in the

remainder, based on demand and upon meeting an established utilization threshold of 75%. Because the spaces would be for exclusive use of electric vehicles, they want to provide such spaces in accordance with demand.

In response to a question from Commissioner Paralusz, **Mr. English** confirmed that the proposal is to install 8 stations in Phase I, spread out in the development as opposed to 1% of all spaces and furthermore, the developer would commit, with the first stations, to installing all the electric conduits that will accommodate all future stations.

Commissioner Andreani noted that the applicant's approach sounds reasonable and questioned how the determination would be made to proceed with installing the charging stations beyond the first 8. **Mr. English** responded with a proposal that the applicant come up with an implementation plan, which would include monitoring and objective criteria, and any other requirements desired by the Planning Commission.

Mr. English clarified that the applicant agrees to a condition that requires a total number of stations to be installed as proposed by Staff, and starting with 8 versus 27, but requests flexibility as to the pace at which installation occurs and installing all conduits for the maximum at the beginning of the project.

In response to a question from Chairperson Conaway as to whether the applicant would be agreeable to addressing the locations of required stations in the condition, **Mr. English** confirmed that the applicant's foremost concern is the utilization of parking spaces, and to address this concern, the applicant requests flexibility in the wording of the condition such as "as determined by the Director of Community Development".

The Commission acknowledged the applicant's concerns and indicated it would revisit this issue later in their discussion.

Mark English presented the applicant's position on the third issue of disagreement: Condition #18 relating to Land Uses and Square footages. He went over the existing draft condition's restrictions and explained the applicant requests that this condition language be expanded to give more flexibility and less restrictions, and a longer view, and using the Equivalency Program analyzed in the Final EIR, including up to 109,000 square feet of restaurant use.

In response to a question from Commissioner Gross, Director Thompson explained that having the caps helps the Staff administer the center effectively over time, that it's a way to check land uses against what is allowed in the entitlement, and is not related to the EIR. Mr. Thompson added that the current mall Master User Permit does have a cap on medical uses. Planning Manager Jester added a couple more points, that the existing center Resolution caps medical uses by reference in the existing Resolution (land uses to be consistent with existing and traffic study, project description) and that caps are helpful in maintaining a good balance of uses on the site and well distributed throughout the whole site.

In response to Commissioner Andreani's stated concern about impacts and nuisances that might result if the Resolution allows for up to 109, 000 square feet of restaurants, Director Thompson indicated that staff including the Police Department, has evaluated up to 109,000 square feet of restaurants; however Staff's concern is more about effective regulation of an entire range of uses on the site.

In response to Commissioner Gross's inquiry as to if there is room for negotiation on the caps, Director Thompson indicated that currently there is an impasse with the developer in that Staff believes that the way to increase medical uses is to lower other square footage such as retail.

Planning Manager Jester explained how the Equivalency Program works in adjusting medical uses, but how the caps help in administering the overall site's uses.

Chairperson Conaway stated that the issue of the caps is a decision point for the Commission. **Mr. English** suggested that this be resolved by establishing a cap as a starting point on existing uses, and then the Equivalency Program could be applied.

Mr. English concluded his presentation by submitting a packet of letters from persons in support of the project.

AUDIENCE PARTICIPATION

Chairperson Conaway invited the public to address the Commission.

Rick Schechter, 1900 Flournoy, background in commercial real estate, indicated he has no financial interest in the project, stated his concerns: that the rights of all the stakeholders in the center have not been minimized; that signage should not be blocked by parking structures; that the parking demand for electronic stores is higher than other retail and this should be considered.

Steve Packwood, Oak Avenue made three points: regarding signage, doesn't believe approving signs tonight before having a better understanding would do justice to the project; regarding EV charging stations, he is concerned that it is not clear as to when the maximum number of stations is attained; and regarding land uses he urged that the Commission hold to the staff recommendation. He concluded by reiterating that per his email, he is opposed to a variance on the height of parking structures, including for light poles.

Eric Svenson, 19 Village Circle; used to work for RREEF and is speaking as a concerned citizen, He agrees with statements made by speaker Schechter and cautions placement of a dog park near the Hacienda Building which he feels is a quality building.

Lisa Krigsman, 1031 33rd Street; in favor of the project but requests that certain issues be considered: the size and scope of the project is too big, with minimal economic benefit; believes no variances should be granted; is against big parking structures in the middle of the development, and believes that more surface parking should be provided; is very concerned about traffic intrusion into their neighborhood. She hopes that there can be some construction of sound walls as part of the mitigations.

Marilyn Hocum, 1035 33rd Street, regarding land uses, recommends accepting the Staff recommendation and asks that the land uses should be consistent with "green" policies; and asked that hours of operation can be established to address proximities to homes so that noise and other nuisances are avoided.

Neil Boyer, resident, urges the Commission to not approve the project because he believes that the scope is too big and will result in too much traffic, congestion and loss of open space. In addition there will be increased bulk given the three-story parking structures, pollution, trash, alcohol related nuisances and crime. He does not believe the economic benefit is a compelling argument that will off-set new demands on police and fire services.

Frank Allen, Faymont Avenue, regarding the EV stations stated he doesn't believe that the suggested 75% utilization rate will work, and advises that the Commission utilize more control over the triggering requirement for the applicant to install the stations to the maximum required.

Richard Rizika, 844 18th Street, with Mark Neumann is a managing member of the Hacienda

Building, 3500 Sepulveda Boulevard, representing eight additional families which have financial interest in that building. He stated that he believes that the approval of the Final EIR at the prior meeting has diminished the rights of the existing land owners, and has increased the entitlement of RREEF. He is against a dog park next to 3500 Sepulveda which has a restaurant and professional offices. He has no issue with increasing parking to accommodate an expansion of uses. He requests that the Planning Commission not approve the plan until the issues have been resolved, including the dog park and the rights diminishment issue.

Mark Neumann, owner of the Hacienda Building, thanked the Commission and believes that the rights of the owners of 3500 Sepulveda Boulevard are being diminished while RREEF's are being expanded. He stated that their appeal of the Final EIR action was a decision not taken lightly but they did so because they felt they had to protect the interests of their investors. Regarding parking, he feels that the only time it is bad is during the holiday season, and overall he is not against the center's expansion. He noted that their site has a mortgage banker and he wonders if this would be classified and regulated as a "bank" in the Master Use Permit.

There being no more speakers, Chairperson Conaway invited the applicant to speak and respond to input received.

Mark English, RREEF, regarding condition 18, stated that he opposes the restrictions on land uses in the draft Resolution beyond what is existing and believes that RREEF can address the concerns of the Hacienda Building owners, and reiterated the need for flexibility.

In response to a question from Commissioner Ortmann, **Mr. English** stated that he is not speaking directly on behalf of the Hacienda Building owners, regarding condition 18, but feels that his suggested revision to this condition would provide a framework for resolving issues with the Hacienda owners.

In response to a question from Commissioner Gross, **Mr. English** stated that 16,000 square feet cap on medical use would be desired to resolve the land use issue with the Hacienda Building.

In response to a question from Chairperson Conaway, **Mr. English** stated that the current hours of operation for the enclosed Mall are 10 am to 9 am weekdays, and 11 am to 7 pm on weekends, and that hours for businesses outside the Mall vary, with CVS and Ralph's being open 24 hours and restaurants outside the mall have the right to be open until 2:00 a.m.

In response to a request by Chairperson Conaway, Development Director Thompson stated that the EIR, and the action by the Commission to certify the Final EIR does not give or take away any land use rights of the developer or property owners. Further regarding the dog park, Mr. Thompson explained that the area for a dog park is only set aside as a public space, and the expectation is that there would be additional discussions before the use of the space is implemented. Regarding hours of operation of restaurants, Mr. Thompson indicated that the Tin Roof Bistro, which is part of 3500 Sepulveda Boulevard, would have an increase in hours with a closing time of 2:00 a.m.

In response to a question from Commissioner Paralusz regarding the perceived taking away of rights from the Hacienda Building, Director Thompson confirmed that new conditions can be added to a Use Permit when additional uses are proposed, provided there is a nexus between the condition and the proposal. Director Thompson stated further that the Hacienda Building would not be losing development rights compared to the current entitlement, and would be increasing some rights.

In response to question from Commissioner Paralusz regarding draft condition 38, Director

Thompson stated that he was not sure what would be an appropriate percentage of utilization to trigger installation of EV charging stations, and suggested that there may be another option that does not apply a percentage and Staff could explore options for implementing a phased implementation.

A brief recess was taken and 9:10 pm, the Commission reconvened.

Chairperson Conaway explained the format of the draft Resolution, including the findings and conditions. He suggested, and there was a consensus, that the Commission proceed with their discussion of the Resolution section by section and come to an agreement as to what if any changes should be made.

Section I (Findings)

Finding M.1 (page 3): Commissioner Andreani suggested that the number of restaurant square feet be detailed (89,000 square feet maximum or 109,000 square feet maximum with Equivalency Program), however it was agreed to not add this information, because this is a finding, describing the project as opposed to a condition.

Finding M.1: Chairperson Conaway suggested that a brief description be added to “Equivalency Program” and it was agreed that Staff would add “as described in the project EIR” at the first mention of the Equivalency Program.

Finding R.1.c.(iv) Page 10, Chairperson Conaway suggested and it was agreed that the word “Mediterranean” be deleted.

The question arose from Commissioner Andreani, as to whether something about the phasing plan and timing, should be added to the Section 1 findings which are an overview, however Planning Manager Jester stated that this was not necessary at this point in the Resolution.

In response to a question from Commissioner Gross, Director Thompson stated that if there is any conflict between a finding and a condition, the condition would apply.

Page 16, the Finding on Community Resources, first paragraph, second sentence “enhance” should read “enhancement” and the last word in the second paragraph should be “waste”. In the same paragraph, Chairperson Conaway suggested that, for clarification, in the first line after “LEED” words are to be added such as “the US Green Building Council, Leadership In Energy and Environmental Design as required by the Manhattan Beach Municipal Code”.

Page 16, in the last line of 4(d) regarding lighting, in the last line: “Coe” should be “Code” and “with” should be “which”.

Finding S.2.g. Page 23, Commissioner Andreani requested clarification and Planning Manager Jester responded that the word “most” is appropriate to accommodate the conceptual plan for Phase III and in paragraph h. that follows, the word “few” referring to elevator overruns is due to the fact that not all of the elevator runs will be at the maximum height of 56 feet. No changes were made to these paragraphs.

SECTION 2: Conditions of approval

Procedural (Conditions 1 through 9)

Condition 8, Page 25, Chairperson Conaway suggested be revised to clarify to whom this chart is to be submitted as follows:

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, the Applicant shall provide to the Community Development Department an up to date site-wide tenant space chart.....”

In response to a question from Commissioner Paralusz, Mr. English indicated that the applicant was in agreement with the procedural conditions 1 through 9.

Aesthetics (Conditions 10 through 12)

Condition 10.b. (landscaping): In response to a question from Commissioner Gross, Planning Manager Jester stated that the intent of this condition is for the entire site to be landscaped, including the parking structures, and that the ratio in this section is to ensure that a number of trees will be planted and that there will be landscaping on the top parking structure level.

Condition 10.d (lighting) After a brief discussion, it was agreed that this be revised as follows:

“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 site lighting, except signage lighting, shall include shields as necessary to reduce glare so that there are no adverse impacts on surrounding residential properties.”

Condition 10.e (Security Plan) In response to a question from Commissioner Andreani as to whether some specific hours of operation should be specified for light dimming, Development Director Thompson suggested that this be left for the City Police Department to work out because it relates to public safety. A discussion followed, in which Commissioners Paralusz, Gross and Conaway indicated their agreement with that approach.

Condition 10.f: (lighting glare) Chairperson Conaway suggested clarification. After a discussion, Commissioner Paralusz suggested that 10.f be revised as follows:

“10.f The Applicant shall evaluate the feasibility of modifying or replacing ~~other~~ existing lighting fixtures on the Shopping Center property to reduce off-site illumination and be more energy efficient.”

Condition 11: (Site-wide signs) , Page 27, the Commission agreed that the order of paragraphs a. (Fry’s signs) and c. (Sign Exception and Master Sign Program submittal) be reversed.

Condition 11.b: In response to a question from Chairperson Conaway, Planning Manager Jester clarified that the approval of the property owner for signs as referenced is consistent with current practice in that a property owner must provide approval when a sign company applies for a sign permit from the Community Development Department.

Land Use (Conditions 13 through 18)

Condition 13.c. Commissioner Gross noted that the following Staff suggested change, to which there was no objection:

“c. The Applicant 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.”

Condition 15 (Phase III) In response to a concern from Commissioner Ortmann that this condition does not address the community’s concerns, Development Director Thompson explained that this condition was included at the direction of the Commission at the June 26 meeting. Commissioners Conaway, Andreani, Paralusz and Gross expressed their support for this condition, with Commissioner Andreani stating she believes this condition is well written and Commissioner Gross stating that he believes the condition reflects the community’s concerns about the location of the parking structure.

Condition 14.a. (Phase II - Northeast corner): In response to a question from Commissioner Andreani, Director Thompson clarified that the draft Resolution does not grant a Sign Exception to the replacement tenant at the Macy’s Men’s store.

Condition 16 (Development Area Envelopes and Maximum Heights): In response to a question from Commissioner Gross, Planning Manager Jester indicated that this condition does not grant a height variance. After a brief discussion it was agreed by the Commission that the wording of condition 16 not be changed.

Condition 18 (Land Uses and Square Footages):

The Commission discussed this condition at length. Commissioner Paralusz indicated she does not support the applicant’s request because she believes that the community should be able to rely on a mix of uses for the Center, to ensure that the character of Manhattan Village reflects what is wanted by the citizens, and she stated further that the applicant has the right to submit an amendment to the Master Use Permit in the future.

Commissioner Andreani stated her concurrence that the use of caps for banks and medical offices not be lifted. However, she believes, based on public input, that an indoor movie theater should not be prohibited.

Commissioner Ortmann stated that he is comfortable with the Staff’s position; however believes that focus should be more on encouraging rather than prohibiting certain uses.

In response to a question from Commissioner Gross, Director Thompson confirmed that if the existing medical offices near Rosecrans are vacated, the entire Hacienda Building would be able to assume that medical space. Commissioner Gross gave his opinion that in the long term, the Hacienda has good chance in getting more medical and offered a suggestion that a little more medical square footage be allowed to give the Hacienda the ability to expand medical use in the short term.

Commissioner Gross stated that he is in favor of caps on the banks and suggested that it be clarified as to whether the Hacienda mortgage office would be considered a “bank”, to which Planning Manager Jester responded that the mortgage business at the Hacienda is a professional office and would not be affected by the bank cap. Ms. Jester additionally clarified that application of an Equivalency Program would be reviewed by Staff, not the Planning Commission. She indicated providing a balance of uses on the site, evenly distributed was important. Regarding restaurants, Commissioner Gross wondered if the square footage of restaurants in 18.f is correct at 89,000 or should reflect the maximum of 109,000 with application of the Equivalency Program. Planning Manager Jester indicated this would increase the parking requirement on site.

Chairperson Conaway indicated that he believes that the mall owners need a certain amount of

flexibility over time to deal with flux in the market and the caps may be too tight. The caps relate to parking as well as regulating a correct balance of uses and while he believes banks are at the maximum he is not sure about medical offices and other uses. He believes that there should be more flexibility, and also that caution should be exercised about prohibiting uses such as indoor theaters and personal improvements services.

Commissioner Paralusz indicated her support for keeping the caps as in the Resolution as written by Staff, based on her concerns that non-retail uses do not produce sales tax revenue, that the main character of the project, being a shopping center, remain retail and lastly that including other uses may demand more parking which she is opposed to. As to the non-permitted uses, she supports striking the second "c." Thereby allowing Commercial Recreation and Entertainment uses because she believes this category would be compatible with a community mall. However, she noted she would have to hear a reason for allowing Personal Improvement Services such as gyms and dance studios.

Chairperson Conaway suggested one argument for allowing offices and Personal Improvement Uses is that these types of uses attract more people who will populate and enliven the center.

Commissioner Andreani suggested that the comment about the caps being too tight should be considered, but she supports capping restaurants at 89,000 square feet, is concerned about approving more alcohol uses and favors clarifying the uses that would not be permitted.

Commissioner Ortmann indicated his agreement with the principal that the applicant needs some flexibility and likes the idea that adding to the critical mass of the center is a good thing.

Based on the Commission's discussion, Development Director Thompson suggested that the cap for medical use be raised by 7,000 square feet, and restaurant square footage could be raised to 109,000 square feet provided more parking is provided and obtains approval for equivalent land uses and that c. under the non-permitted uses be eliminated. He indicated that the conditions need to be easy to administer, and should be consistent with other recent approvals in town.

Condition 18 Straw vote: It was subsequently determined that there was agreement for revising condition 18 by raising the medical and dental office square footage from 21,800 to 28,800 square feet and deleting paragraph c. Commercial Recreation and Entertainment from the list of non-permitted uses as follows:

"d. Offices, Businesses and Professional- 69,300 square feet maximum for Business and Professional offices. Additionally, ~~21,800~~ 28,800 square feet maximum for Medical and Dental offices (existing square footage rounded, 7,000 square feet additional allowed)".

"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. ~~Commercial Recreation and Entertainment (Indoor Movie Theaters, bowling alleys, ice skating, etc.)~~
- d. c. Bars"

Land Use (Conditions 19 through 25)

Conditions 22 and 23 (Restaurant hours/alcohol): Commissioner Andreani stated she is not comfortable with these conditions in that she favors requiring separate use permits for restaurants.

Brief discussion followed, with Commissioners Paralusz, Ortmann and Gross supporting both conditions as written because: the setting of the shopping center is different from a stand-alone restaurant, the current Master Use Permit allows closing hour of 2:00 a.m. and flexibility is needed for the mall owner. Commissioner Conaway stated his agreement with the position of NOT requiring separate use permits for restaurants but indicated concern with condition 23, in that it allows expansion from beer and wine only licenses to full alcohol provided there is no retail bar and service is incidental to food.

In response to a question from Chair Conaway, Director Thompson clarified that Condition 23 expands alcohol use for some restaurants from beer to wine only to full alcohol.

Commissioners Paralusz, Gross and Ortmann responded that they were in agreement with condition 23 with expansion to full alcohol, on the basis that it provides parity among the restaurants, the owner has great incentive to keep this well controlled, and alcohol must be incidental to and in conjunction with the service of food.

Commissioner Andreani asked if there was support with controlling outdoor restaurant seating. It was explained by Planning Manager Jester that any outdoor seating is regulated and counted as part of the total footprint of seating area, provided there is table service and all restrictions to indoor seating would apply to the outside (similar to Islands) and therefore this concept was not explored further.

Condition 24 (Entertainment): Chairperson Conaway inquired as to a reference to a Class I Entertainment Permit and Planning Manager Jester responded that this is a current provision of the Municipal Code and in processing these permits, it would be determined whether any additional parking would be required.

Noise and Fire / Police (Conditions 26 through 32)

Condition 28.a.(Response Plan) Chairperson Conaway noted that Staff proposes a change, which was agreed to, as follows:

“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.....”

Condition 28.b: It was suggested by Chair Conaway and it was agreed that this condition be revised as follows:

“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.”

Condition 28.g: In response to a question from Commissioner Gross regarding intent, Planning Manager Jester explained that this condition is a hold-over from the current Master Use Permit relates to emergency exiting at a rear enclosed mall entrance. It was agreed that Condition 28.g be revised as follows:

“g. The Applicant shall work cooperatively with the Fire Department to provide, if feasible, a pedestrian ramp or at-grade access at the rear of the Mall existing enclosed Shopping

Center to facilitate the safe removal of patients from that location.”

Condition 30 (Security Cameras) Commissioner Andreani noted her preference for a manned camera system out of concern that there may not be cell phone reception in the structures. Planning Manager Jester noted that provisions regarding security cameras are addressed by a requirement for the applicant to provide a Security Camera Plan and, to ensure cell phone reception, there is also a requirement for “repeaters or other devices” in Condition 31.

It was proposed by Commissioner Paralusz and agreed that Condition 30 be amended as follows:

“.....The City will review and approve the Plan, and the Applicant shall install the improvements per the approved Plans. The approved Security Camera Plan shall be reviewed annually by the City.”

Transportation (Conditions 33 through 51)

Condition 33 regarding Veteran’s Parkway: Commissioner Ortmann Gross suggested for clarification, that the condition be amended as follows:

“33.to connect to the site. The Veteran’s Parkway Linkage Plan shall ~~consider~~ coordinate with the construction of the improvements on the Shopping Center property and the Sepulveda bridge widening project.”

Condition 34 (Bike and Pedestrian Plan) There was brief discussion; Commissioner Gross indicated he would like the bike path to go all the way to Marine Avenue and noted that this issue may also relate to Condition 50 l. Planning Manager Jester noted that because there is not enough pavement width, the dedicated path extends to just beyond Ralph’s and then becomes a “sharrow” between Ralph’s and Marine.

It was noted that Staff has submitted a revision to Condition 34 regarding a bike and pedestrian plan and the Commission was in agreement with the submitted revision as follows:

“34. **Bicycle and Pedestrian Plan.** The Applicant shall submit a Bicycle and Pedestrian Plan 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).A separate pedestrian pathway (maximum width of 6 feet clear) shall link the entire length of the lower level parking lot (Sepulveda Bridge to Rosecrans Avenue).”

Condition 37: It was noted that Staff has submitted a revision regarding a Valet Parking Plan to which the Commission agreed as follows:

“37. **Valet Parking Management Plan.** The Applicant 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 City will review and approve the Plan and the applicant 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, the Applicant may modify or cease providing valet parking with the approval of the Director of Community Development.”

Condition 38 (EV Charging Stations) The Commission conducted discussion regarding amending this condition. The Commission unanimously agreed to the basic approach as proposed by the applicant whereby all conduit would be installed at the start of the project with a minimum number of stations, and the remainder of required stations being phased in based on their utilization. After discussing various options, the Commission directed that Condition 38 be revised by Staff to require a Charging Station Implementation Plan that requires the installation of a charging station at a rate of 1% minimum (8 stations) and a maximum of 3% (of total parking spaces) and that provides for phasing in the stations based on their utilization, and this Plan would be reviewed annually by Staff.

Condition 39 regarding Sepulveda Boulevard: It was noted that Staff has submitted a revision to the third paragraph to which the Commission agreed as follows:

“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.

The Applicant 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, ~~and/or~~ relocation, and/or removal of the existing Fry’s driveway off Sepulveda Boulevard that accesses the Northwest Corner may be phased as follows:.....”

Condition 40 (Rosecrans Avenue) It was noted that Staff has submitted revisions regarding Rosecrans Avenue and the Commission was in agreement with the submitted revision as follows:

40. **Rosecrans Avenue.** The Applicant 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 165 feet west of the future westernmost (~~Fry’s Phase III~~) driveway to the easternmost driveway 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. The Applicant 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 1. The Applicant 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 westernmost (~~Fry’s Phase III~~) driveway and for the easternmost driveway portion not already constructed with the submittal of plans for Phase III, or six months from when Fry’s vacates the site, whichever comes first. The City will review and approve the Plan, and the Applicant shall dedicate the property and construct the improvements, or cause the improvements to be constructed, per the approved plans with the construction of Phase I for the eastern portion serving as a turn lane into the lower level parking driveway, and with the construction of Phase III for the portion adjacent to the westernmost (~~Fry’s Phase III~~) driveway.

Condition 42 (Rosecrans Avenue): Commissioner Ortmann suggested and it was agreed that for clarity, the title only be revised as follows: “**42. Rosecrans Avenue Left-Turns-Prohibitions.**”

Condition 44 (Village Drive/Rosecrans): It was noted that Staff has submitted revision to this condition, and also, the Commission requested clarification of “building final” as follows:

“44. **Village Drive at Rosecrans Avenue.** The Applicant 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 ~~final~~ permit being completed (building permit final) for Phase I, and shall include a schedule for the completion of the improvements. The City will review and approve the Plan, and the Applicant shall dedicate the property and construct, or cause to be constructed, the improvements during construction of Phase II and/or as otherwise provided in the approved Plan.”

Condition 45: It was agreed to clarify “building final” as follows:

“45. **Village Drive at Rosecrans Avenue (future).** The Applicant shall provide an irrevocable offer to dedicate (IOD) to provide for future road and sidewalk widening including a 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 ~~final~~ permit being completed (building permit final) for Phase I.....to fund the construction of the improvements.”

Condition 47 (Rosecrans/Village Drive U-turns) It was noted that Staff has submitted revision to this Condition, and the Commission agreed as follows:

“47. **Rosecrans Avenue U-turn at Village Drive.** The City and the Applicant will work cooperatively to secure a “U-Turn” movement from eastbound Rosecrans Avenue at Village Drive ~~if the intersection is fully signalized~~, and if the U-turn can be designed to Traffic Engineering standards, all safety criteria is met, and traffic flow is not significantly impacted. The Applicant is not required to install these improvements; however, if the Applicant seeks to install these improvements, the Applicant 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. The City will review and approve the plan, and the Applicant shall install the improvements per the approved plans.”

Condition 50 k.: (Traffic) It was discussed and agreed to revise as follows:

“k. The Applicant 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.”

Condition 50.l, Planning Manager Jester noted that the applicant has asked for a change relating to an internal two-way drive aisle. After a brief discussion, it was agreed that this condition be amended as follows:

“l. 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 shall be provided as far south as possible ~~at 30th Street~~ between Carlotta Way and Cedar Way. No dead-end aisles may be permitted.”

Condition 51 (Transit Plan) Chairperson Conaway initiated discussion, indicating his concern that the condition does not have strong enough incentive for enhancing public transit service. Development Director Thompson explained the intent of the condition is to require the applicant to make improvements in the event that a transit provider wants to bring service on to the center property. After a brief discussion it was agreed that Condition 51 be revised as follows:

“51. Transit Plan. The applicant 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. The Applicant 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 ~~seeks~~ agrees to route through the Shopping Center, the Applicant shall make the necessary improvements within the Shopping Center site to accommodate transit through turning radius, clearance, transit stops, shelters, linkages, signages, 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 ~~desires~~ agrees to route through the Shopping Center, the Applicant shall construct the improvements, or cause the improvements to be constructed, per the approved Plan.”

Waste Water (Conditions 52 through 54) - No changes were made.

Special Conditions from Prior Approvals – 3500 Sepulveda (55 through 64)

Condition 55: First line of Condition 55 strike “be” (...”shall ~~be~~ work”)

Condition 58 (Tin Roof) It was agreed to revise consistent with changes made in conditions 44 and 45 as follows:

“58. Prior to the issuance of a Certificate of Occupancy or building permit completion (a building final) the owner of the Tin Roof Bistro shall obtain approval from the State Department of Alcoholic Beverage Control (ABC).....conditions of the approval.”

The question arose as to whether the applicant is in agreement with these conditions, to which Planning Manager Jester responded that the applicant has not voiced any objection.

Condition 11: Master Sign Program: Having completed its review of individual conditions in the Resolution, Chairperson Conaway invited discussion as to whether the Commission should take action on the overall Master Sign Program tonight as requested by the applicant Commissioner Paralusz suggested that the Commission defer action on the Signage Program and Exception as suggested by Staff because the Commission has not had an opportunity to review and understand the material sufficiently. It was determined that no change to the draft Resolution is needed, and by a straw vote, the Commission agreed to defer signage to a later date.

At this time, Chairperson Conaway invited each Commissioner to make general comments about the project.

Commissioner Gross stated that he believes that the applicant is contributing a lot especially in terms of the IOD's (Irrevocable Offers of Dedication) and hopes this is passed on to the City Council. He emphasized how important over 10 hours of public testimony during seven hearings was to the process and this had a positive effect on the community impact of the project. He stated that the applicant has been very cooperative and he believes this speaks well to how this project will go forward. He believes that by far, the two most important issues to the public are traffic and the parking structures. He noted that while present traffic is bad, the traffic study convinced him the project does not make it worse and with street improvements from the IODs and changed commercial uses it's possible that project could make traffic better than it is now. He noted that there have been considerable changes and improvements to the parking structures with all of them now looking like store buildings, with top lights probably invisible from Oak Street and the south structure greatly changed and improved.

Commissioner Andreani thanked the applicant for working with the public, City staff and the Commission for such a long period of time. She said that the concerned involvement of all is appreciated. She stated that she continues to have concern with traffic impacts, especially on Marine Avenue heading west, some of the land use issues, as well as issues raised by Oak Avenue residents. Referring to the proposed Conditions, she thanked everyone for working through the complex and lengthy Resolution.

Commissioner Paralusz thanked staff for all their work in the last year and the applicant for being flexible and listening to the public's comments. She also thanked members of the public for their attendance and valuable input. She believes that the Commission has vetted all issues thoroughly and that the applicant has mitigated the main issues. While there will not be 100% agreement on this project she believes that when it is finally completed the community will be proud of it, and the project will be family friendly. She is proud to be on the Commission and have had the opportunity to be part of the public hearing process.

Chairperson Conaway echoed the comments of his fellow Commissioners and encouraged the applicant to continue to look for advantages that are unique to this community and to carry on a passion for the project.

A motion was MADE and SECONDED (Gross/Paralusz) to **APPROVE** the attached Resolution for the Manhattan Village Shopping Center Enhancement Project, Master Use Permit Amendment and Variance (Building Height), located on the east side of Sepulveda Boulevard between Rosecrans Avenue and Marine Avenue (2600 – 3600 Sepulveda Boulevard and 1220 Rosecrans Avenue) subject to revised findings and conditions.

YES: Andreani, Gross, Paralusz, Chairperson Conaway
NOES: Ortmann
ABSENT: None
ABSTAIN: None

Development Director Thompson announced that August 20th is the tentative date that the Council will consider the Manhattan Village Master Use Permit, Final Environmental Impact Report, Variance and Sign Exception/ Sign Program.

In response to the Commission's inquiry, Commissioner Ortmann stated that he voted "no" on the motion because he felt that there were a number of important issues that were not resolved by the applicant.

5. DIRECTOR'S ITEMS:

Development Director Thompson reported two items:

- At its September 17th meeting, the City Council will consider the Planning Commission's recommended Mansionization code amendments, but tabled the open space amendment.
- Next Wednesday night there is a town hall meeting on the topic of the Chevron property on Rosecrans, and the public is invited to participate. The purpose is for residents to have an opportunity to ask Chevron any questions about their site.

6. PLANNING COMMISSION ITEMS

Commissioner Gross inquired as to whether he needs to keep any of the past material he received for the Manhattan Village public hearing, to which Director Thompson indicated no, that there is no requirement for the Commissioners to keep the materials. One option is that Commissioner Gross could give the materials back to Staff for potential use at the next series of hearings.

Commissioner Ortmann inquired as to whether there will be an August 14th meeting, to which Director Thompson indicated that that decision is yet to be made, but likely that meeting will be cancelled.

7. TENTATIVE AGENDA - August 14, 2013

No tentative agenda was presented.

8. ADJOURNMENT

The meeting was adjourned at 12:30 a.m. to Wednesday, August 14, 2013, in the City Council Chambers, City Hall, 1400 Highland Avenue

ROSEMARY LACKOW
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director