

Angela Soo

From: Mark English <mark.english@db.com>
Sent: Wednesday, May 14, 2014 7:29 PM
To: Amy Thomas Howorth; Bruce Moe; David Lesser; Laurie B. Jester; Mark Burton; Quinn Barrow; Richard Thompson; Tony D'Errico; Wayne Powell
Cc: peter.gutierrez@lw.com; fancherco@msn.com; Joseph Saunders
Subject: Manhattan Village Mall Enhancement Project Part 2
Attachments: MVSC Letter 05142014 - plus Exhibits B and C.pdf; Exhibit A - mvsc CPP Final REV 4-23-2014.pdf

Honorable Mayor Howorth and City Councilmembers:

Attached for your consideration is a letter which responds to factual issues raised at your April 29, 2014 public hearing. Two attachments are included, (a) the letter plus attachments B and C, and (b) a second attachment, formatted as an 11 x 17 PDF file, which is attachment A.

(See attached file: MVSC Letter 05142014 - plus Exhibits B and C.pdf)(See attached file: Exhibit A - mvsc CPP Final REV 4-23-2014.pdf)

Kind regards,
Mark English



Mark English

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Passion to Perform

▼ ---05/14/2014 06:15:40 PM---Honorable Mayor Howorth and City Councilmembers:

From: <Peter.Gutierrez@lw.com>
To: <ahoworth@citymb.info>, <wpowell@citymb.info>, <mburton@citymb.info>, <tderrico@citymb.info>, <dlessler@citymb.info>,
Cc: <bmoe@citymb.info>, <rthompson@citymb.info>, <ljester@citymb.info>, <qbarrow@citymb.info>, Mark English/ext/dbcom@DBAmericas
Date: 05/14/2014 06:15 PM
Subject: Manhattan Village Mall Enhancement Project

Peter J. Gutierrez

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Latham & Watkins LLP [attachment "Letter to Council.PDF" deleted by Mark English/ext/dbcom]

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RREEF Management L.L.C.
Deutsche Asset & Wealth Management
101 California Street
26th Floor
San Francisco, CA 94111

May 14, 2014

Honorable Mayor Amy Howorth and
Honorable City Councilmembers
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

Re: Proposed Manhattan Village Mall Enhancement (May 20, 2014 City Council Meeting).

Dear Honorable Mayor Howorth and Honorable Councilmembers:

We are writing to address many of the misleading factual assertions made about the proposed Manhattan Village Shopping Center (“MVSC”) expansion project at the April 29, 2014 City Council meeting. 3500 Sepulveda (“3500”) presented a number of comments about the project at the meeting which contained multiple legal and factual misrepresentations. Our legal representatives, Latham & Watkins, will respond separately to the legal arguments raised; the purpose of this letter is to set the record straight on the many factual inaccuracies presented by 3500 at the April 29 meeting.

At the meeting, 3500 attacked the project itself on three main factual grounds: (1) that both the amount and the structure of parking for the project are inadequate; (2) that the project, and RREEF’s involvement in it, will have negative fiscal implications for the City; and (3) that the project will lead to unacceptable traffic impacts. 3500 also obscured the facts on several minor factual issues, such as the master sign program and the termination of the Pacific Theaters lease. As we will discuss, the factual contentions presented by 3500 are wholly misleading, and are designed to distract the Council from approving an important project for the City. We respectfully request that the Council to approve both the EIR and the project, so that we can continue to work together to bring this much-needed project to the citizens of Manhattan Beach.

Parking

At the April 29 meeting, 3500 insinuated there would not be enough parking for the project, and accused RREEF of trying to hide the ball on the size of the parking structure. These assertions are incorrect.

1. The Project Has Enough Parking

3500 stated that MVSC used to have more parking, with a parking ratio of 4.6 spaces per 1,000 square feet prior to 2001, and accused the City's traffic consultant of convincing the City to reduce the parking requirement for MVSC even after expansions of MVSC were approved. As a result, 3500 said, the current parking ratio of 4.1 spaces per 1,000 square feet may be too low for the project. This is untrue.

In 2001, the City fixed the parking ratio for MVSC at 4.1 spaces per 1,000 square feet based on an analysis done by the City's traffic consultant at the time, Kaku, for whom the City's current traffic consultant Pat Gibson worked at the time. The 4.1 ratio was a product of the mix of uses within MVSC and the peak hour traffic generation for both employees and customers produced by that mix. The 4.1 ratio did not include off-site parking leased by MVSC which partially serves employee and spillover parking needs. Ratios at other retail centers may be higher and those centers may have parking demand factors that necessitate a higher ratio. Experience at Manhattan Village since 2001 suggests that the 4.1 ratio is adequate. RREEF could be supportive of a higher ratio, however the City has sought to reduce the parking supply and as a practical matter the 4.1 ratio stands as a compromise that meets the needs of the center but was not considered "excessive" by the Planning Commission.

3500 also took issue with the core mall parking ratios, saying that throughout the course of the project, these ratios would be lower than the required 4.1 spaces per 1,000 square feet ratio. But 3500's misleading statements compare apples to oranges. Even though the 4.1 ratio is required for the entire site, 3500's alarmist "core parking" numbers do not take into account that when the entire MVSC parking supply is considered, as the calculation of the parking ratio requires, the parking ratios during each phase of the project will meet or exceed the 4.1 ratio that is required for the entirety of the property. Excluding the closed cinema square footage, MVSC is presently parked at a 4.45 ratio on-site (4.18 is the cinema GLA is included). At the end of Phase I MVSC will be parked at 4.34 and at the end of Phase II MVSC will be parked at 4.1 on-site.

The core parking ratio is based on the parking supply located in the 147 space lot north of Macy's Fashion store to the parking adjacent to Macy's Men's Store and north of the current Parcel 17 shops (See's Candies plus others). The building square footage includes the main Mall, the restaurants next to the closed cinema building, the Hacienda building, the CPK anchored shops and the four Parcel 17 shops.

Currently the core parking ratio stands at 3.74. At the end of Phase I the core ratio will be 3.61. At the end of Phase II the core ratio will be 3.36. Correspondingly, ratios in the balance of MVSC (outside of the core area) stand at 5.64 currently, 5.75 at the end of Phase I and 5.96 at the end of Phase 2. There clearly is an imbalance of parking when one compares the south-end and “edges” of MVSC parking supply to the core. RREEF and Macy’s are not pleased with the downward slide from the existing 3.74 to a 3.36 in the core parking supply. The lower ratio at the end of the current project is a product of the deck reduction measures required of RREEF by the City. Discussion centered on further reducing core parking by not having the North Deck would greatly exacerbate what RREEF and Macy’s, and presumably Hacienda, regard to be marginally acceptable core parking.

What the pure application of the parking ratio numbers do not capture is the change in status of the Veteran’s Parkway parking spaces. Because the lower level parking will be connected to the core via a new ramp near the Hacienda Building, the Hacienda Building employees will actually have much better access to the lower level parking. If the Hacienda Building is successful at encouraging/requiring employees to park on the lower level, the Hacienda Building patrons and visitors will have more effective parking in front of the Hacienda Building.

3500 has accused RREEF of viewing Phase III as an “opportunity to reduce parking ratio.” Any reference to using Phase III as an opportunity to reduce parking was part of the ongoing dialogue with the City staff in their effort to reduce the parking supply in MVSC. As measured by the core ratio discrepancy, the least beneficial place to reduce parking is in the north lot between Macy’s Fashion Store and the Hacienda building.

3500 also alleged that there will be less than one parking space for every 1000 square feet of added square footage. In that assertion 3500 is addressing only the Village Shops north of CPK and does NOT factor in the future demolition of the cinema building and the addition of 55 new spaces in its place.

Focusing on the Village Shops area south of the culvert Phases I and II are parked at 3.7 spaces for every 1,000 sf of mall added as follows:

- In the instance of the isolated North Shops stage of the Village Shops (north of CPK) there will be .875 spaces per 1,000 SF of net new shops (21 additional parking spaces for 24,000 sf of new shops). However, the analysis presented by 3500 Sepulveda missed that when you factor in that (a) the cinema will be replaced with 55 parking spaces, then the North Shops north of CPK will more accurately be served by a ratio of 3.17 spaces per 1,000 SF of net new North shops (76 additional spaces for the 24,000 sf of new shops) and, (b) if you factor in the demolition of 17,500 of cinema square footage, that ratio would be 11.69 spaces per 1,000 SF, the conclusion is that parking is sufficient. This analysis has been previously presented to the 3500 Sepulveda ownership, so we assume they simply missed these additional factors.

- The South Shops stage of Phase 1 (south of CPK) has a 4.6 spaces per 1,000 sf of net new shops (114 additional spaces for 24,656 SF of net new shops).
- In the Village Shops as a whole (north and south shops) there will be 6.1 spaces per 1,000 SF of net new shops (190 additional spaces serving the 31,156 sf net new Village shops). The 6.1 is a blend of the 11.69 and 4.6 in the two Village stages.
- Upon the conclusion of both Phase I (Village Shops) and II (Macy's expansion) there will be 3.72 spaces added per every 1,000 SF of net new retail (297 additional spaces, excluding culvert spaces, serving the 79,781 net new sf of retail space).

2. Parking During Construction Will be Adequate

3500 Sepulveda suggests that parking supply during construction will be inadequate to serve the shopping center and that the alleged inadequacy will cause retail sales to significantly fall. This is simply not true. Construction-related parking impacts are fully addressed in the Draft EIR and the Traffic Study which is Appendix G to the Draft EIR. The conclusion reached is that with the implementation of mitigation, parking-related impacts during construction would be less than significant and demand from customers, shopping center employees and construction workers would be met by on-site parking as long as construction was suspended in the six weeks between Thanksgiving and New Year's Day. (See also, Final EIR Volume II, Section VI, page VI-16.)

Additionally, RREEF has provided staff and 3500 Sepulveda with a Construction Parking Plan for Phase I ("CPP", attached hereto as **Exhibit A**) which confirms the conclusion reached in the environmental analysis. A "white paper" construction parking review supplementing the CPP is attached hereto as **Exhibit B**, and its summary chart (attached hereto as **Exhibit C**) shows that during construction of the Village shops, and north and south parking decks, and the Macy's expansion phase, adequate parking supply to meet demand will be provided at levels that meet a 4.1 per 1,000 parking ratio with utilization of off-site parking at Manhattan Towers and the Marriott hotel coupled with utilization of part of the parking lot leased from the City.

3. RREEF Has Been Up Front About The Parking Structure

At the April 29 meeting, 3500 pointed the finger at RREEF, saying it is trying to hide the fact that three-story garages are proposed. This is simply not true. RREEF is not hiding anything.

RREEF has consistently presented elevations, renderings, perspectives and floor plans clearly presenting the MVSC decks. The nomenclature in the deck business describes a parking deck as "grade plus X levels (above grade)". For 3500 to cite RREEF's correct characterization of its decks as "G+2" as being deceptive, 3500 is being deceptive. In response to City staff and community desires, RREEF has undertaken a number of measures to reduce the visual appearance of the MVSC decks. Those include reducing the top level by one-half, thereby creating a "tiered" effect and reducing mass, cladding the upper level of the deck with hanging plants and screening the decks on open sides with landscaping and trees. The MVSC decks,

with the exception of minor, taller architectural features required in the MUP, in their most tall, G+2 format are 26 feet tall at the top of the parapet wall, which is the same height as single story retail buildings in proximity and are considerably shorter than the two Macy's buildings and 3500's buildings which stand at 42 and 44 feet in height respectively.

Additionally, 3500 has suggested that the deck ramps should be speed ramps. The ramps in the North and South Decks **ARE** speed ramps and are noted as such on the plans. The Northeast Deck utilizes parking ramps given the deck's configuration.

Finally, with respect to the North Deck, 3500 states that it never agreed to grade plus two level parking garage as is now proposed. Notwithstanding the private nature of the agreement between 3500 and RREEF, the North Deck as proposed complies with the private agreement, and RREEF is comfortable with substantiating and defending this. Regardless, the height of the deck is not a traffic impact as suggested by 3500. The grade plus two-level garage has been evaluated in the EIR for both traffic and visual impacts and the conclusion is that no significant impacts result from the grade plus two level parking garage as proposed.

Traffic Impacts

3500 alleged that by adding over 500 parking spaces to MVSC, a traffic increase was sure to result. At the conclusion of Phase II, 289 net new parking spaces will have been added to MVSC. The question of increased traffic has been fully answered in the FEIR Response to Comments. Phase I will increase traffic by 60 P.M. Peak Hour in-bound trips and 62 out-bound trips (24 fewer trips than the original Project proposal as a result of the 10,000 sf project size reduction). Phase II will increase traffic by 37 P.M. Peak Hour in-bound trips and 17 out-bound trips. The EIR states these facts, and measures the impacts of that increased traffic. No significant impacts were found.

3500 also alleged that while joining the Fry's corner to the rest of MVSC could increase traffic flow, because this connection is not proposed to occur until the final phase of the project, it's likely never to happen at all. The extension of Cedar Way has now been moved to Phase II so the benefits of the internal connection will be realized sooner. In addition, the new automobile ramp connecting the core area and the lower level parking will occur in Phase I, benefitting the Hacienda Building and Fry's.

3500 suggested that the mall expansion project is one of the most dense projects in the South Bay and likened the project to the South Bay Galleria. The parking garages proposed for the Manhattan Village Shopping are not as big or as dense as the parking structures at the South Bay Galleria. The South Bay Galleria garage has a very large grade level six at parking bays wide and stands six stories tall, and with a cinema on the roof on top of the deck structure. The Galleria parking structure is hardly comparable to the grade plus 2 Village parking structures each with a relatively small footprint and each with its top deck level at roughly half size.

Other Issues

1. The Master Sign Program

3500 said RREEF has broken its promise to present the master sign program to the City Council.

The Master Sign Program was presented by AG Scott, RREEF's sign consultant, in its entirety to the City Council on September 10, 2013 and discussed by the City Council and staff.

2. The Bicycle Center

At the April 29 meeting, 3500 suggested that even though a bicycle center for the project was promised, it is not provided for in project plans.

A 2,000 SF bike center was removed from the South Deck as part of the requirement to reduce the Village Shops project by 10,000 SF.

3. The Pacific Theaters Lease

At the April 29 meeting, 3500 blamed RREEF for Pacific Theaters' departure from MVSC, accusing RREEF of working out a deal to get Pacific Theaters to leave MVSC before its lease expired.

In reality, it was a private election by Pacific Theatres to close its operation at the end of a lease term, thereby choosing not to extend additional lease term periods.

4. Fiscal Implications.

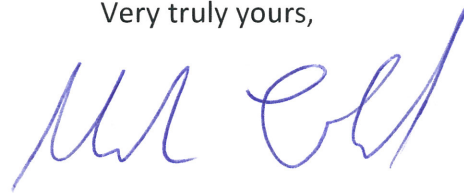
At the April 29 meeting, 2500 made a number of statements suggesting that certain fiscal matters regarding sales tax revenues were misrepresented by RREEF or the City's consultant, Kosmont Company. RREEF will look to the City to address those inaccuracies.

Conclusion

3500's challenges to the project are nothing more than misrepresentations designed to distract the Council from its goal to approve a project that will bring much-needed revitalization MVSC. The Council should not be misled by the false information presented by 3500. We strongly urge the City to approve both the EIR and the Master Use Permit Amendment so that we can continue to move forward and work together to produce the best project for Manhattan Beach.

We appreciate your consideration of this matter and look forward to discussing it with you. We will be in attendance at the May 20, 2014 meeting should you wish to discuss these or any other issues with respect to the project.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Mark English". The signature is fluid and cursive, with the first name "Mark" and last name "English" clearly distinguishable.

Mark English

cc: Bruce Moe, Acting City Manager
Richard Thompson, Director of Community Development
Laurie Jester, Planning Manager
Quinn Barrow, City Attorney
Peter J. Gutierrez, Latham & Watkins
Charles A. Fancher

Exhibit B

Manhattan Village Construction Parking - Village Shops Phase 1 and Phase 2

Reference is made to the (1) EIR Traffic Analysis, Chapter 7 entitled "Construction Parking Impacts" and (2) the Construction Parking Program (CPP) document dated April 23, 2014 and (3) a table charting parking spaces and GLA derived from the CPP data, attached as an Addendum.

As cited in the EIR analysis, the 4.1 per 1,000 required parking ratio in the MUP is established to serve Manhattan Village parking requirements during the most intense operating period which is the Holiday shopping season between mid-November and the end of December, predicated on the operation of an offsite employee parking program. The EIR analysis conducted a parking demand analysis based on active land uses, customer, employee and construction worker parking space requirements during the project's Phase 1 and Phase 2 construction periods and concluded that "parking supply provided during construction would be adequate to meet the peak quarterly parking demand at all time periods of the construction." That analysis assumed construction to be suspended during 6 weeks in November and December and did not rely on available parking spaces in the leased City lot, and it is the case that the reduced Village Shops Site Plan before the Council now is reduced by 10,000 SF of shop space that was assumed to be in place by the EIR analysis during the Stage Two of Phase 1 and during all of Phase 2.

The EIR analysis points out that "at some points during construction, the parking provided on site would dip below the parking requirements set forth in the MUP (4.1 per 1,000 SF)" and predicated on data presented in table 22, the analysis concludes "...that the parking supply would be adequate to meet the peak monthly parking demand at MVSC, even during those construction periods when the amount of parking provided (on site) temporarily dips below the amount of parking needed to meet the MUP."

Analysis of those periods in which the 4.1 on-site parking ratio is not met reveals that only in the first roughly half of the Village Shops construction are there intermittent intervals in which the 4.1 ratio is not maintained. The Village Shops construction phase is composed of 17 construction intervals over a period of 26.5 months, of which #1 is the existing condition and #17 is the completed Village Shops projected for June 2017. Intervals 2 through 9, with the exception of #5, running from March 2015 through May 2016, have on-site parking space counts below a center wide 4.1 per 1,000 square feet, not including off-site parking. As addressed in the EIR Construction Parking analysis actual non-holiday/peak parking demand for customer, employees and construction workers are in fact different, and less, than the MUP ratio. Notwithstanding that fact, it is the case that in the #9 interval the North Deck opens and thereafter Manhattan Village experiences on-site parking surpluses relative to the 4.1 per 1,000 SF requirement, not including off-site parking.

Based on the construction interval data not including off-site parking, Manhattan Village has on-site parking surpluses during the two Holiday periods (4.38 and 4.43 ratios respectively) and has surpluses at an average 4.38 parking ratio level during the second year of the VSC construction period. The only intervals in which on-site parking shortfalls relative to the 4.1 MUP exist are in the non-Holiday months occurring in the first year of the VSC construction and those shortfalls are offset by off-site parking measures described below. The most impacted interval is #8 with an on-site ratio at 3.66 being 254 spaces short of meeting the 4.1 ratio. That condition exists only two weeks in June 2016 at the end of which time interval the North Deck opens. The EIR construction parking analysis shows that that the peaking demand in the month of June during the Phase 1 construction would be 3.03 spaces per 1,000

SF so that actual parking demand of the shopping center will be met during this worst-case two week time interval.

If one adds the 250 off-site parking spaces available to Manhattan Village during intervals 2 through 9, the MUP parking ratio averages 4.4 spaces per thousand. Reducing the off-site spaces to a minimum assumption of 140 spaces out of the 210 in the City lot, beginning in interval 10, the ratio averages 4.6 through the completion of the Village Shops.

During Phase II, Macy's Consolidation, during the construction of the Macy's Fashion expansion space and the NEC Deck, the on-site parking supply as expressed by the 4.1 MUP ratio falls below 4.1 to 3.91. The parking ratio including 140 spaces in the leased City lot is above the 4.1 ratio at 4.15. As was addressed in the Phase I discussion above, the EIR construction parking analysis determined that on-site parking supply exceeds actual parking demand during the non-Holiday construction period without including spaces available in the leased City lot.

The Village Shops construction period parking supply is supplemented by several off-site supplemental parking measures:

1. Manhattan Village leases the City lot at the rear of Macy's. The numbers in the CPP assumes that MVSC uses 140 of the 210 City spaces on average.
2. Manhattan Village has entered into agreements with Manhattan Towers and the Marriott hotel to lease a minimum of 110 off-site parking spaces for the use of MVSC general contractor and Manhattan Village employees, which off-site number can be expanded if demand requires. The 110 off-site spaces will be available from the start of Village Shops construction in June 2015 through December 2016 which is the end of interval 11 – well past the point at which Manhattan Village starts experiencing a parking surplus within the center.
3. Manhattan Village leases the 210 space City lot behind Macy's. Assuming a minimum of 140 spaces being available for Manhattan Village employees in the City lot, those 140 spaces combined with the leased off-site parking provides 250 extra parking spaces for construction workers, employees and (in City lot) spillover parking for shoppers.
4. Manhattan Village operates an employee shuttle bus to provide transportation from the City lot to the shops within the center. That will be expanded through 2016 to include service to the two additional remote parking lots. As new retail space comes on line, additional parking at a rate slightly above the 4.1 ratio is added to the center as well, partially serving new employees which demand will otherwise be met by the three remote off-site parking lots. As addressed below, off-site parking for Manhattan Village store employees will be increased during the majority of the construction period.
5. The Village Shops general contractor will require that its employees and sub-contractor employee's car pool from a remote gathering site such as the subcontractor's equipment yard to the construction site and be required to park in the two remote lots with assigned parking passes. In terms of simultaneous workers on site, 180 workers are estimated as the largest possible number (if peak construction activities were to converge) and 12 workers as the smallest number at any point. The median number of construction employees on the site is estimated at approximately 60 to 90 workers. Using 1.5 workers per car a 90 worker day will

require 60 off-site parking spaces. With the requirement for 60 remote spaces allocated to construction workers, on average, there will be 50 additional remote parking spaces, plus 140 spaces in the City Lot, available for Manhattan Village employees. On a 180 maximum construction worker day, 120 off-site spaces would be required at the 1.5 workers per car assumption, which would mean that 10 spaces in the City lot would have to be used by construction workers, leaving at least 130 spaces in the City lot available for shopping center employees.

Exhibit C

MVSC Phase I and II Construction Parking

	pg # or interval	ratio include off site	duration	spaces in place + offsite
			duration	spaces in place + offsite
Phase 1	Existing	1	exist	
Cinema demo + LL changes	2	4.55	3 mos	2,529
South Deck & South Shops start construct	3	4.29	3.5 mos	2,383
no change to parking or GLA	4	4.29	2 mos	2,383
South Deck opens Construct suspended - Holidays	5	4.84	1.5 mos	2,690
North Deck starts construction	6	4.40	2 mos	2,444
no change to parking or GLA	7	4.40	3 mos	2,444
South Shops (partial) open. S Deck G+1 starts construct	8	4.11	2 weeks	2,368
North deck opens. North Shops start construction	9	4.47	1.5 mos	2,573
South surface lot (76 spaces) opens	10	4.60	3.5 mos	2,649
N Deck upper level + S Deck G+1 opens CS - Holidays	11	4.88	1.5 mos	2,813
no change to parking or GLA	12	4.73	2 mos	2,725
no change to parking or GLA	13	4.73	2 weeks	2,725
no change to parking or GLA	14	4.73	2.5 mos	2,725
South Shops G2 opens	15	4.70	2 weeks	2,725
North Shops open	16	4.51	2 weeks	2,725
VSC Complete		17		

Phase 2	Macy's Fashion Store expansion	1	4.25	10.5 mos	2,564
	Construction of NEC Deck -	2	4.16	5.5 mos	2,503
	Macy's Fashion expansion & NEC deck opens & Men's Store closes	3	4.77		2,832
	Macy's Men Store retenanted (net 8,656 SF GLA loss)	4	4.34	10.5 mos	2,832
Macy's Consolidation Complete					

off-site City lot # assumption: 150
off-site remote spaces: 110
off-site spaces: 260

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Village Shops - Phase 1 Construction Parking Plans (CPP)

Construction Duration Assumptions

Parking Decks: 5.5 months

Retail Buildings: 7.5 months

Tenant Fit-Out: 3.0 months

CPK Remodel: 3.5 months

Note:

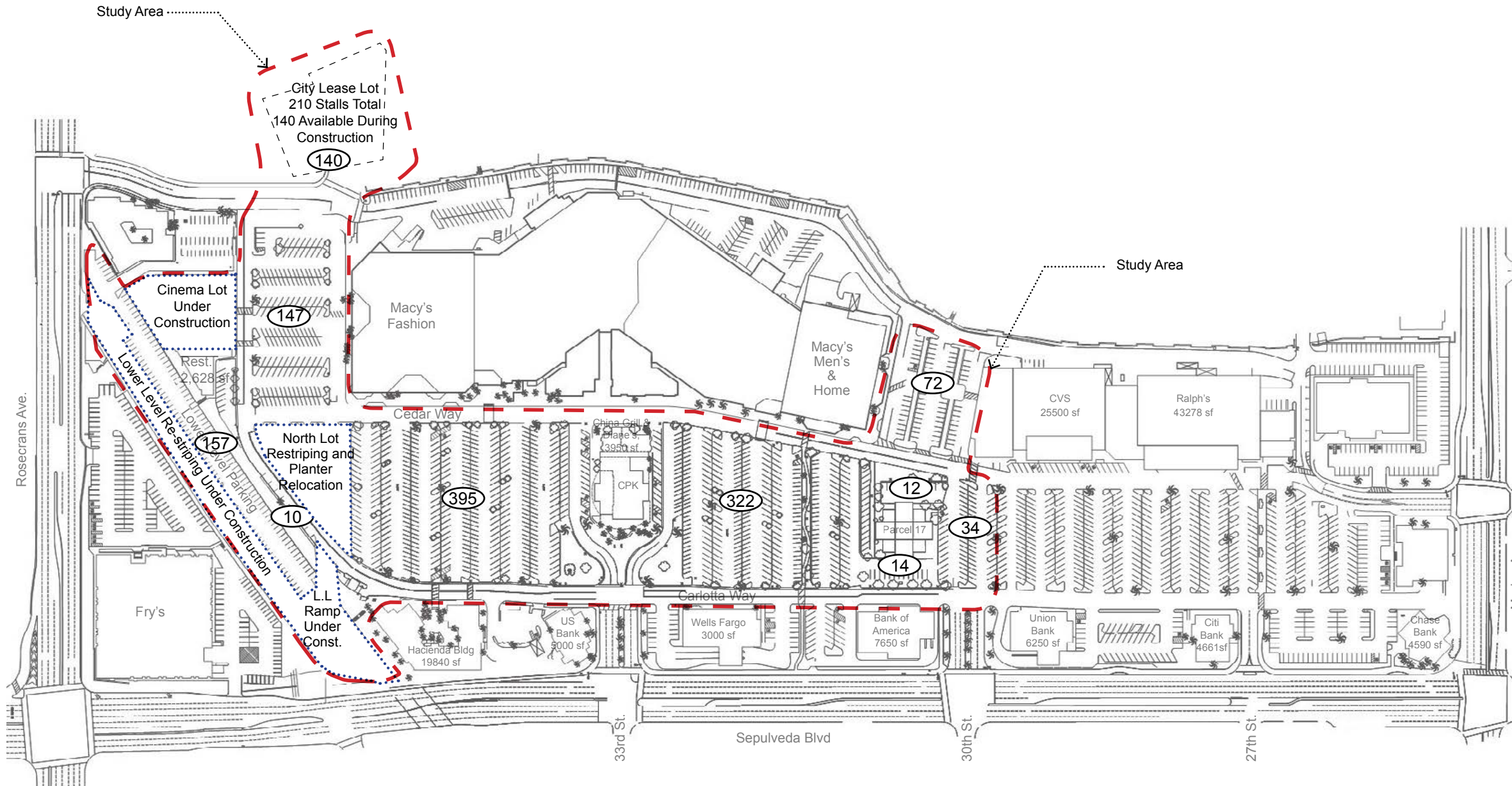
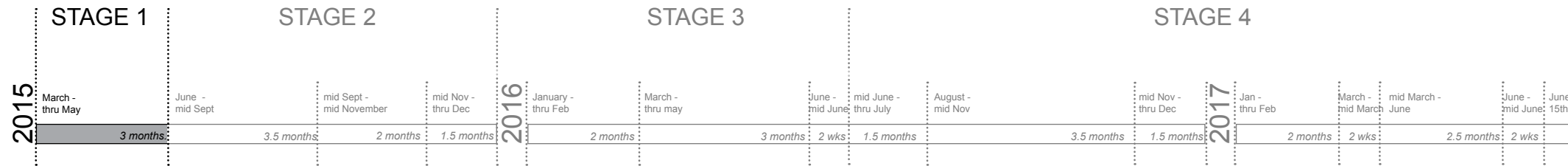
Construction status of a building or a deck is reflected on the first day of a given interval for each page



MANHATTAN VILLAGE

SHOPPING CENTER

VILLAGE SHOPS COMPONENT (VSC)
CONSTRUCTION PARKING PLANS (CPP)
APRIL 23, 2014



--- Study Area

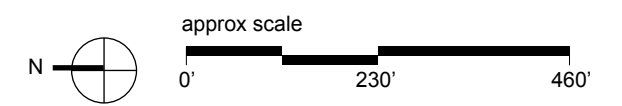
STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
Cinema	0 stalls
North Surface	405 stalls ↓
Lower Level	157 stalls ↓
South Surface	322 stalls
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,303 stalls

Surplus/(Deficit) vs Baseline	(124) stalls ↓
GLA Demo'd (Cinema)	-17,500 sf ↓

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
MVSC Parking Stalls On-site	2,269 stalls
MVSC Parking Ratio fully leased:	4.09 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,409 stalls
MVSC Parking Ratio w. City Lot:	4.34 / 1,000 sf



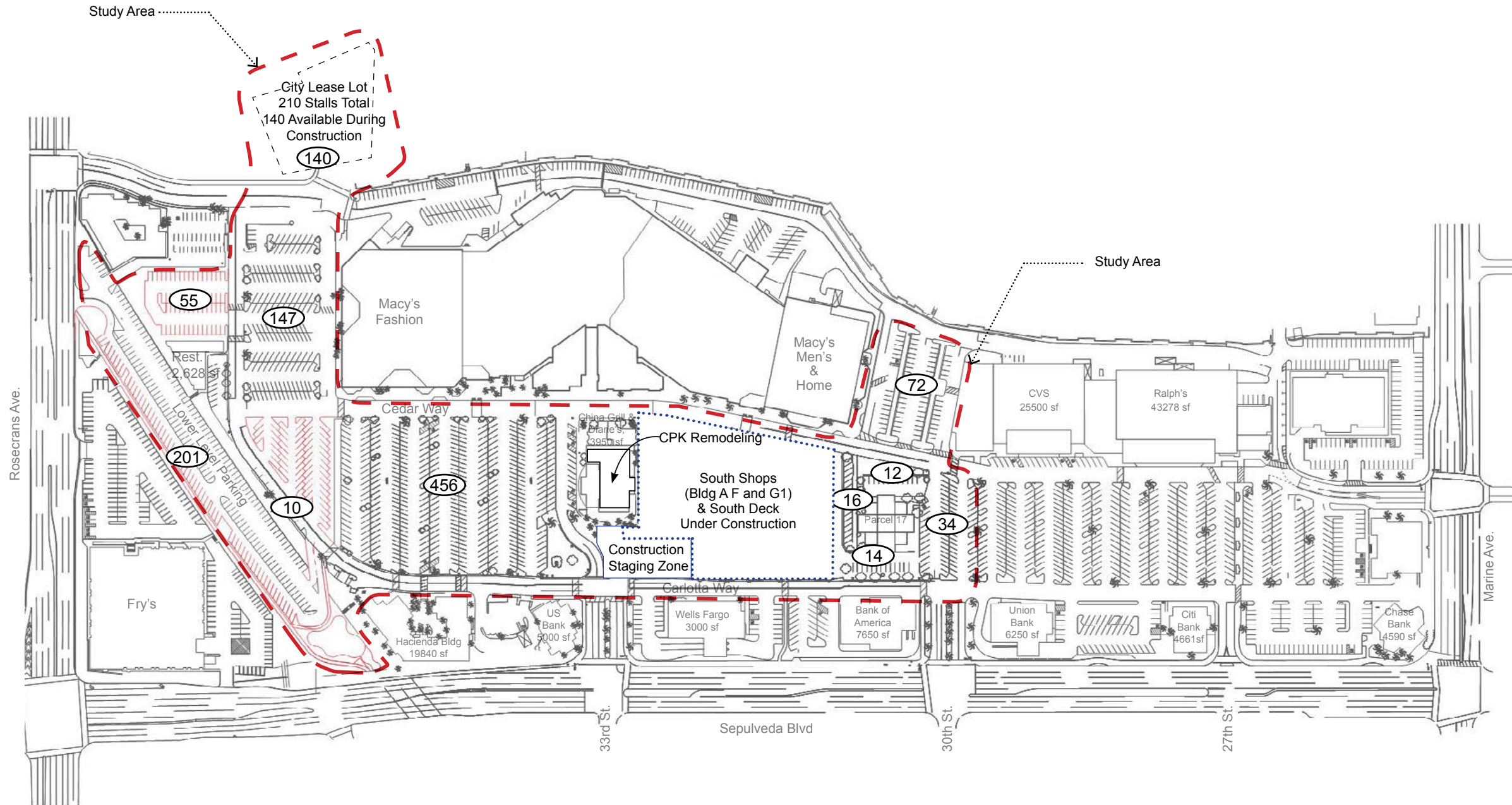
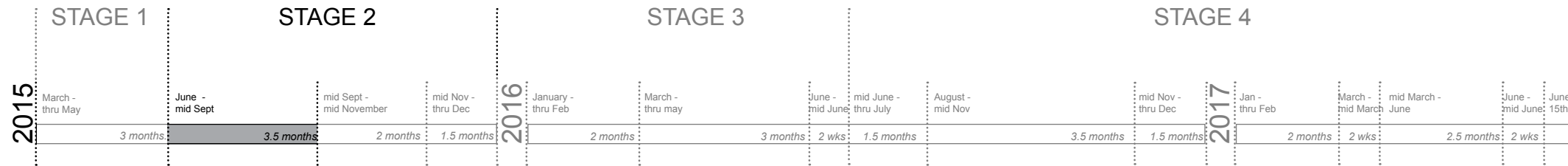
WORKING DRAFT – Not for Public Review

MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Pre-Construction Site Plan:
Cinema, North and Lower Level Lots
2015

CPP 2017
Interval: 2



--- Study Area

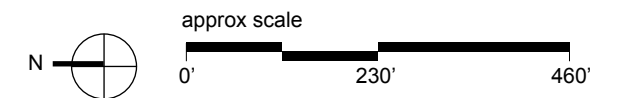
STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
Cinema	55 stalls ↑
North Surface	466 stalls ↑
Lower Level	201 stalls ↑
South Surface	16 stalls ↓
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,157 stalls

Surplus/(Deficit) vs Baseline (270) stalls ↓

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
MVSC Parking Stalls On-site	2,123 stalls
MVSC Parking Ratio fully leased:	3.82 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,263 stalls
MVSC Parking Ratio w. City Lot:	4.08 / 1,000 sf



WORKING DRAFT – Not for Public Review

MVSC Enhancement Program

April 23, 2014

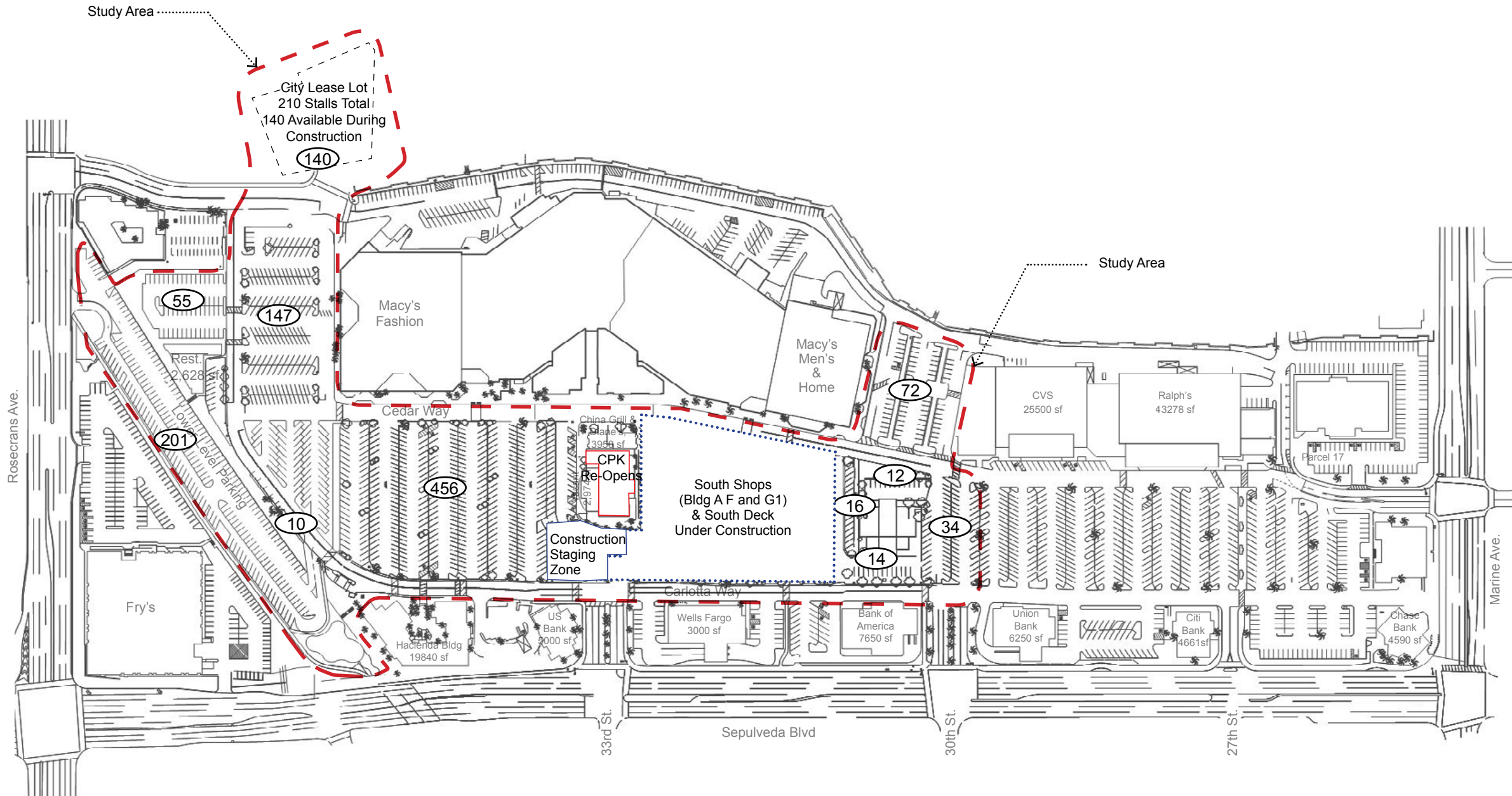
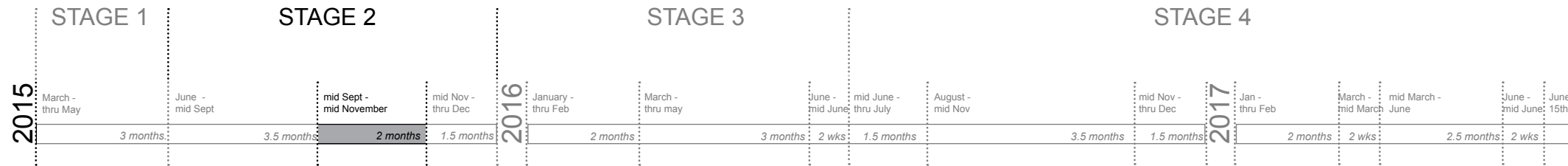
#206340.01



Village Shops Under Construction Site Plan:
South Deck and Shops Start
 2015

CPP 2017

Interval: 3



--- Study Area

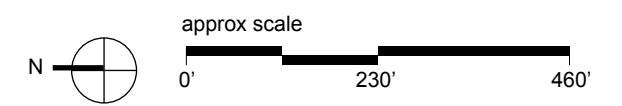
STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
Cinema	55 stalls
North Surface	466 stalls
Lower Level	201 stalls
South Surface	16 stalls
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,157 stalls

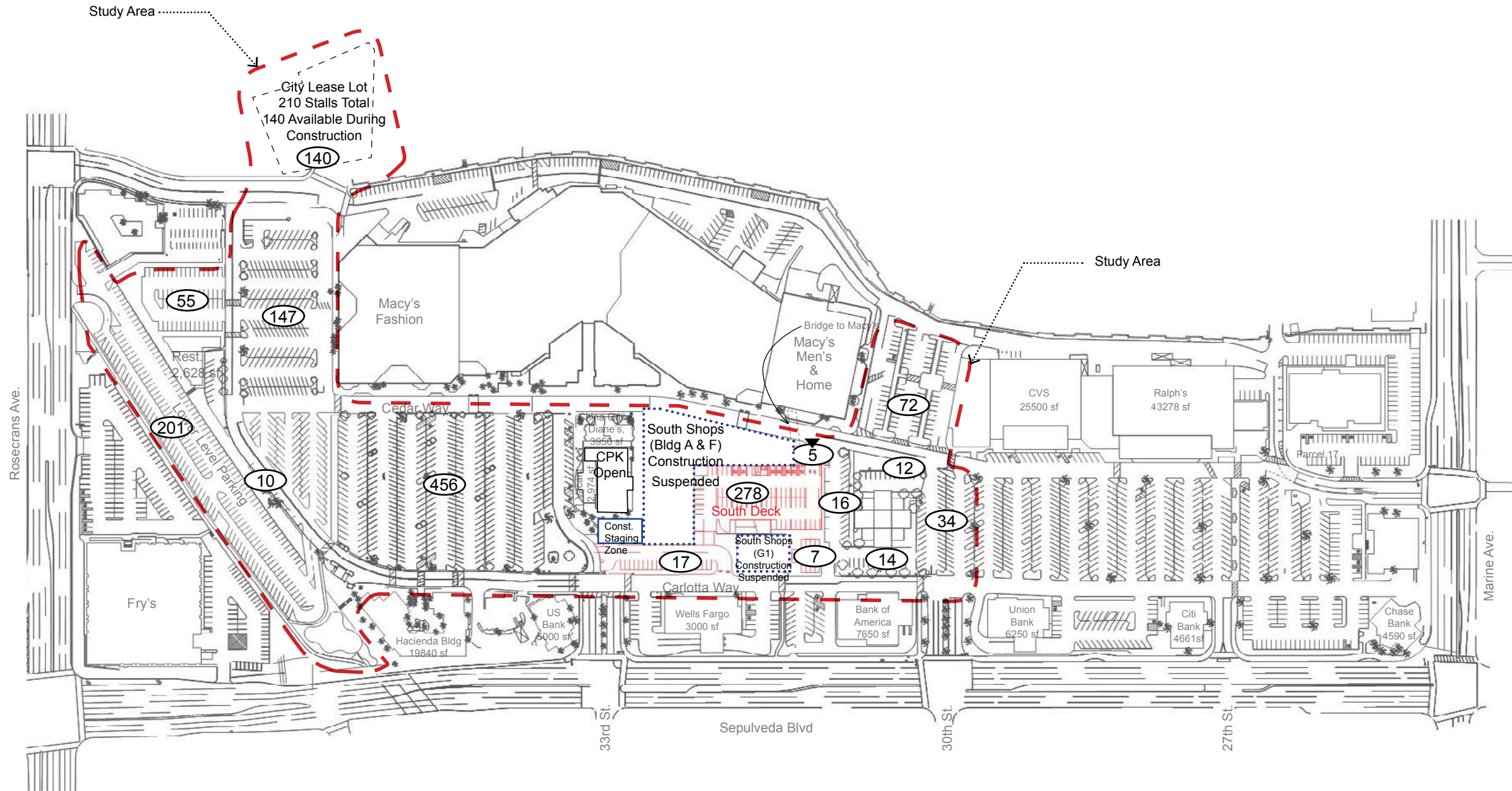
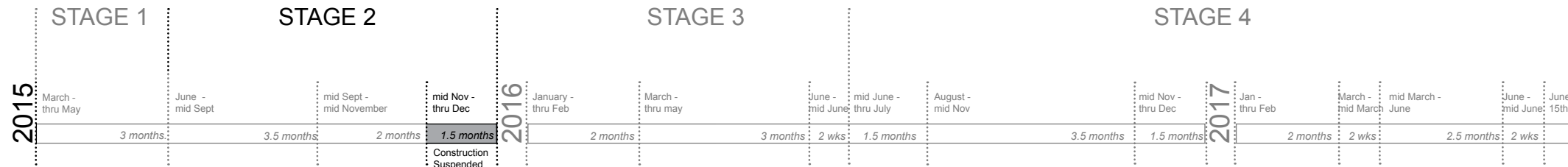
Surplus/(Deficit) vs Baseline (270) stalls —

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
MVSC Parking Stalls On-site	2,123 stalls
MVSC Parking Ratio fully leased:	3.82 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,263 stalls
MVSC Parking Ratio w. City Lot:	4.08 / 1,000 sf



Construction Suspended



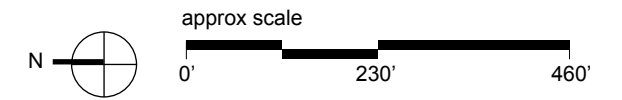
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	466 stalls
Cinema	55 stalls
Lower Level	201 stalls
South Surface	45 stalls ↑
South Deck	278 stalls ↑
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,464 stalls
 Surplus/(Deficit) vs Baseline	 37 stalls ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
 MVSC Parking Stalls On-site	 2,430 stalls
MVSC Parking Ratio fully leased:	4.38 / 1,000 sf
 City Lot Parking Spaces	 + 140 stalls
Total Parking w. City Lot	2,570 stalls
MVSC Parking Ratio w. City Lot:	4.63 / 1,000 sf



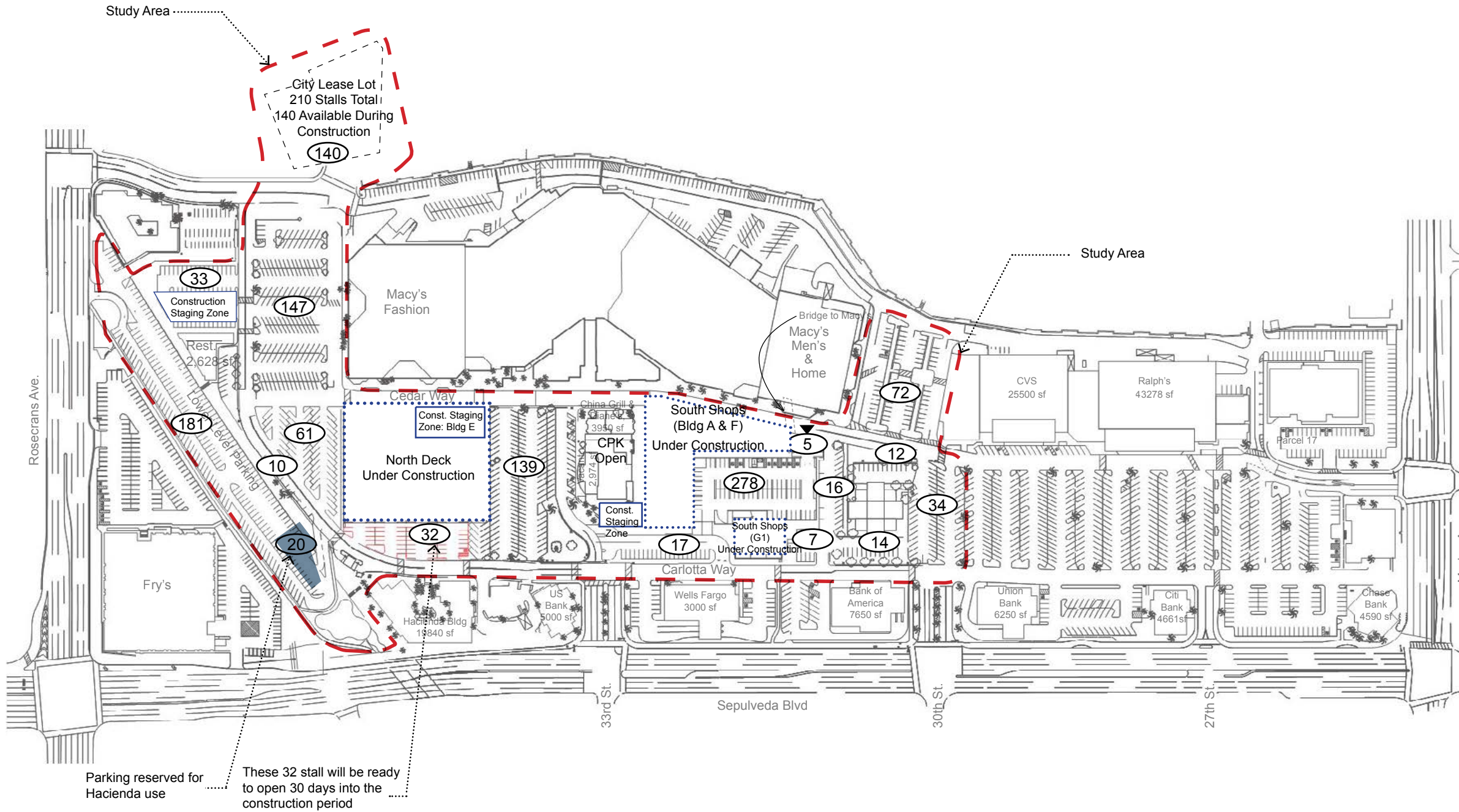
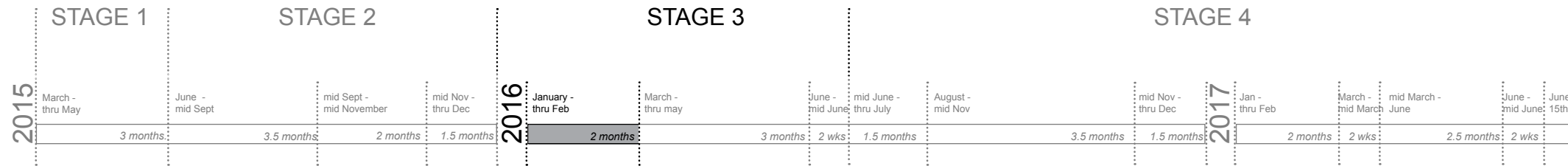
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MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
Holiday Period, South Deck Opens
2015

CPP 2017
Interval: 5



--- Study Area

STUDY AREA STATISTICS:

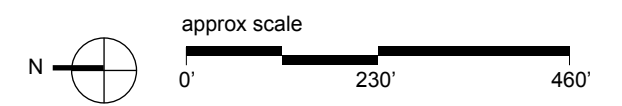
Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	242 stalls ↓
Cinema	33 stalls ↓
Lower Level	181 stalls ↓
Hacienda North Deck Const. Parking	20 stalls ↑
South Surface	45 stalls
South Deck	278 stalls
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,218 stalls
Surplus/(Deficit) vs Baseline	(209) stalls ↓

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
MVSC Parking Stalls On-site	2,184 stalls
MVSC Parking Ratio fully leased:	3.93 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,324 stalls
MVSC Parking Ratio w. City Lot:	4.18 / 1,000 sf

Parking reserved for Hacienda use

These 32 stall will be ready to open 30 days into the construction period



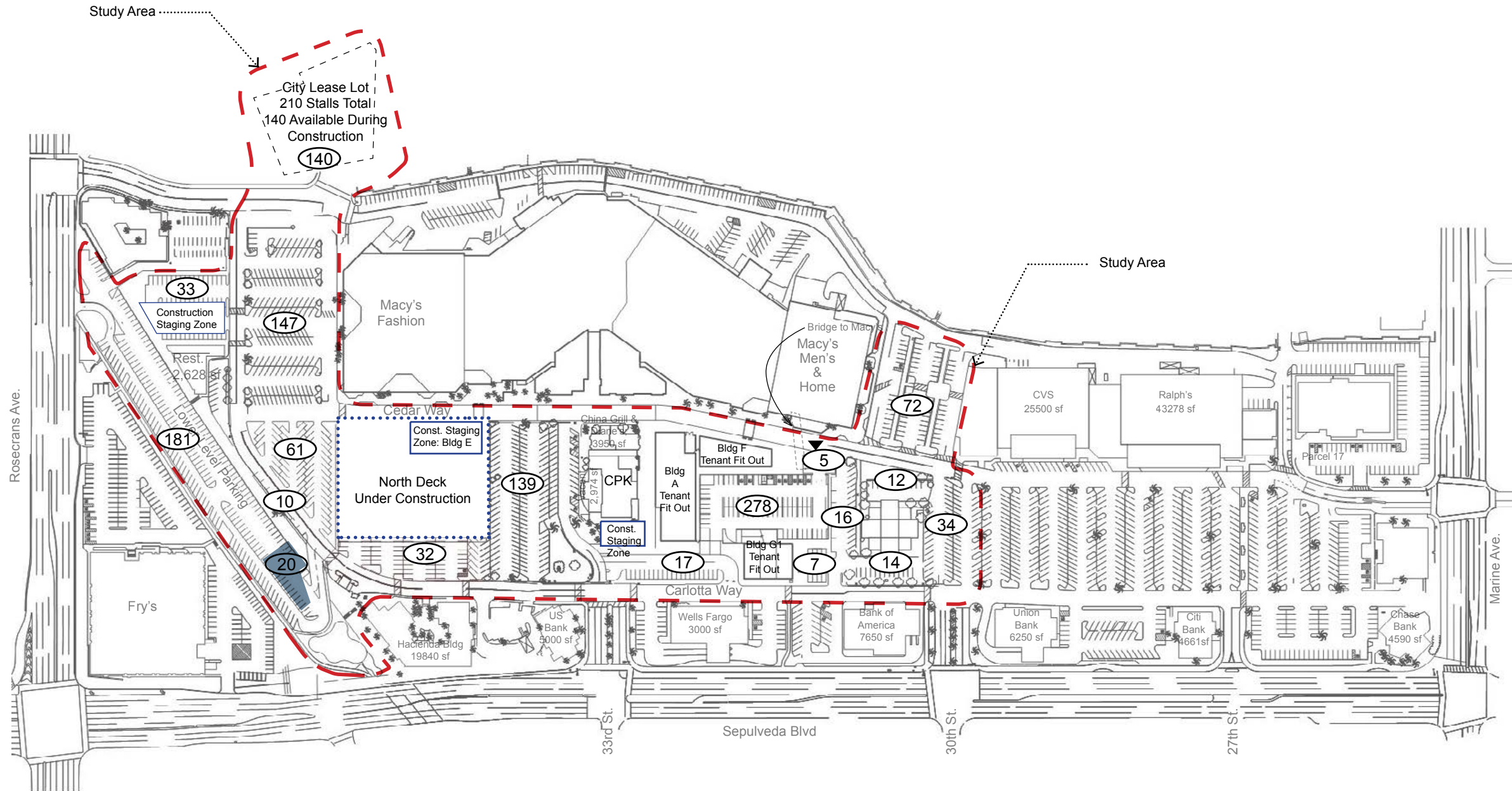
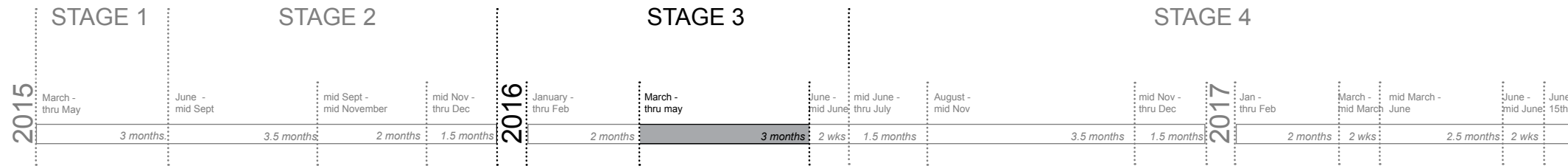
WORKING DRAFT – Not for Public Review

MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
North Deck & South Shops, North Surface
2016

CPP 2017
Interval: 6



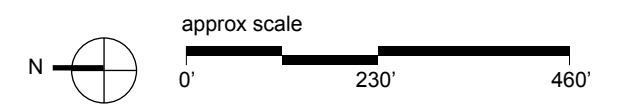
--- Study Area
STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	242 stalls
Cinema	33 stalls
Lower Level	181 stalls
Hacienda North Deck Const. Parking	20 stalls
South Surface	45 stalls
South Deck	278 stalls
Parcel 17 Surface	26 stalls
South Lot	34 stalls
City Lot	140 stalls
Study Area Total	1,218 stalls

Surplus/(Deficit) vs Baseline (209) stalls

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	555,337 sf
MVSC Parking Stalls On-site	2,184 stalls
MVSC Parking Ratio fully leased:	3.93 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,324 stalls
MVSC Parking Ratio w. City Lot:	4.18 / 1,000 sf



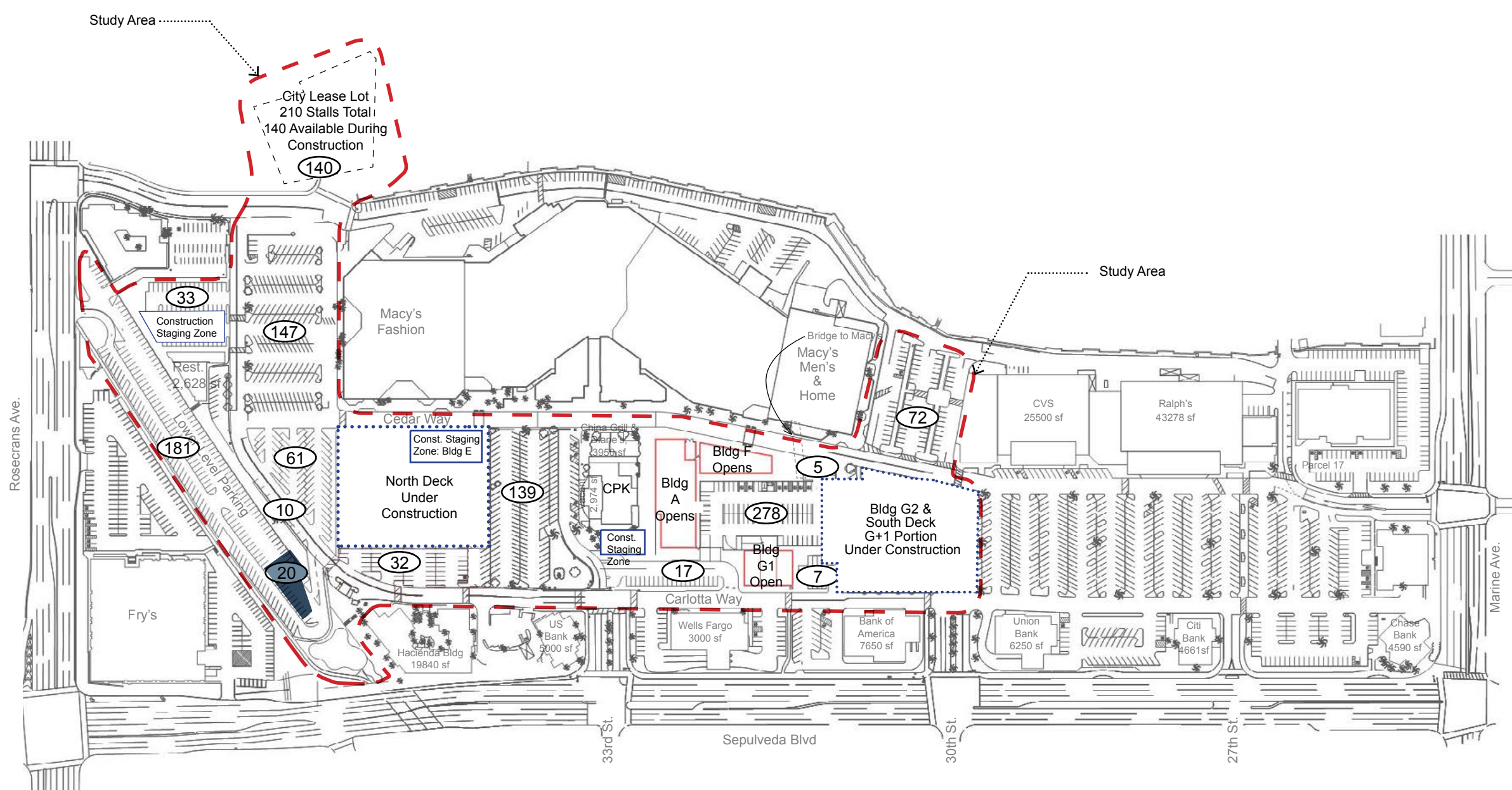
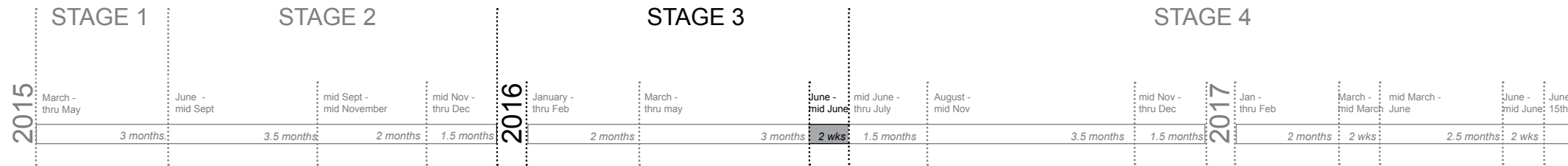
WORKING DRAFT – Not for Public Review

MVSC Enhancement Program
 April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
 North Deck & South Shops Tenant Fit Out
 2016

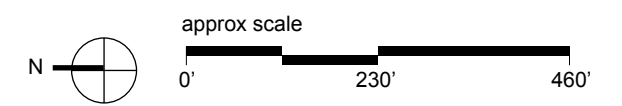
CPP 2017
 Interval: 7



Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	242 stalls
Cinema	33 stalls
Lower Level	181 stalls
Hacienda North Deck Const. Parking	20 stalls
South Surface	29 stalls ↓
South Deck	278 stalls
Parcel 17 Surface	0 stalls ↓
South Lot	0 stalls ↓
City Lot	140 stalls
Study Area Total	1,142 stalls
Surplus/(Deficit) vs Baseline	(285) stalls ↓
New GLA Open	25,300 sf
GLA Demo	-4,644 sf
OVERALL MVSC STATISTICS:	
Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,108 stalls
MVSC Parking Ratio fully leased:	3.66 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,248 stalls
MVSC Parking Ratio w. City Lot:	3.90 / 1,000 sf



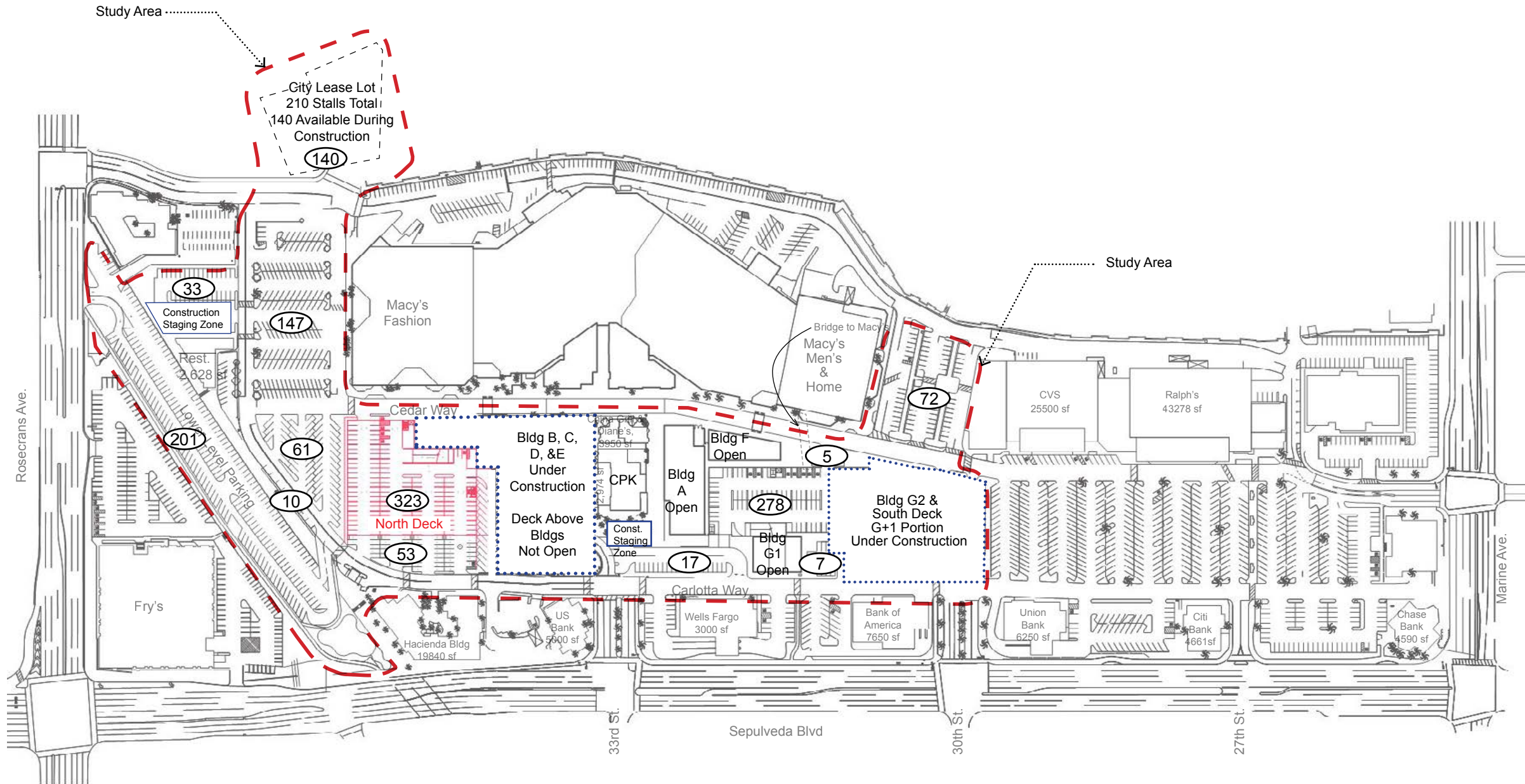
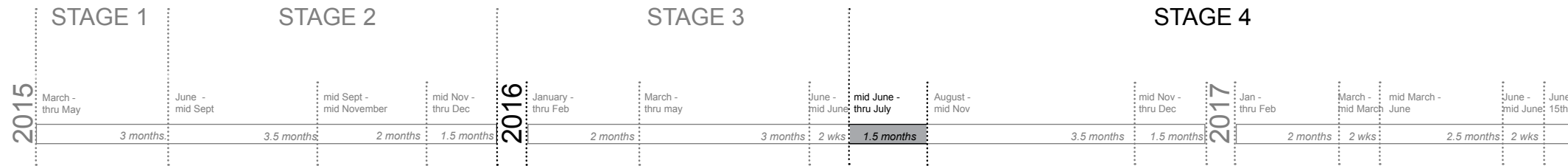
WORKING DRAFT – Not for Public Review

MVSC Enhancement Program
 April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
 South Shops Open, North Deck in Const.
 Bldg. G2 & SD G+1 Portion in Const. 2016

CPP 2017
 Interval: 8



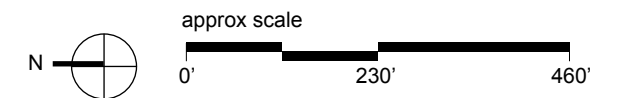
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls ↓
Cinema	33 stalls
Lower Level	201 stalls ↑
North Deck (partial)	323 stalls ↑
South Surface	29 stalls
South Deck	278 stalls
Parcel 17 Surface	0 stalls
South Lot	0 stalls
City Lot	140 stalls
Study Area Total	1,347 stalls
Surplus/(Deficit) vs Baseline	(80) stalls ↓

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,313 stalls
MVSC Parking Ratio fully leased:	4.02 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,453 stalls
MVSC Parking Ratio w. City Lot:	4.26 / 1,000 sf



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MVSC Enhancement Program

April 23, 2014

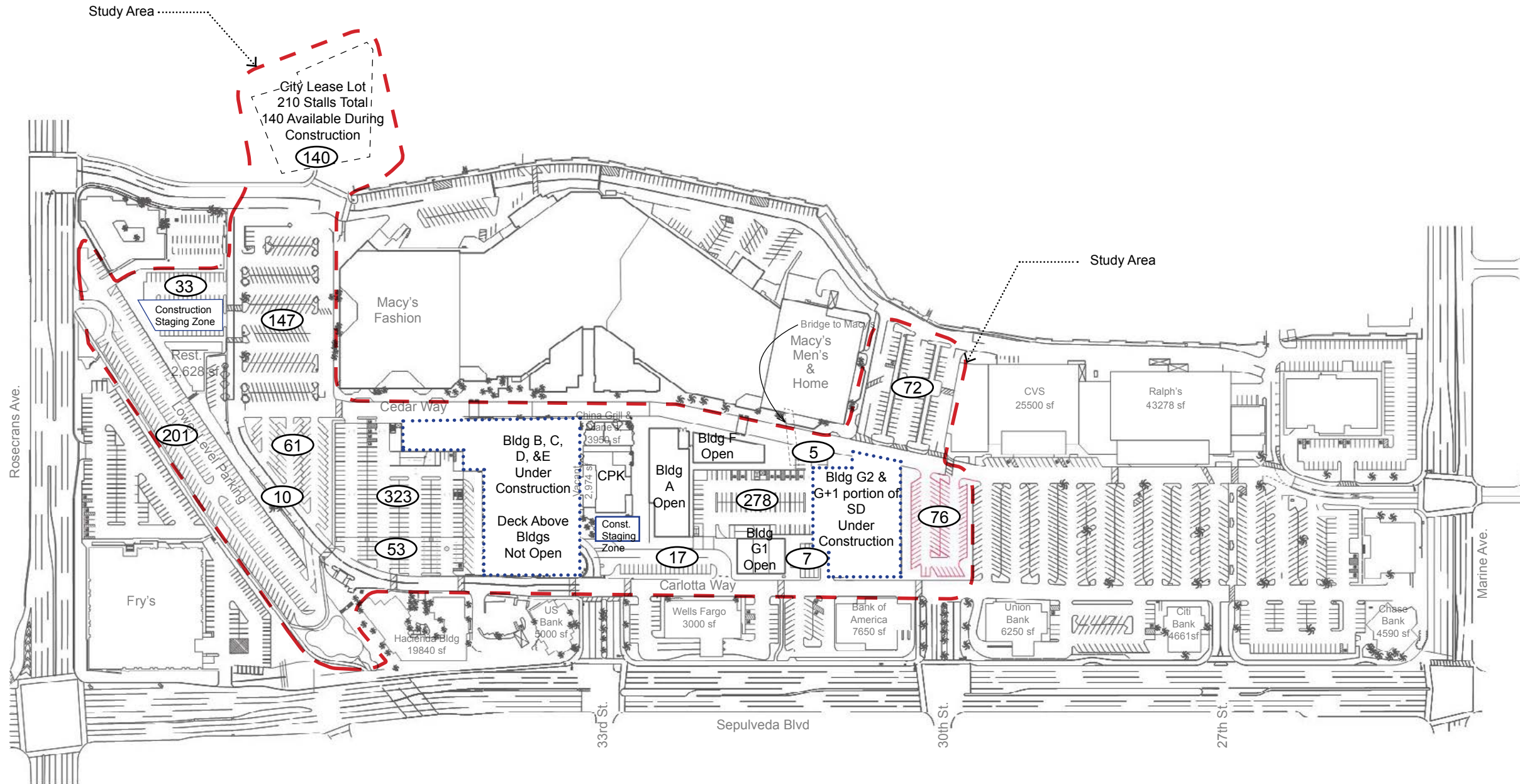
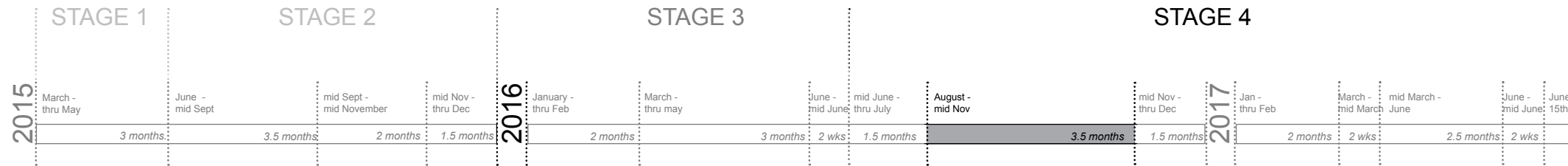
#206340.01



Village Shops Under Construction Site Plan:
North Deck Opens, South Deck Exp./G2
North Shops under const. 2016

CPP 2017

Interval: 9



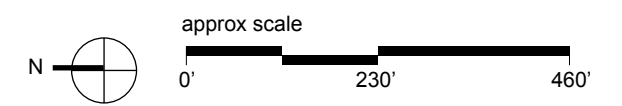
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	33 stalls
Lower Level	201 stalls
North Deck (partial)	323 stalls
South Surface	29 stalls
South Deck	323 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls ↑
City Lot	140 stalls
Study Area Total	1,423 stalls
Surplus/(Deficit) vs Baseline	(4) stalls ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,389 stalls
MVSC Parking Ratio fully leased:	4.15 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,529 stalls
MVSC Parking Ratio w. City Lot:	4.39 / 1,000 sf



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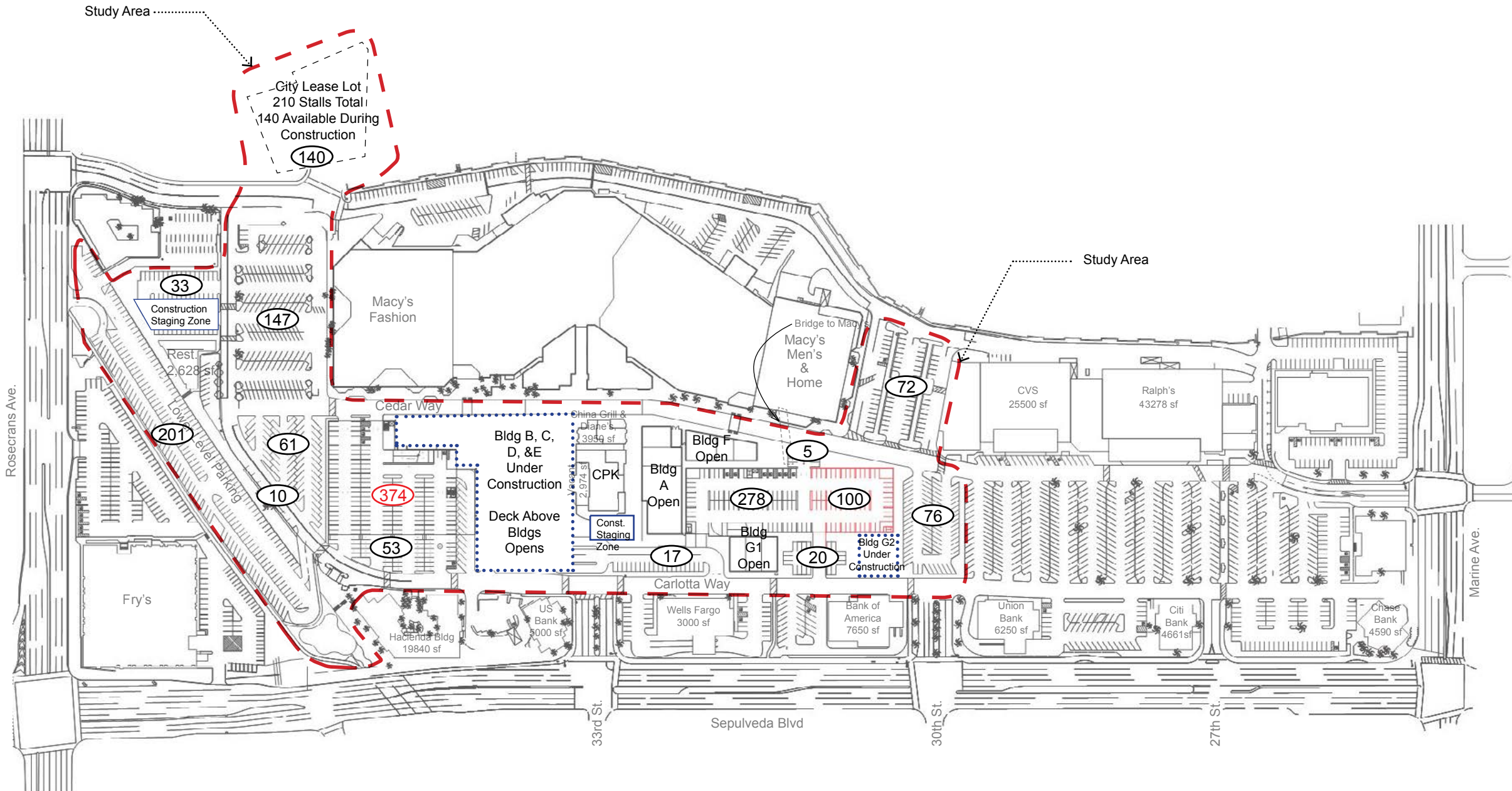
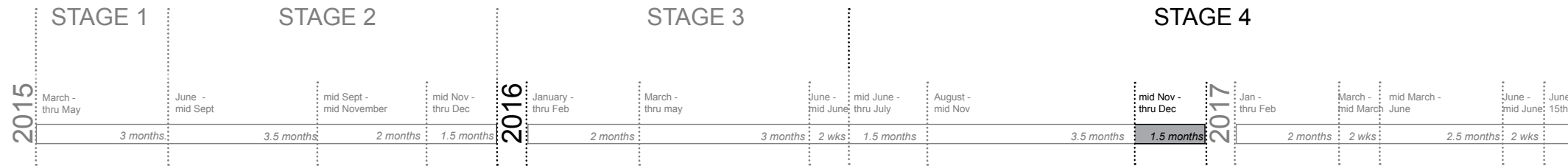
MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
North Shops Under Const., **South Lot Opens**
2016

CPP 2017
Interval: 10

Construction Suspended



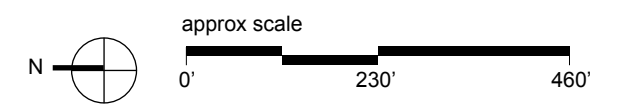
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	33 stalls
Lower Level	201 stalls
North Deck	374 stalls ↑
South Surface	42 stalls ↑
South Deck	378 stalls ↑
Parcel 17 Surface	0 stalls
South Lot	76 stalls
City Lot	140 stalls
Study Area Total	1,587 stalls
Surplus/(Deficit) vs Baseline	160 stalls ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,553 stalls
MVSC Parking Ratio fully leased:	4.43 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,693 stalls
MVSC Parking Ratio w. City Lot:	4.68 / 1,000 sf



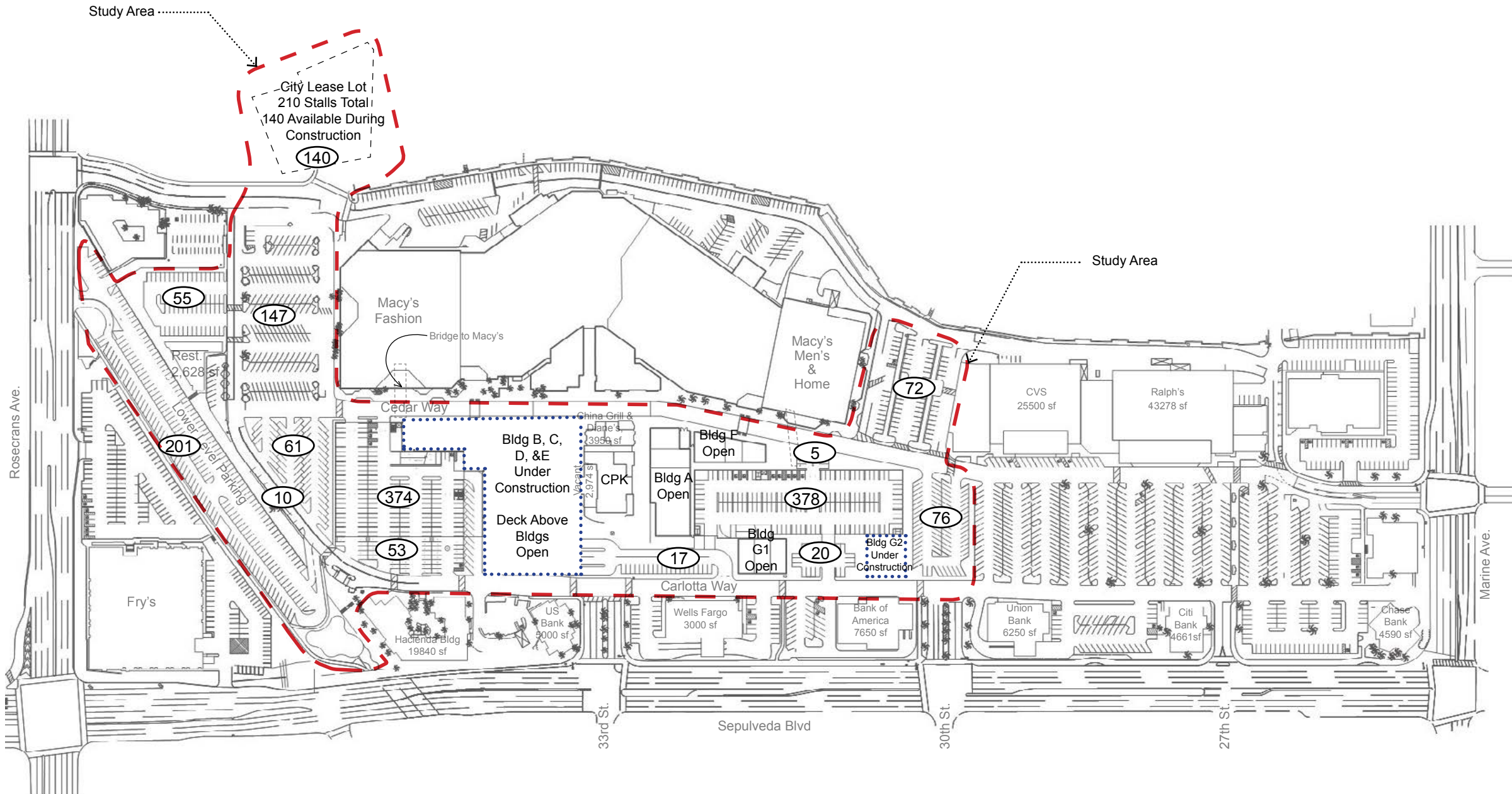
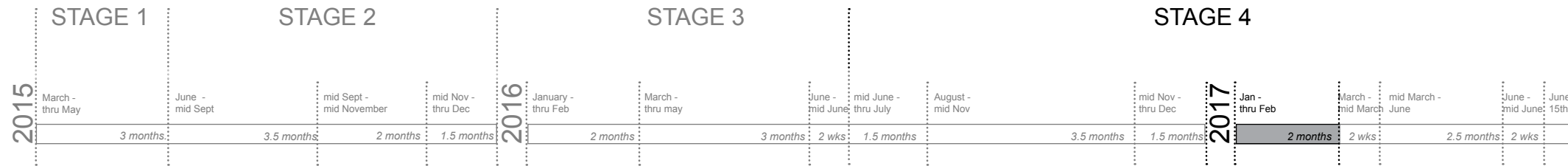
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MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
Holiday Period, Bldg G2 in construction
North Deck & South Deck G+1 Opens, 2016

CPP 2017
Interval: 11



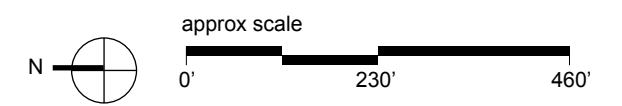
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls ↑
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
City Lot	140 stalls
Study Area Total	1,609 stalls
Surplus/(Deficit) vs Baseline	182 stalls ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,575 stalls
MVSC Parking Ratio fully leased:	4.47 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,715 stalls
MVSC Parking Ratio w. City Lot:	4.71 / 1,000 sf



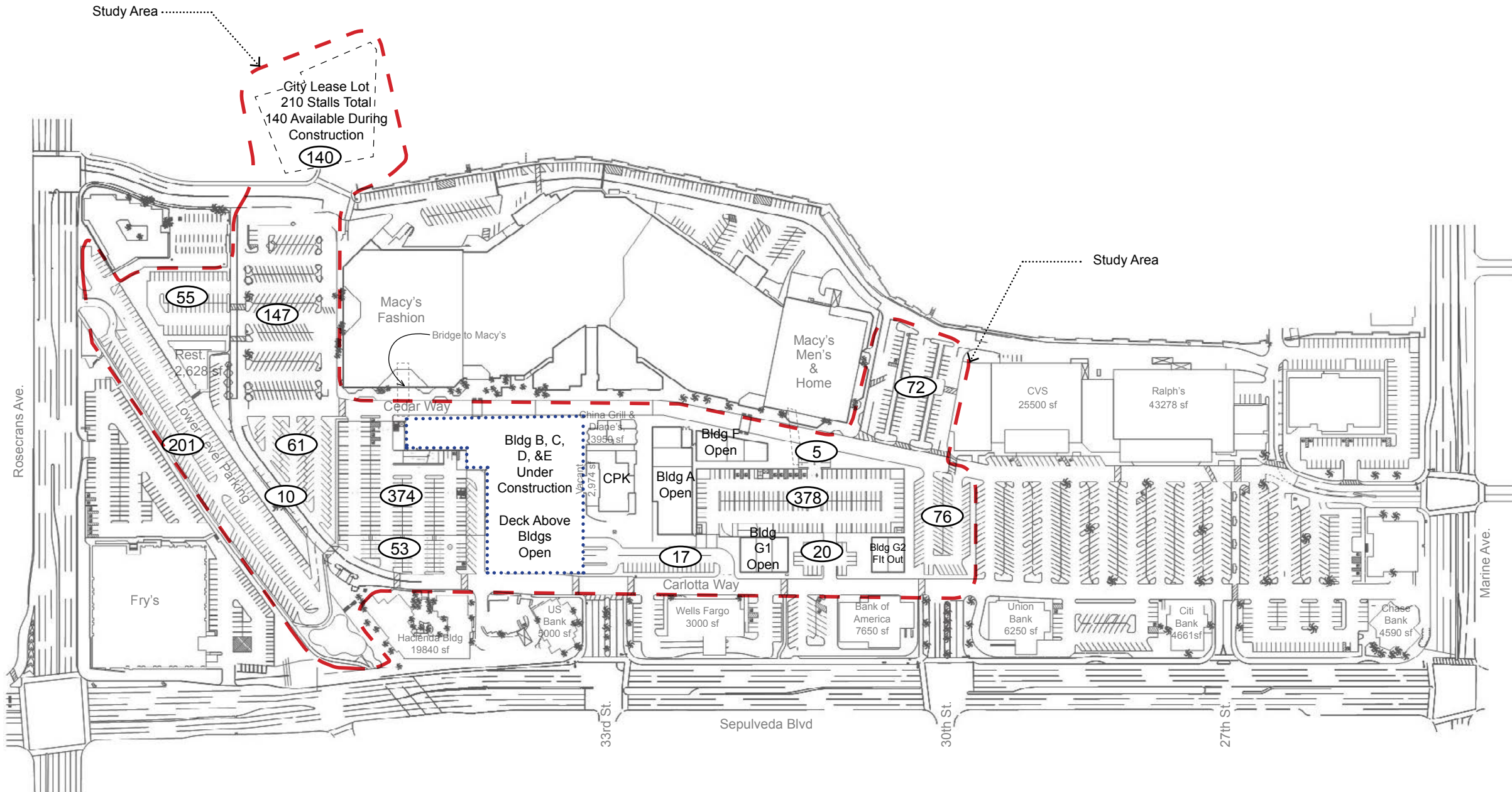
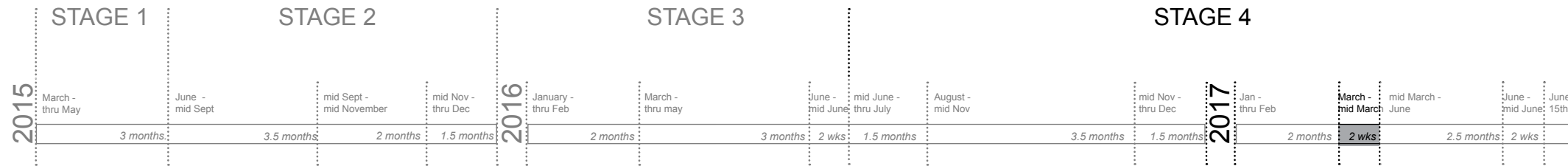
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MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
North Shops & Bldg. G2 Under Construction
2017

CPP 2017
Interval: 12



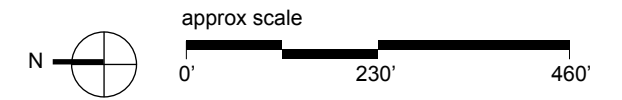
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
City Lot	140 stalls
Study Area Total	1,609 stalls
Surplus/(Deficit) vs Baseline	182 stalls

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,575 stalls
MVSC Parking Ratio fully leased:	4.47 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,715 stalls
MVSC Parking Ratio w. City Lot:	4.71 / 1,000 sf



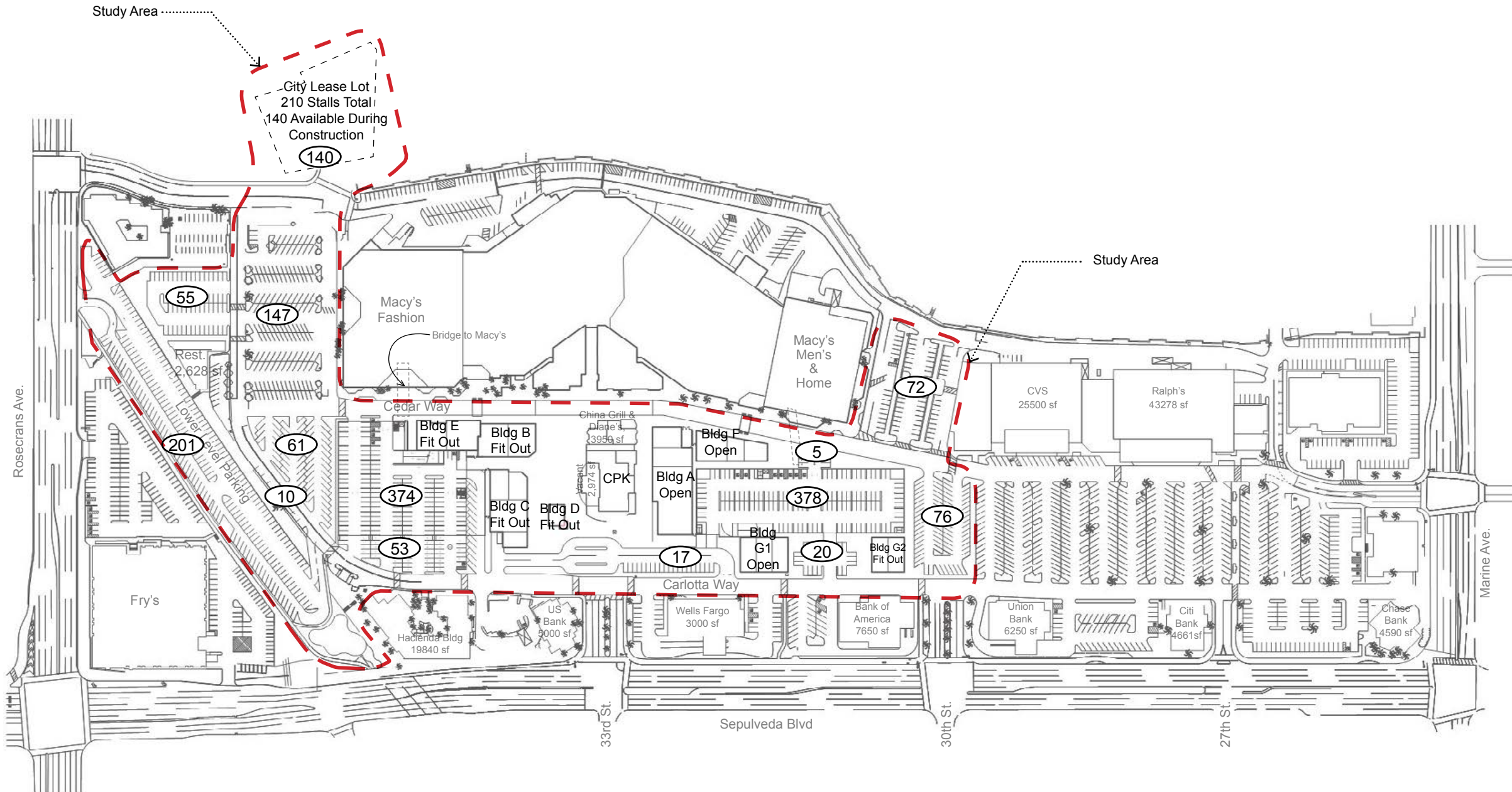
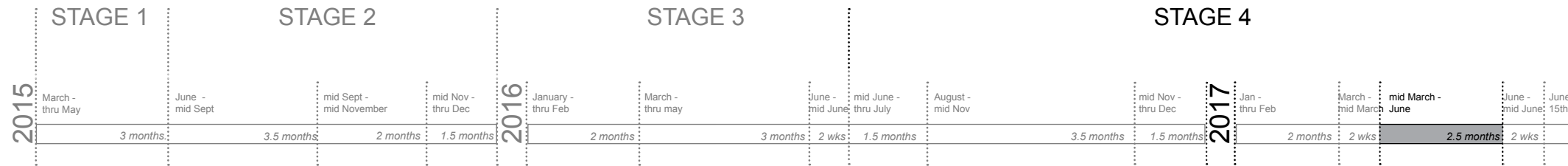
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MVSC Enhancement Program
April 23, 2014 #206340.01



Village Shops Under Construction Site Plan:
North Shops Under Construction
Bldg. G2 Tenant Fit-Out 2017

CPP 2017
Interval: **13**



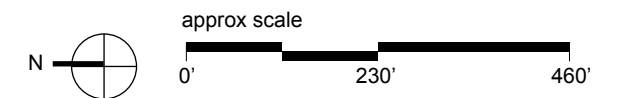
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
City Lot	140 stalls
Study Area Total	1,609 stalls
Surplus/(Deficit) vs Baseline	182 stalls

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	575,993 sf
MVSC Parking Stalls On-site	2,575 stalls
MVSC Parking Ratio fully leased:	4.47 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,715 stalls
MVSC Parking Ratio w. City Lot:	4.71 / 1,000 sf



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MVSC Enhancement Program

April 23, 2014

#206340.01

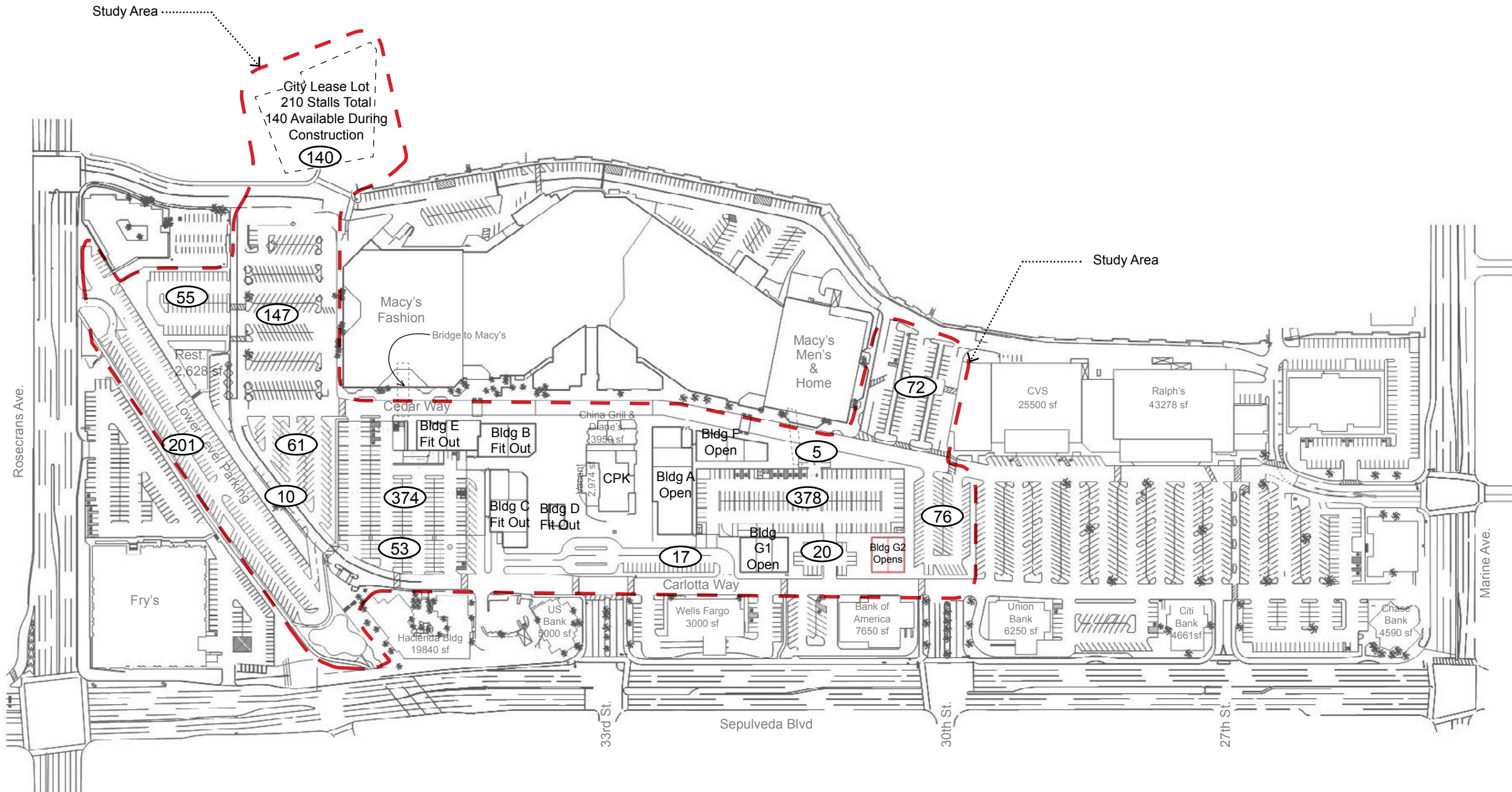
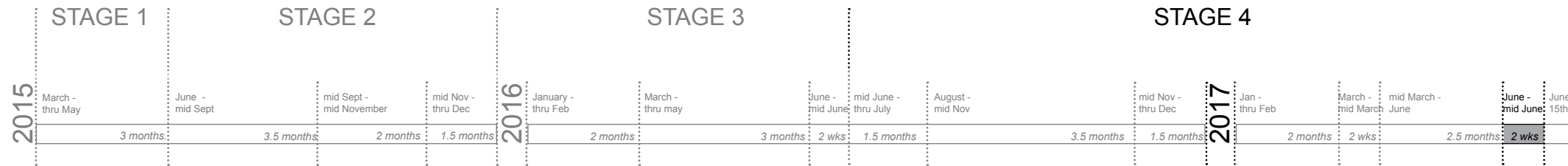


Village Shops Under Construction Site Plan:

North Shops Tenant Fit-Out & Bldg. G2 Tenant Fit-Out, 2017

CPP 2017

Interval: 14



--- Study Area

STUDY AREA STATISTICS:

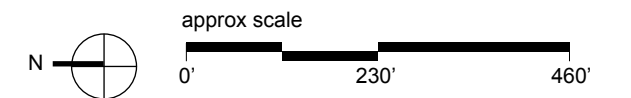
Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
City Lot	140 stalls
Study Area Total	1,609 stalls

Surplus/(Deficit) vs Baseline 182 stalls —

New GLA 4,000 sf ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	579,993 sf
MVSC Parking Stalls On-site	2,575 stalls
MVSC Parking Ratio fully leased:	4.44 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,715 stalls
MVSC Parking Ratio w. City Lot:	4.68 / 1,000 sf



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MVSC Enhancement Program

April 23, 2014

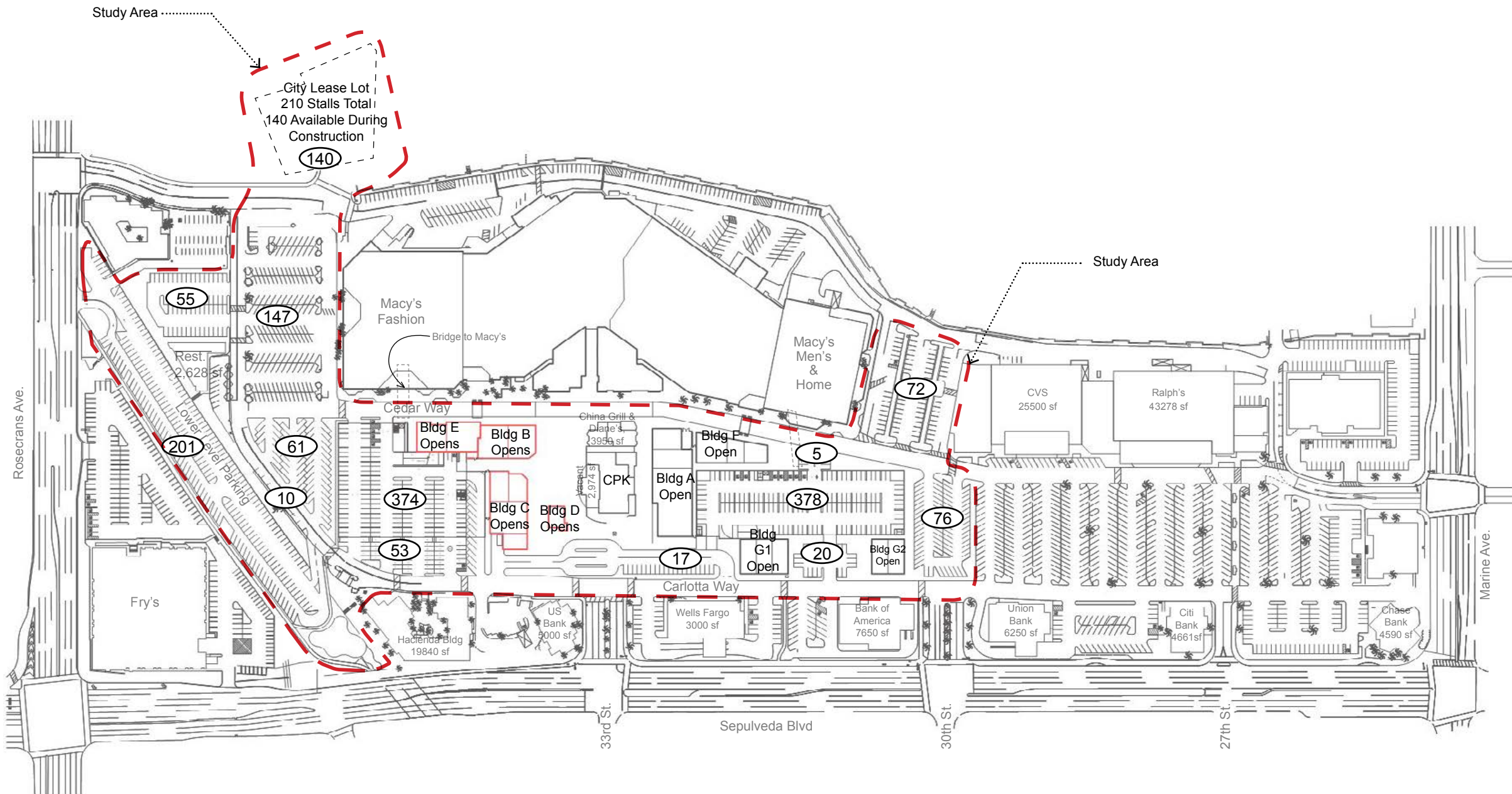
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Village Shops Under Construction Site Plan:
North Shops Tenant Fit-Out, **Bldg. G2 Opens**
2017

CPP 2017

Interval: 15



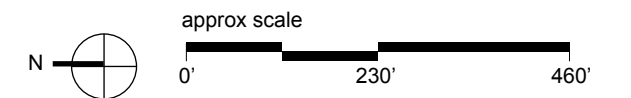
--- Study Area

STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
<u>City Lot</u>	<u>140 stalls</u>
Study Area Total	1,609 stalls
Surplus/(Deficit) vs Baseline	182 stalls —
New GLA	24,000 sf ↑

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	603,993 sf
MVSC Parking Stalls On-site	2,575 stalls
MVSC Parking Ratio fully leased:	4.26 / 1,000 sf
City Lot Parking Spaces	+ 140 stalls
Total Parking w. City Lot	2,715 stalls
MVSC Parking Ratio w. City Lot:	4.50 / 1,000 sf



WORKING DRAFT – Not for Public Review

MVSC Enhancement Program

April 23, 2014

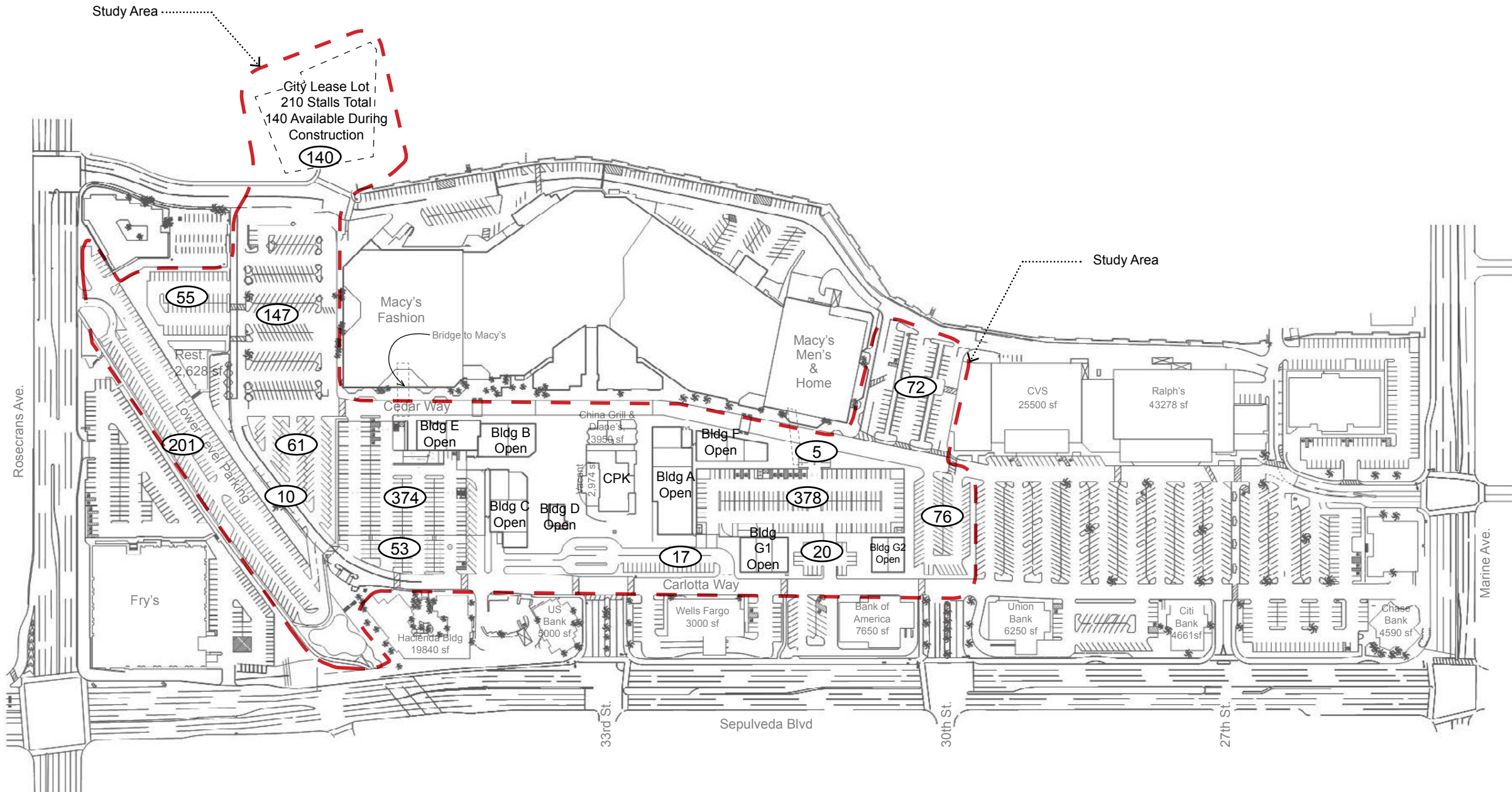
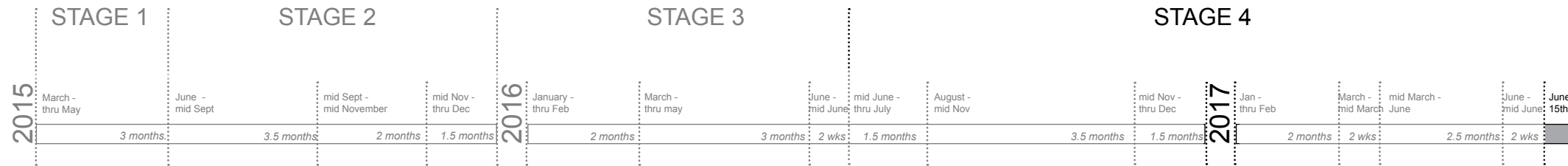
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Village Shops Under Construction Site Plan:
North Shops Open
2017

CPP 2017

Interval: **16**



--- Study Area

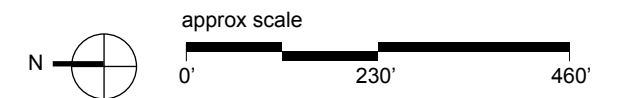
STUDY AREA STATISTICS:

Parking:	
Macy's Fashion	147 stalls
Macy's Men's Home	72 stalls
North Surface	124 stalls
Cinema	55 stalls
Lower Level	201 stalls
North Deck	374 stalls
South Surface	42 stalls
South Deck	378 stalls
Parcel 17 Surface	0 stalls
South Lot	76 stalls
<u>City Lot</u>	<u>140 stalls</u>
Study Area Total	1,609 stalls

Surplus/(Deficit) vs Baseline	182 stalls —
Total Gross Sq. Ft.	53,300 sf ↑
Total Demo Sq. Ft.	-22,144 sf
Total Net New Sq. Ft. Open	31,156 sf

OVERALL MVSC STATISTICS:

Parking Ratios:	
MVSC Square Footage @ 100%	603,993 sf
MVSC Parking Stalls On-site	2,575 stalls
Parking Surplus vs Code (4.1 / 1,000)	98 stalls
MVSC Parking Ratio fully leased: (not including City Lot)	4.26 / 1,000 sf



WORKING DRAFT – Not for Public Review

MVSC Enhancement Program

April 23, 2014

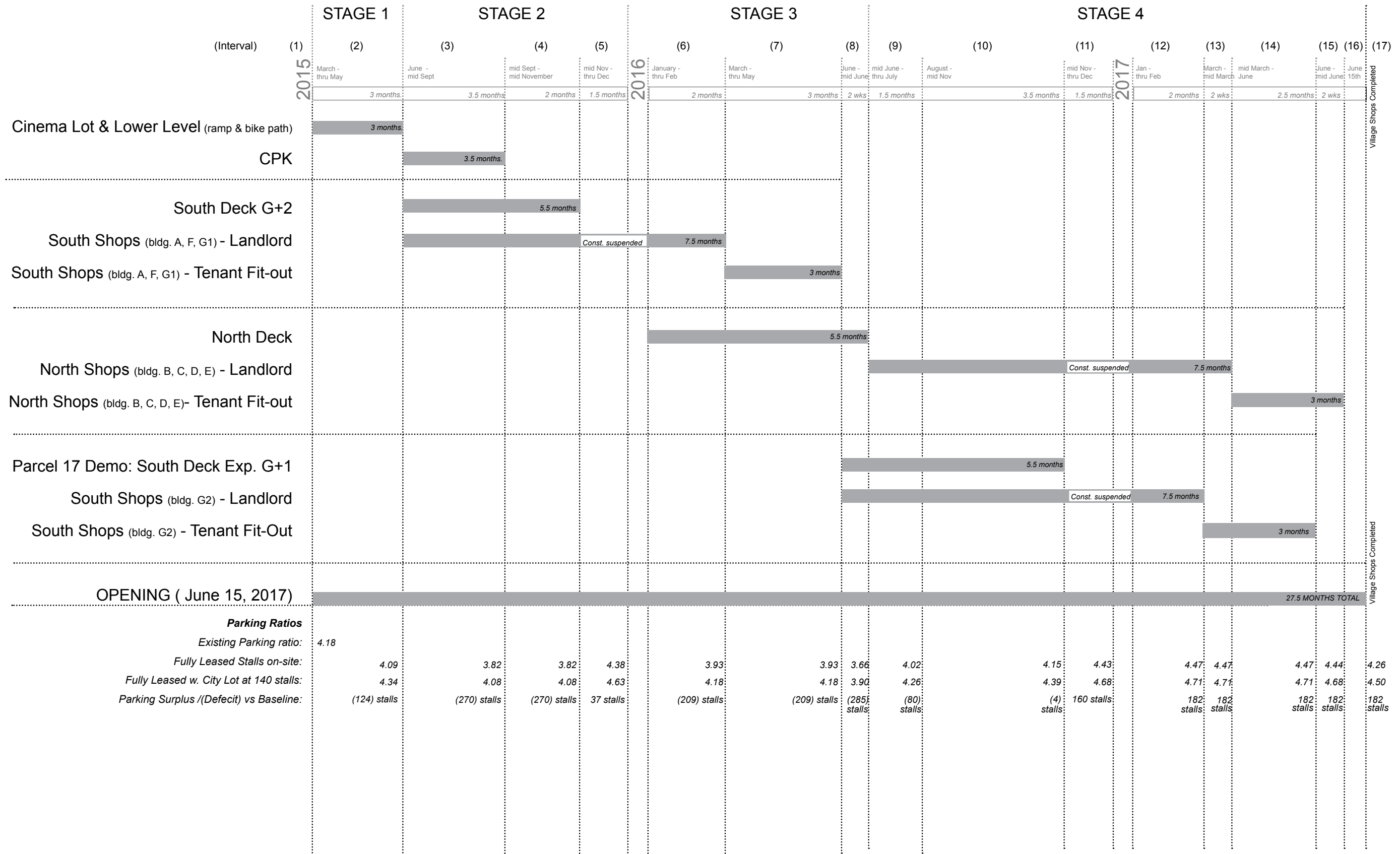
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Village Shops Under Construction Site Plan:
Village Shops Complete
2017

CPP 2017

Interval: 17



WORKING DRAFT – Not for Public Review

MVSC Enhancement Program

April 23, 2014

#206340.01



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Angela Soo

From: Peter.Gutierrez@lw.com
Sent: Wednesday, May 14, 2014 6:15 PM
To: Amy Thomas Howorth; Wayne Powell; Mark Burton; Tony D'Errico; David Lesser
Cc: Bruce Moe; Richard Thompson; Laurie B. Jester; Quinn Barrow; mark.english@db.com
Subject: Manhattan Village Mall Enhancement Project
Attachments: Letter to Council.PDF

Honorable Mayor Howorth and City Councilmembers:

On behalf of applicant RREEF, attached for your consideration is a letter which responds to legal issues raised at your April 29, 2014 public hearing.

Peter J. Gutierrez

LATHAM & WATKINS LLP
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Latham & Watkins LLP

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LATHAM & WATKINS LLP

May 14, 2014

VIA EMAIL

Honorable Mayor Amy Howorth and
Honorable City Councilmembers
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

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Re: Proposed Manhattan Village Mall Expansion (May 20, 2014 City Council Meeting)

Dear Honorable Mayor Howorth and Honorable Councilmembers:

We are writing on behalf of our client, RREEF America REIT II Corporation BBB (“RREEF”), to address legal issues raised at the April 29, 2014 City Council meeting by representatives of the ownership of the Hacienda Building (“3500 Sepulveda”) with respect to the proposed Manhattan Village Mall expansion project. As you will recall, 3500 Sepulveda presented a number of statements and allegations about the project at the meeting. RREEF will respond by separate letter to several factual inaccuracies; the purpose of this letter is to offer some clarity on legal issues that 3500 Sepulveda raised.

At the April 29 meeting, 3500 Sepulveda attacked the legality of the approvals process and the project itself primarily on four grounds: (1) that the project environmental impact report (“EIR”) is legally deficient; (2) that the City Council has procedurally and substantively violated CEQA and due process throughout the approvals process; (3) that the Resolution adoption process is legally flawed; and (4) that project approval would result in illegal spot zoning of 3500 Sepulveda’s property. As we will discuss in greater detail below, 3500 Sepulveda’s contentions with respect to these legal arguments are without merit.

We respectfully request that your Council certify the Final EIR and approve the Master Use Permit Amendment, height variance and Sign Exception/Program, so that RREEF may continue to work together with the City to bring this much-needed revitalization of the Manhattan Village Mall to the citizens of Manhattan Beach.

The Project EIR Is Not Deficient

At the April 29 meeting, 3500 Sepulveda alleged that the project EIR was deficient and could not be approved by the City Council in its present state. As shown below, this is incorrect.

3500 Sepulveda's arguments asserting the inadequacy of the EIR are nothing more than scare tactics designed to delay action by the Council.¹ Your Council should not be distracted by 3500 Sepulveda's unsubstantiated attacks on the EIR.

3500 Sepulveda raised four alleged deficiencies of the EIR: (1) that the alternatives analysis is deficient; (2) that the EIR impermissibly defers parking mitigation; (3) that the EIR's analysis of traffic impacts is inadequate; and (4) that the studies relied upon in the EIR do not represent the "independent judgment" of the City. We will address each of these arguments in turn.

1. The Alternatives Analysis Is Not Deficient

3500 Sepulveda attacks the project before the City Council for approval because it consists of Phases I and II only, and claims it represents a project alternative that was not among those studied in the EIR. It argues that the project before the City Council was not one of the *alternatives* studied in the EIR, and concludes that the City, therefore, cannot approve it. This contention completely misapprehends CEQA's requirements for alternatives analysis.

Under CEQA, an EIR must present alternatives to the proposed project itself; an EIR's alternatives analysis simply has to be sufficient for informed decision-making. (*Preservation Action Council v. City of San Jose* (2006) 141 Cal.App.4th 1336, 1351.) To meet this level of sufficiency, the EIR has to describe a range of "reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives." (*Preservation Action Council v. City of San Jose* (2006) 141 Cal.App.4th 1336, 1353.) As is proper, the project EIR analyzes the impacts of the project itself, and presents several alternatives to the project. The alternatives analysis is meant to provide "only those alternatives necessary to permit a reasoned choice." (CEQA Guidelines § 15126.6, subd. (f).) The alternatives analysis satisfies this requirement by presenting four reasonable alternatives to the project itself, including a no-build alternative. (See, Draft EIR, Section V, Alternatives.)

There is simply no requirement in CEQA that an EIR assess every conceivable alternative. Nor is the decision-maker limited only to the project as originally presented or one of the project alternatives. The decision-makers can approve a modified project as long as it fits

¹ While we can only speculate about 3500 Sepulveda's motivations, statements by one of 3500 Sepulveda's representatives suggests that delay is part of an effort to extract concessions from RREEF. In his testimony to the City Council on April 29, 2014, Brant Dveirin asked the Council not to approve the project because it would interfere with 3500 Sepulveda's private negotiations: "But if you [the Council] go ahead and approve this tonight, we are obligated to continue to negotiate in good faith with RREEF. How are those negotiations supposed to go, if you give them an approval and they have no basis to negotiate with us? ...and that's why we want the City to still be involved in this and to not approve this tonight, because we need you to help us negotiate an agreement with RREEF..."

“within the envelope” of the environmental analysis. Here, an analysis of the proposed modifications to the project before the Council has concluded that “potential impacts associated with the proposed modifications are within the envelope of impacts addressed in the EIR.” (Final EIR Volume II, Section VI., page VI-18.)

3500 Sepulveda also made the assertion that the Phase I only alternative was rejected in the EIR for a number of reasons, and that all of those grounds for rejection apply equally to the project that is before the City Council for approval. These assertions are incorrect. The Phase I only alternative was rejected in large part because it failed to meet several important project objectives. (See *California Native Plant Society v. City of Santa Cruz* (2009) 117 Cal.App.4th 957, 980 [alternatives considered in an EIR must be able to “feasibly attain most of the basic objectives of the project”].) However, the current project (Phases I and II) before the City Council attains basic project objectives.

For example, the project consisting of Phases I and II will maintain the open area characteristics of the Mall while providing improved landscaping and open space for patrons and the surrounding community, and the project plans are designed to promote pedestrian access within the Mall site. (See Final Environmental Impact Report at p. II-9.) The design of the proposed new buildings will create an open air “village” of shops which will tie to the existing central Mall enclosed entrances. (*Id.* at p. II-14.) New pedestrian walkways and courtyards will enhance the open air feel of the Mall, and enhanced signage will provide wayfinding assistance to residents and visitors to the Mall. (*Id.* at p. II-23.) Finally, not only does the project as proposed contemplate the expansion and consolidation of Macy’s, but RREEF is required under the conditions of approval to expedite the submittal of building plans for the Macy’s Fashion Store expansion and take other measures to work toward the Macy’s consolidation. (See, e.g., *id.* at p. II-16 and proposed Conditions of Approval Nos. 13 and 14.)

2. The EIR Did Not Impermissibly Defer Parking Mitigation

3500 Sepulveda claimed that mitigation of parking impacts during construction has been improperly deferred. 3500 Sepulveda ignores the fact that CEQA provides for the reality that, as a project proceeds, some flexibility may be needed with respect to *implementing* the appropriate mitigation measures. Improper deferral of mitigation only occurs when mitigation measures are put off to the future, with no specification of performance standards which would mitigate the significant effect of the project. (*California Native Plant Society v. City of Rancho Cordova* (2009) 172 Cal.App.4th 603, 621.) In other words, “the details of how exactly mitigation will be achieved under the identified measures can be deferred”; they need only to establish a performance standard that sets a bar for future mitigation to comply with. (*Id.*)

Furthermore, performance standards “may be accomplished in more than one specified way.” (*California Native Plant Society*, 172 Cal.App.4th at 621.) CEQA requires that the EIR provide such a standard. Here, the EIR more than satisfies this criteria by including a traffic study in Appendix G of the EIR (the “Traffic Study”) which specifies a performance standard for parking: a maximum target of 95 percent occupancy. The EIR also includes Mitigation Measure H-2, which is designed to ensure adequate parking during the holiday season, the busiest time of

the year, and sets a performance standard that requires RREEF to provide the number of off-site spaces necessary to meet demand. These concrete parking performance standards clearly set a bar that RREEF is required to meet and that will adequately mitigate parking impacts. Where, as here, the City identifies an impact and a specific measure calculated to mitigate that impact, improper deferral has not occurred. (*California Native Plant Society*, 172 Cal.App.4th at 622.)

3500 Sepulveda also argued that the construction parking mitigation lacks performance standards and is insufficient because it does not set a definite timeline for completion of the project. But, as discussed above, the City did identify performance standards and mitigation measures. With respect to project duration, the City is required to provide enough information to be used by the decision-makers to make an informed decision. (See *Gray v. County of Madera* (2008) 167 Cal.App.4th 1099, 1109.) The EIR provides an estimation of the project duration that is more than sufficient for the decision-makers to make an informed decision and which meets the legal criteria under CEQA. The EIR parking analysis tested the parking impacts of an eleven-month construction schedule running from January to November, as well as a fourteen-month construction schedule. (See Final Environmental Impact Report Vol. 2 at p. VII-15.) Both the eleven- and fourteen-month time periods met all requirements from a parking availability standpoint, including with continued use of the leased lower lot for employee parking during the holiday shopping period. (See Traffic Study at p. 84.) Contrary to 3500 Sepulveda's claims, the EIR more than adequately addresses mitigation for any construction parking impacts.

3. The EIR's Analysis Of Traffic Impacts Is Not Flawed

3500 Sepulveda attacked the EIR's analysis of traffic impacts, arguing it is deficient because the Traffic Study did not study enough intersections. At the April 29 meeting, 3500 Sepulveda suggested that because the City's traffic consultant conducted further *voluntary* analysis to confirm the results of the Traffic Study, more traffic studies must have been needed. 3500 Sepulveda accused the City of "burying" the results of the confirmatory analysis in the materials presented to the City Council.

The City's consultant undertook additional traffic analysis at the request of the City Council and residents has no bearing on the adequacy of the first study and is in no way an admission that the first study was not adequate. Rather, it was the City's prerogative to go above and beyond the required and sufficient Traffic Study to satisfy itself that the traffic analysis is sufficient and to respond to the requests of its constituents. And the results of the additional analysis confirmed what was already disclosed in the EIR and Traffic Study; there will not be any significant traffic impacts as a result of the project. As the EIR described in detail, the heaviest addition of traffic from the project would occur at the end of Phase II; using counts from the driveways to the arterials entering and exiting the Mall, the traffic analysis revealed that additional trip counts would be far fewer than the 16 trips/hour eastbound on Rosecrans Avenue that would be required to trigger a significant traffic impact. (See Final Environmental Impact Report, Vol. II at p. VII-17.) For example, trip additions to the Rosecrans corridor at the highest point would run in the order of 6-7 trips/hour, less than half of what would be needed to find a significant impact. (See *id.*)

3500 Sepulveda also erroneously argues that RREEF's voluntarily offer to pay for a study of traffic on Oak Avenue and Cedar Avenue indicated a traffic impact for which mitigation is being deferred. But this argument misstates the facts. The study being paid for is wholly unrelated to any traffic impacts caused by the project; general concerns about traffic on Oak Avenue and Cedar Ave. have been raised to the City, and as a community benefit, RREEF has volunteered to fund a study for the City. Proposed Condition No. 52 clearly indicates that "RREEF has offered to voluntarily fund" the study. As indicated in the Final EIR, the project does not add enough traffic to the surrounding street network to result in a significant impact from neighborhood cut-through traffic. (See, Final EIR Volume II, Topical Response B.6, Neighborhood Cut-Through Traffic.) Mitigation is not deferred when there is no impact to mitigate.

4. The City Has Exercised Its Independent Judgment

3500 Sepulveda's legal representative quoted from Public Resources Code § 21082.1(c) on April 29 as he argued that the documents circulated by the City do not comply with CEQA's requirement that the City exercise "independent judgment," alleging that some of the studies and reports considered by the City were prepared or paid for by RREEF. The exercise of "independent judgment" means simply that the City must independently review, evaluate, and exercise judgment over EIR documentation, not that the City must itself prepare or pay for the documentation. (*Friends of La Vina v. County of Los Angeles* (1991) 232 Cal.App.3d 1446, 1452.) The fact that studies may or may not have been prepared by or paid for by the City itself in no way precludes the City from exercising its "independent judgment" in evaluating the contents of the EIR or studies utilized to prepare the EIR. (*Id.* ["[A]n agency may comply with CEQA by adopting EIR materials drafted by the applicant's consultant, so long as the agency independently reviews, evaluates, and exercised judgment over that documentation and the issues it raises and addresses."].) The evaluation of the project and environmental documentation by staff and the ongoing deliberations by the City Council are evidence of independent judgment being exercised.

In fact, 3500 Sepulveda's representative conveniently neglected to mention subdivision (b) of the *very same section* of CEQA which 3500 Sepulveda quoted from, which states that "[t]his section is not intended to prohibit, and shall not be construed as prohibiting, any person from submitting information or other comments to the public agency responsible for preparing an environmental impact report...[t]he information or other comments may be submitted in any format, shall be considered by the public agency, and may be included, in whole or in part, in any report or declaration." (Cal. Pub. Res. Code § 21082.1, subd. (b) [emphasis added].) The CEQA Guidelines even say "[a]ny person, *including the applicant*" may submit information to assist in the preparation of the EIR. (CEQA Guidelines § 15084(c) [emphasis added]) CEQA expressly allows the City to use studies and information received from third parties and even the applicant.

3500 Sepulveda's contentions about the insufficiency of the EIR lack merit. The EIR adequately analyzes alternatives, parking mitigation, and traffic impacts, and the City has

properly exercised its independent judgment in evaluating the environmental documentation for the project. The EIR meets all of the requirements of CEQA.

The City Council Has Not Approved The Project Nor Violated CEQA Or Due Process With Respect To Its Consideration Of The Project

At the Council meeting on April 29, 2014, 3500 Sepulveda raised the specter of process issues under both CEQA and due process, claiming that the City Council has already improperly adopted the project and has denied the public and 3500 Sepulveda a fair opportunity to raise concerns at public meetings. Neither of these assertions is true.

1. The City Has Not Yet Approved The Project

3500 Sepulveda's legal representative claimed that the City Council impermissibly voted to approve the project at the January 14, 2014 meeting, but illegally failed to adopt a CEQA document at the same time. Alternatively, he argued it was an illegal straw vote. These allegations are belied by the actual proceedings on January 14, 2014.

A review of the video recording of that January meeting reveals that the City Council *did not* vote to approve the project. At the January meeting, City Attorney Wiener specifically clarified on the record that the purpose of the motion was *only* to direct City Staff to prepare the appropriate documents for consideration by the City Council, including CEQA documents and the necessary resolutions, not to approve the project itself. The project has not yet been approved, and 3500 Sepulveda's assertions to the contrary are baseless.

2. Due Process Has Been Satisfied For Both The Public And 3500 Sepulveda

3500 Sepulveda argued the public has not been given due process because the project has been changed between meetings without adequate notice to the public. In reality, adequate public notice has been given throughout the public hearing process. Public notice is required to "apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." (*Laupheimer v. State of California* (1988) 200 Cal.App.3d 440.) The notice provided meets this legal standard.

3500 Sepulveda also claimed its own due process rights have been violated during the course of the City's proceedings, including at the Planning Commission. But 3500 Sepulveda has had more than enough time to voice its concerns at various public meetings about the project. For quasi-judicial processes such as the consideration of a project or EIR, "[a]ll that is necessary is that the procedures be tailored, in light of the decision to be made, to 'the capacities and circumstances of those who are to be heard' ... to insure that they are given a meaningful opportunity to present their case. *In assessing what process is due ..., substantial weight must be given to the good-faith judgments of the [agency] that [its] procedures ... assure fair consideration of the ... claims of individuals.*" (*Mohilef v. Janovici* (1996) 51 Cal.App.4th 267, 289 [citing *Mathews v. Eldridge* (1976) 424 U.S. 319, 335] [emphasis in original].) California courts have held that public hearings imposing time limits of only a few minutes on comments

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meet the requirements of due process. (See, e.g., *California Grape and Tree Fruit League v. Industrial Welfare Commission* (1969) 268 Cal.App.2d 692.)

Not only did 3500 Sepulveda have an opportunity to speak at the many Planning Commission meetings where the project was considered, but 3500 Sepulveda also had multiple opportunities to speak at the many City Council meetings including the January 14, 2014 meeting. On April 29, 2014, 3500 Sepulveda and its legal representatives presented to the City Council for over one hour. Additionally, 3500 Sepulveda has submitted numerous written comments on the project over the course of the many years of proceedings. The record demonstrates that 3500 Sepulveda has been provided ample due process throughout the proceedings including as an appellant before the City Council.

The City Is Not Bound By Private Agreements Between Third Parties

At the April 29 meeting, 3500 Sepulveda asked the Council to delay a vote on the project and alleged that approval of the project would detrimentally affect 3500 Sepulveda's bargaining position vis-à-vis private a private Settlement Agreement and parking easement to which 3500 Sepulveda is a party. The City is charged with making a land use decision with respect to the project based on the merits after considering potential environmental impacts, whether the project is appropriate for the Manhattan Beach community and whether it complies with City laws and policies. The City is not called upon to become involved in or adjudicate a private agreement to which it is not a party. The City is not bound by and cannot be limited by the terms of a private agreement to which it is not a party. (*Lincoln Sav. & Loan Assn. v. Riviera Estates Assn.* (1970) 7 Cal.App.3d 449, 461.)

Project Approval Would Not Result In Impermissible Spot Zoning

3500 Sepulveda claimed that approval of the project would result in impermissible spot zoning. This assertion is without merit. Allegations of spot zoning imply discriminatory treatment (*Avenida San Juan Partnership v. City of San Clemente* (2001) 201 Cal.App.4th 1256, 1269.) and that the requirements applied to a property are "unreasonable, oppressive and unwarranted" (*Hamer v. Town of Ross* (1963) 59 Cal.2d 776, 781.). First, the zoning designation applicable to the Hacienda Building (Community Commercial) is the same zoning designation that applies to all but 3.6 acres in the northwest corner of the shopping center. Additionally, the proposed MUP land use restrictions would apply equally to RREEF and 3500 Sepulveda. Spot zoning does not occur simply because RREEF's property is proportionally larger than 3500 Sepulveda's. There is no discriminatory treatment of 3500 Sepulveda's property.

Furthermore, some of the "lost" uses 3500 Sepulveda claims it will be deprived of are not allowed to be implemented unfettered under the existing MUP. For example, the establishment of medical/dental uses at the Hacienda Building would require an application to the City under the existing MUP. (See Resolution No. PC 01-27, Condition No. 7 [approved land uses do not include medical/dental uses].) 3500 Sepulveda's legal representative said that all his client wants is the discretion to determine the mix of uses on his property. But again, with respect to some

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uses, 3500 Sepulveda currently does not possess an unfettered right. Whether 3500 Sepulveda is confused about its own rights under the existing MUP or is trying to confuse the City, the reality is that the new MUP under consideration as proposed Resolution 14-0026 enhances 3500 Sepulveda's rights as recognized by Section 17 of the proposed Resolution "including eliminating established limits on office, medical and dental uses."

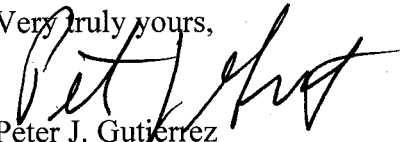
Conclusion

3500 Sepulveda's challenges to the legality of the EIR, Resolution, and project approval process are nothing more than distractions and perhaps part of an effort to get a better deal for itself. The City Council should not be misled by the threats that 3500 Sepulveda and its legal representatives have raised.

On behalf of RREEF, we again respectfully request the City to approve both the Final EIR and the project so that we can continue to move forward and work together to produce the best project for Manhattan Beach.

We appreciate your consideration of this matter.

Very truly yours,



Peter J. Gutierrez
of LATHAM & WATKINS LLP

cc: Bruce Moe, Acting City Manager
Richard Thompson, Director of Community Development
Laurie Jester, Planning Manager
Quinn Barrow, City Attorney
Mark English, RREEF

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MVSC LATE
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5/20/14
CITY COUNCIL
MEETING

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Marcus Raymond

Subject: FW: Manhattan Beach Village

From: Mike Simms <mike@simmsrestaurants.com>
Date: May 19, 2014 at 5:47:43 PM PDT
To: <CityCouncil@citymb.info>, <ltamura@citymb.info>
Subject: **Manhattan Beach Village**

Dear Council Members,

In an effort to add clarity to my position in this situation. I'd like to state the following. I encourage Rreef to forge an amicable solution with my landlord. Mark and his partners are fighting to protect the well being of their property, and in doing so, he is also looking out for the best interests of Tin Roof. I've come to mutually beneficial agreements with our landlords in several occasions.

In 2008, I was delayed 14 months in the development of Tin Roof because the city required our landlords to reach a settlement with Rreef before the city approved my project. Now, six years later the reverse situation is occurring; the same requirement should hold true.

It would go very far within our community if Rreef was able to accomplish their goals while satisfying the concerns of our landlords and fellow neighbors.

Regards,

--

Mike Simms
Simms Restaurants
Tin Roof Bistro: 310.939.0900
Simmzy's: 310.546.1201
M.B. Post: 310.545.5405
Fishing with Dynamite: 310.893.6299
Office: 310.546.6250
Fax: 310.546.6188
mike@simmsrestaurants.com

Liza Tamura
City Clerk
P: (310) 802-5055
E: ltamura@citymb.info



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5/20/14 City Council
Meeting

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Marcus Raymond

Subject: FW: Manhattan village Mall
Attachments: Mall Unanswered Questions 5-20-14.pdf; ATT00001.htm

From: V Neumann <v_neumann@msn.com>
Date: May 20, 2014 at 7:19:50 AM PDT
To: <ltamura@citymb.info>, <CityCouncil@citymb.info>
Subject: Re: Manhattan village Mall

Dear City Council and City Clerk,
Attached is a document "Manhattan Village Mall Expansion Unanswered Questions" that includes queries from past Council Meetings that have not been sufficiently answered. I look forward to the public receiving the answers to these questions at this evening's City Council Meeting.

Regards,
Vicki Neumann
Vicki Neumann

Liza Tamura
City Clerk
P: (310) 802-5055
E: ltamura@citymb.info



Distributed / Submitted for
5/20/14 City Council meeting
by Vicki Neumann

May 20, 2014

1. **How and why did 3500 go from “Owner” in the Planning Commission staff reports to “Applicant” in the City Council staff reports prepared by Richard Thompson and Laurie Jester?**
2. **Why has 3500 been left out of communications and negotiations affecting 3500’s property rights?**
3. **Why does Staff acknowledge and honor private agreements between RREEF and Macy’s but dismiss the private agreement (Settlement Agreement) actually required by Staff?**
4. **Why does the City Staff and some Council Members support a project that decreases the parking ratio in the heavily used areas such as the “Core Mall Area”?**
 - In the September meeting, Wayne Powell specifically requested Staff to present evidence that parking is adequate not just statistically but for real use purposes. **Why has he changed his mind?**
 - Residents have specifically requested and are expecting parking to be easier not more difficult. The Core Mall is where people typically go to park—not Ralphs, not the ditch. It is a real use representation of what people think of as “ease of parking,” yet Core Mall ratio is being reduced from 3.7/ksf to 3.22/ksf. Point has 6.0/ksf parking.
5. **Why did City Staff characterize the separation of Phase 3 as a “RREEF compromise” and a “reduction in bulk and density” in response to City Council’s November specific request and residents overwhelming request to reduce bulk and density in the main mall area?**
6. **Why are City Staff and some Council Members ignoring the Planning Commission’s EIR findings that specifically rejected any Alternative that excludes Phase 3?**
 - At the September meeting Amy Howorth said that she considered Phase 3 essential to the success of the project. **Why has she changed her mind?**
 - At the September meeting Wayne Powell requested that the phasing tied together to include Phase 3. **Why has he changed his mind?**
7. **Why did the several members of the City Council state their frustration publicly at the November 2013 Council meeting when Staff had again not answered all of their questions, yet did not insist on these answers at the next, January meeting?**
8. **Why is the City ignoring the needs of the small business in the Hacienda Building?**
 - The scale of the project, the decrease in Core Mall parking and the construction hurts those small businesses. Per the most recent plan, Lot F area adds 24,000 sf of buildings and only 19 parking spaces, thus 0.79 spaces per 1,000 sf.
 - At the September meeting, Amy Howorth stated that she wanted to protect the small businesses in the 3500 building. **Why has she changed her mind?**
9. **Fry’s - Why was the lost revenue to the City and businesses during 27 months of construction not included in the City’s Economic Consultant, Kosmont Co’s report?**
 - A 29% reduction in parking during construction has strong correlation to reduction in mall tenants’, adjacent business’ sales and City tax revenue. Lost sales could total about \$300M. Lost revenue to City could total about \$3.1M
10. **Fry’s - Can Bruce Moe confirm the accuracy of Kosmont Co’s estimate of Fry’s sales volume at \$40? What is the true economic impact to the City of losing Fry’s?**
11. **Fry’s – Why is City Staff and some Council Members accepting RREEF’s negotiation of three 1-year extensions as evidence of satisfying the Good Faith negotiation request?**
 - The April 2014 Staff Report lists Item Number 6 as satisfying the Council Condition 19a). Number 6 states RREEF’s current negotiation of three 1-year deals. Three 1-year deals are inconsistent with good faith efforts to retain Fry’s long term.
12. **Who is correct, the City Attorney presiding over the November meeting who stated publicly that a Council Motion was required to reopen the public hearing or the City Attorney presiding over the April meeting who said a motion was not required?**

- 13. Why did some members of Council drop several requests made of Staff at pre-November meetings? These publicly made requests deserve publicly stated answers.**
 - Lesser – requested a detailed impact of Electrical infrastructure and requested a letter from Edison that addresses these specifics. Staff's responded by submitting a SCE "Will Serve" letter which is not at all the same.
 - Lesser – requested that RREEF respond to the request of providing a theater.
 - Lesser – requested feasibility of hotel. Staff's response that "RREEF doesn't develop hotels" is inaccurate and does not answer the question. A proper response includes the analysis of the best use and viability of the City's site that RREEF currently rents at below market rate.
- 14. Why won't Staff share the Construction parking plan with the Council and the Public?**
 - Amy Howorth and David Lesser publically requested detailed Construction Parking and Staging plans at the September meeting.
 - Construction Parking will impact all existing Mall businesses, neighboring residents and sales tax revenues to the City of Manhattan Beach.
- 15. Traffic – Why is Council willing to forgo a public explanation of the EIR Traffic Equivalency Program that Council, residents and business have requested for months?**
 - The Equivalency Program is a major change to the City's zoning regulations.
 - The Equivalency program is being forced upon 3500 without its consent.
- 16. Traffic - After Phase 1, how do the cars get across the Veterans Parkway ditch?**
 - The traffic study circulation/trip calculations assume a vehicular connection between the mall and the upper Fry's lot. However, Phase 1 does not require Cedar Way so there is no road or vehicular connection between the mall and Fry's.
- 17. Traffic – Can Staff and Council explain how Fry's staying does not affect the trip count when the original plan relied upon eliminating Fry's Phase 3 trips to balance the overall trip count?**
- 18. Traffic - The traffic study was revised in September 2013, but just released to the public in mid April 2014 via the Final EIR last week. Why the delay?**
- 19. Macy's - What happens if Phase 1 is built and Macy's does not move?**
 - The Staff's resolution does not guarantee Macy's will move
 - The Staff's resolution contains a sort of poison pill that will harm the residents and the City if RREEF does not fulfill their obligation under Phase 2 by leaving unoccupied stores.
- 20. Macy's – With both Staff and RREEF declaring the importance of Macy's consolidation critical, why doesn't Council insist that Macy's consolidation occur in Phase 1?**
 - The only way to GUARANTEE Macy's consolidation is to do it first.
- 21. Has anyone called The City of Sunnyvale?**
- 22. Macy's - Can RREEF add 60,000 sf of other retail, as the revised traffic report states?**
- 23. Macy's – Why is the Staff and Council willing to accept incomplete verification of the "Put Option" before approving the project?**
- 24. Will Council approve the Master Sign Program without RREEF presenting it as promised?**
 - The Master Sign Program was not approved by Planning Commission and includes variances to City Municipal Code.
- 25. Why are the Staff and Council willing to accept RREEF's elimination of the Planning Commission requested Bicycle Center in response to Council's request to reduce bulk and density?**
- 26. Why won't the Council prohibit non-conforming banks in the future?**
 - Staff has not included a solution to Kosmont's strong denouncement of "Dead Soldiers".
- 27. Will the same design requirements apply to the North Garage at Macy's?**
 - The current renderings only show the Village shops garages.
 - The North Garage is currently planned as a sloped slab structure and so will not have the adaptability for add-ons.

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May 20, 2014

File No.
33333.333

VIA E-MAIL and HAND DELIVERY

The Honorable Amy Howarth, Mayor
The Honorable Wayne Powell, Mayor Pro Tem
The Honorable Mark Burton, Council Member
The Honorable Tony D'Errico, Council Member
The Honorable David J. Lesser, Council Member
MANHATTAN BEACH CITY HALL
1400 Highland Avenue
Manhattan Beach, CA 90266
Email: Itamura@citymb.info

Re: 3500 Sepulveda's Required Changes to Resolution 14-006 and
New Conditions to Manhattan Village Shopping Center Project

Dear Honorable Mayor, Mayor Pro Tem and Members of the City Council:

Lewis Brisbois Bisgaard & Smith, LLP represents 3500 Sepulveda, LLC, 13th & Crest Associates, LLC and 6220 Spring Associates, LLC who collectively are the owners of the Hacienda Building located at 3500 Sepulveda Boulevard (collectively, the "Hacienda Building Owners").

The Hacienda Building Owners are opposed to the Manhattan Village Shopping Center Project (the "Project"), and request the below revisions to Resolution 14-006 (the "Resolution") and the addition of two conditions to the Project by the City, also listed below.

We have continued to meet with both your City Attorney and with RREEF's representatives to resolve all outstanding issues with both the City and RREEF, but to no avail. We met with Quinn Barrow on May 13, 2014. We are scheduled to meet with RREEF again as late as noon on Tuesday, May 20th, prior to the Council Meeting on the evening of May 20, 2014. We are not optimistic, however, as we have met with RREEF several times already and to-date RREEF has never offered any definitive or concrete steps to address the Hacienda Building Owners' legitimate concerns.

Distributed at 5/20/14
City Council meeting by
Brant Dveiran

Now, the City can and should, on its own, make changes to the Resolution and add new conditions to the Project, which are necessary to address 3500's concerns, and those of the public who will use the Mall and the Hacienda Building.

First, enclosed as Exhibit A are redline changes to the draft Resolution, which corrects inaccuracies (e.g. adds the correct owners' names) and also makes more clear, that which was intended by Quinn Barrow at the last Council meeting. Quinn Barrow stated that nothing in the current Resolution will affect the existing or future uses at the Hacienda Building. The 3500 building shall continue to be governed by the existing Master Use Permit and not the new Resolution. The changes to the Resolution make clear that 3500 Sepulveda Owners have discretion over the uses at the Hacienda Building without incurring any additional parking obligations. Any new or further parking obligations caused by 3500 Sepulveda or by RREEF are to be the responsibility of RREEF and not the Hacienda Building Owners.

Second, enclosed as Exhibit B is a plan showing the Mall Project as approved in our Settlement Agreement with RREEF, compared to the plan for the current Mall Project. It is clear that the new Mall Project has considerably less parking for the Hacienda Building specifically, and for the Mall in general. Previously, there were 571 spaces in the former Deck 2, plus 43 spaces in Lot E directly adjacent to the Hacienda Building. Moreover, Deck 2 had a stairwell and elevator that faced the Hacienda Building, for the convenience of our customers and tenants.

In contrast, in the current Mall Project, Deck 2, now called the North Deck, has only 427 spaces and the former Lot E adjacent to the Hacienda Building is completely gone. *Instead of 571 spaces in front of the Hacienda Building, there are now only 427 spaces, a difference of 144 spaces.* The stairwell and elevator, which was part of Deck 2, is now no longer part of the North Deck design.

When viewing the two plans together, there is an obvious and noticeable drop in the available parking that may be used by the Hacienda Building and the greater Mall.

As a result, there are two conditions necessary to correct the above issues with the North Deck, which the City needs to add to the Project, which should read substantially as follows:

- 1. RREEF shall, without further reducing the available number and type of parking, add a stairwell and elevator to the North Deck facing the Hacienda Building, the plans to be pre approved in writing by the Hacienda Building Owners, whose approval shall not be unreasonably withheld.**
- 2. RREEF shall, add to the Phase One of the Project, in the location of the former Lot E, an equivalent lot containing at least 150 parking spaces, at level grade with, and adjacent to the Hacienda Building, and directly next to the Hacienda Building, without**

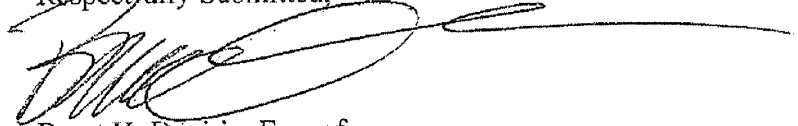
The Honorable Amy Howarth, Mayor, et al.
3500 Sepulveda's Required Changes to Resolution 14-006, etc.
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any reduction to the available number of parking spaces and type of parking, the plans to be pre-approved in writing by the Hacienda Building Owners, whose approval shall not be unreasonably withheld. The Hacienda Building Owners believe that the additional lot should be at least 150 spaces, to address parking shortages in the entire project, but at the very least, the 144 spaces removed from the former Deck 2 need to be returned. Exhibit C in blue shows the approximate location of the new 150 space lot.

With the changes to the Resolution language and the addition of the two conditions related to the elevator and stairwell and additional lot, this will resolve the Hacienda Building Owners issues with the City. The private issues under our agreements with RREEF remain and we will continue to work with RREEF to resolve those issues.

If the changes to the Resolution are not made and the two above conditions are not adopted, the Hacienda Building Owners remain in opposition to the Resolution.

Respectfully Submitted,



Brant H. Dveirin, Esq. of
LEWIS BRISBOIS BISGAARD & SMITH LLP

BHD/NM:dlm
Enclosures: Exhibits A-C
cc: Peter Gutierrez, Esq.
(via [email/Peter.Gutierrez@lw.com](mailto:Peter.Gutierrez@lw.com))

Quinn Barrow, Esq.
(via [email/gbarrow@wrglaw.com](mailto:gbarrow@wrglaw.com))

EXHIBIT "A"

EXHIBIT "A"

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. An amended application was submitted July 24, 2013, that included signatures of 3500 Sepulveda and Macy's.

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, 13th & Crest Associates, LLC and 6220 Spring Associates, LLC as tenants in common ("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;¹ 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,

¹ Bullocks Properties Corp., a Delaware corporation, is the record owner of the Macy's parcel. The amended MUP application was signed by Macy's West Stores, Inc. The California Secretary of State's office reveals that Macy's West Stores, Inc. is an Ohio corporation that appears to have qualified to do business in California on February 16, 1999. The California Secretary of State's website shows that Bullocks Properties Corp. was surrendered in 19 (Le., is no longer an active corporation in California). If Macy's West Stores, Inc. owns the Macy's property, there has been no deed recorded to reflect a change in ownership of the property from Bullocks Properties Corp. to Macy's West Stores, Inc.

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 parr "to preserve administrative remedies related to specific "Conditions of Approval."

SECTION 7. On September 3, 10, and 17, October 8 and November 12, 2013, the City Council held duly noticed public hearings *de novo* to consider RREEF's application for an amendment to the existing Master Use Permit, a height variance, and amendment to the Master Sign program/sign exceptions. In addition, the Council held duly noticed public meetings on August 6, 2013 and January 14, 2014 to consider the application. Evidence, both written and oral, was presented to the Council. All persons wishing to address the City Council regarding the Project were given an opportunity to do so at the public hearings. Representatives of RREEF and Macy's, residents and local business owners spoke in favor of the Project. Representatives of 3500 Sepulveda LLC and other persons spoke in opposition to the Project on various grounds.

SECTION 8. On January 14, 2014, the City Council provided another opportunity for representatives of RREEF, and 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 are attached to the staff report as Attachment 9. A matrix comparing the Project as analyzed by the EIR and the revisions to the plan reflecting the modifications and refinements requested by the Planning Commission and the City Council is attached to the staff report as Attachment 3. The project as analyzed in the EIR as refined and modified by the revisions to the plan constitutes the "Project" hereinafter.

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 conducted another public hearing in which the 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 close of the public hearing, 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 13. 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 11 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; Phase III is not being approved 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. 3500 Sepulveda is exempt for this condition.
- 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 11 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.² 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.

² Current mix of uses? Future mix of uses? Where is mix of uses defined?

- 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.³ 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, 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

³ Right-turn pockets as required have not been dedicated from Marine to Valley.

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.⁴ 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 1-1: Provide a balanced transportation system that allows the safe and efficient movement of people, goods and services throughout the City.
- Policy 1-1.9: 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.

⁴ Uniting Fry's to the shopping center has not been done, and cannot be done without the approval of RREEF, Macy's and 3500 Sepulveda, pursuant to the terms of the COREA.

- 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 1-8.2: 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-99.5: 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.
- 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;⁵
 - 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

⁵ Right turn lanes have not been required on Sepulveda from Marine to Valley.

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. The parking required for this project cannot be calculated using the Municipal Code. The Equivalency program is not in the City 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.⁶
 - 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

⁶ All the guidelines have not been met.

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 parking decks are proposed to be 26 feet high, with architectural features up to 32 feet, but they will not exceed the height of the surrounding buildings. 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 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 Macy's parking structure at the northeast corner is approximately 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 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 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, Macy's and 3500 Sepulveda applied for a Sign Exception/Sign Program for all phases of the project, including Phase III, 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 any portion of Phase III, including the signs proposed for Phase III, except as specifically mentioned in the conditions of approval hereinafter. Specifically, RREEF, Macy's and 3500 Sepulveda 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, Macy's and 3500 Sepulveda 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, Macy's and 3500 Sepulveda 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.

The three individual property owners (RREEF, Macy's and 3500 SepulvedaHacienda) 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 VintageWine Shoppe located on 3500 Sepulveda's property; and (2) Planning Commission Resolution No. PC 12-02 and City Council Resolution No. 6171⁷ 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 VintageWine Shoppe. Similarly, neither the entitlements conferred herein nor 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, including those conferred by Planning Commission Resolution No. PC 01-27 (which is expressly deemed herein to apply to and for the benefit of the 3500 Sepulveda Boulevard building), Planning Commission Resolution No. PC 08-15, Planning Commission Resolution No. PC 10-03, and Planning Commission Resolution No. PC 12-02. . . 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 by the refinements and modifications approved herein ("Approved Plans")⁸ 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.
2. *Lapse of Approval.* The entitlements conferred herein shall lapse four years after the effective date

⁷ Was this the City Council resolution that implemented the terms of Planning Commission resolution No. PC 08-15?

⁸ Where is the listing of Approved Plans? Exhibit xx?

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 3500 Sepulveda or Macy's, their respective successors-in-interest, and, where applicable, all tenants and lessees of RREEF, 3500 Sepulveda 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, 3500 Sepulveda or Macy's independently 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 space⁹ 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 Exhibit A (Manhattan Village Shopping Center Leasable Area Tabulation- April 29, 2014) attached hereto. 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.¹⁰

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

⁹ What is this?

¹⁰ What is the applicable parking standard? Where is it defined?

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 areas¹¹ 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 G+2 parapet walls on the north and west sides of the North Deck and on the south side of the South Deck. 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

¹¹ What are the certain areas?

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. In the event RREEF seeks approval of Phase III or any improvement within that area, the application shall include plans for the City Gateway identification signage at the corner of Rosecrans Avenue and Sepulveda Boulevard. In the event the City approves Phase III, RREEF shall install the City Gateway signage prior to the first building final for Phase III. The Gateway signage shall not count as part of RREEF's square feet of

signage approved authorized herein. If Fry's vacates the Northwest Corner and the Sepulveda Bridge Widening project has been completed prior to the approval of any portion of Phase III, RREEF shall install a temporary monument sign at the corner of Rosecrans Avenue and Sepulveda Boulevard welcoming people to the City of Manhattan Beach.

- 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

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

¹² What is the allocated amount for RREEF, 3500 Sepulveda and Macy's currently?

building and the North and South parking structures in substantial compliance with the Approved Plans, dated xx-xx-xx listed on exhibit XX, 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 dated April 29, 2014. 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 Deck to create a pedestrian/bike linkage between Cedar Way and Carlotta Way as depicted on the Approved Plans. The north and west G+2 parapet wall of the North Deck and the south G+2 parapet wall of the South Deck shall be constructed to accommodate the planting of vines or other similar plants to provide a green visual screen of the respective parking deck upper walls. The west approximately half of the North Deck shall not exceed a height of G+1 and the east approximately half of the North Deck shall not exceed a height of G+2 as depicted on the Approved Plans. Approximately the north 60 percent portion of the South Deck shall not exceed a height of G+2 and the approximately 40 percent south portion of the South Deck shall not exceed a height of G+1 as depicted on the Approved Plans.

The Project shall conform to the Approved Plans dated April 29, 2014 which reduce the mass and visual impact of the appearance of the three level parking structure on its west side, in proximity to the 3500 Sepulveda Boulevard building, provide mature tall landscaping, architectural features, and steps the levels of the North parking structure to minimize the visual impact and provide compatibility with other structures on the site.

- 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 and garage 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 and garage 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 any related applications for the design of 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 or garage top view (i.e., Islands restaurant) shall be screened prior to issuance of a building permit final for the Village ShopsMacy'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.** 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, dated xx-xx-xx listed on Exhibit XX.. 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 the Development Area.

The Shopping Center property may not exceed 652,709 square feet GLA (662,426 with the Equivalency Program).¹³

For any proposed square footage that exceeds 652,709 square feet, up to the 662,426 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. This use is allowed in 3500 Sepulveda.
- 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.

¹³ What is the Equivalency Program and where is it defined? Is the Equivalency Program in the City's Municipal Code?

- h. Travel Services – 3500 Sepulveda Building only.
- i. Personal Improvement Services – 3500 Sepulveda Building only.
- J. Commercial Recreation and Entertainment (including Indoor Movie Theaters); - 3500 Sepulveda Building only.

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 VintageWine 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.

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 for right turn pockets, required for the Sepulveda between Marine and Valley per the Sepulveda Design Guidelines.

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.

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 of the public street or conformance with applicable Codes of the Medical Building at 1200 Rosecrans Avenue, building setbacks will be waived to allow this dedication. 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 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) and the area in front of 3500 Sepulveda 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.
- i. 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.
- j. Northbound left-turn pockets shall be provided on Carlotta Way at 27 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.
- k. Cedar Way, Carlotta Way and Fashion Boulevard shall have a minimum
- l. 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 offset 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.

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 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, Macy's 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 _____ day of _____, 2014

- Ayes:
- Notes:
- Absent:
- Abstain:

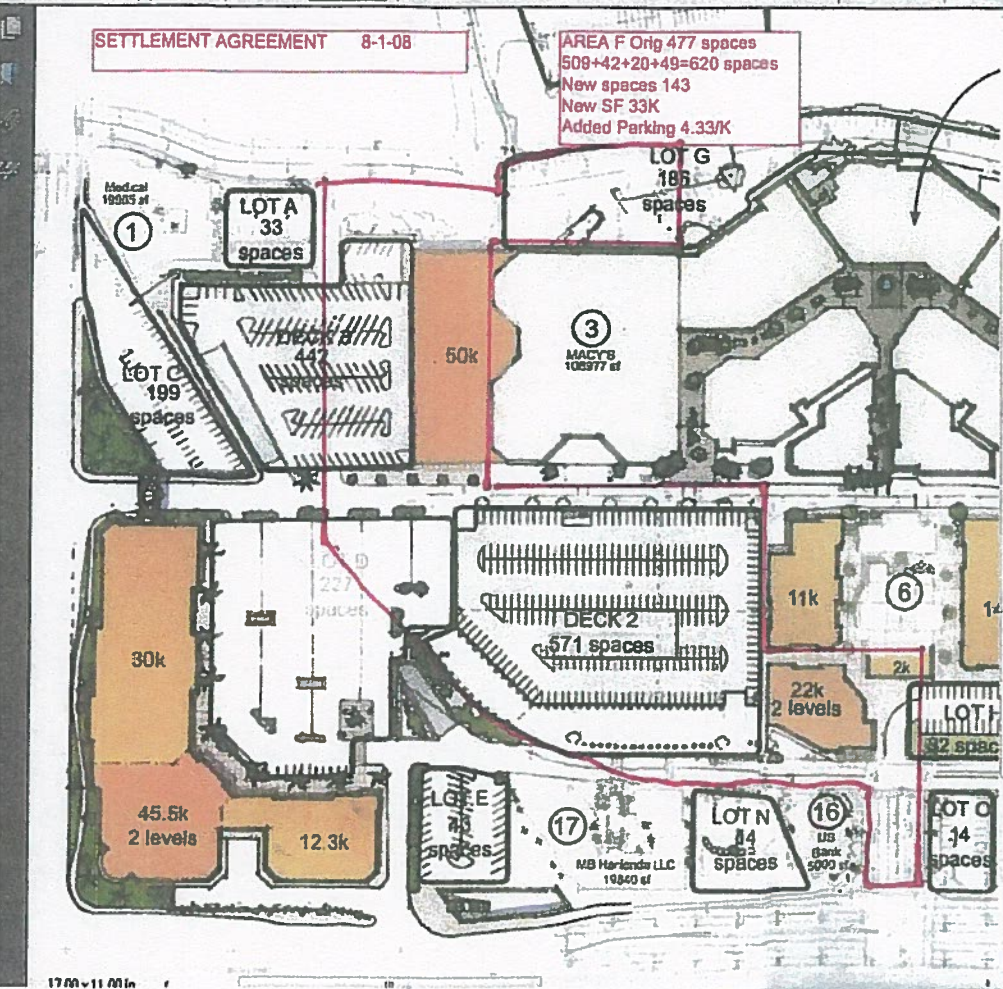
Amy Howorth, Mayor
City of Manhattan Beach

Attest:

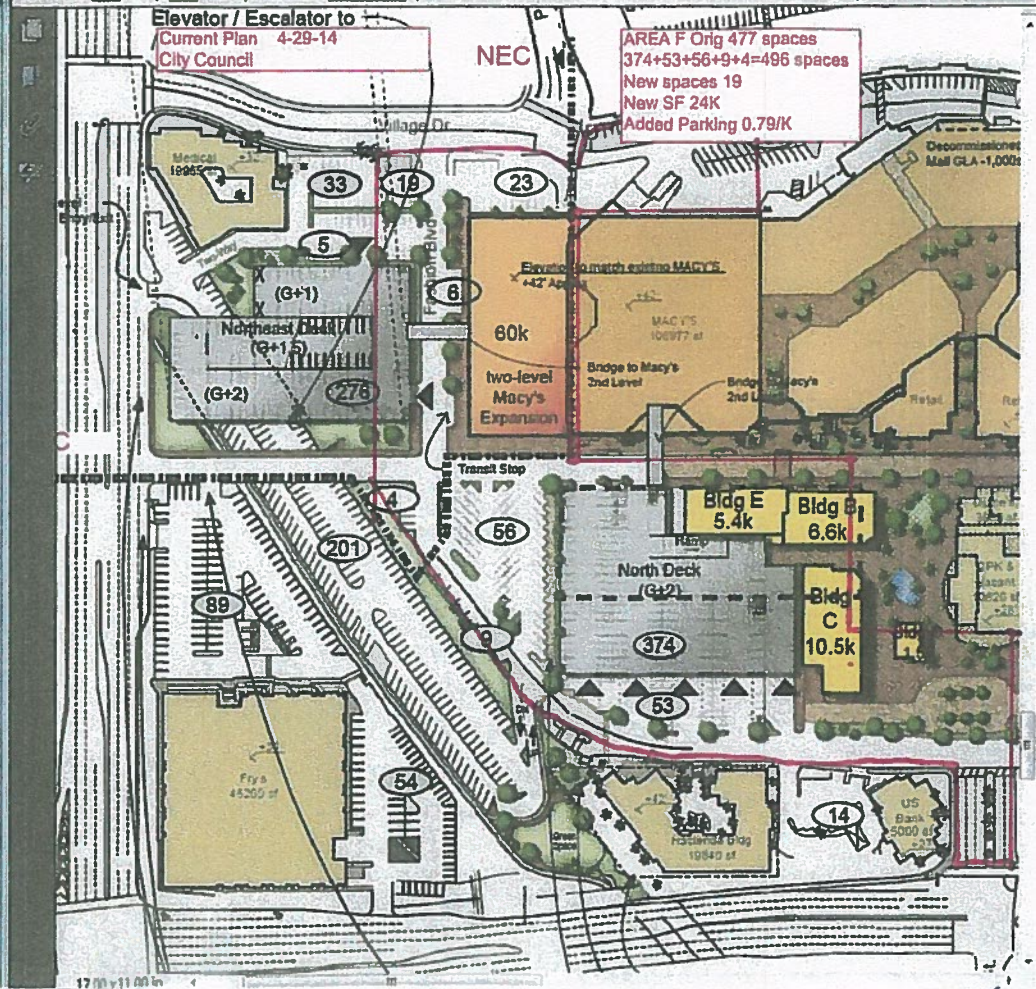
Liza Tamura, City Clerk

EXHIBIT "B"

EXHIBIT "B"



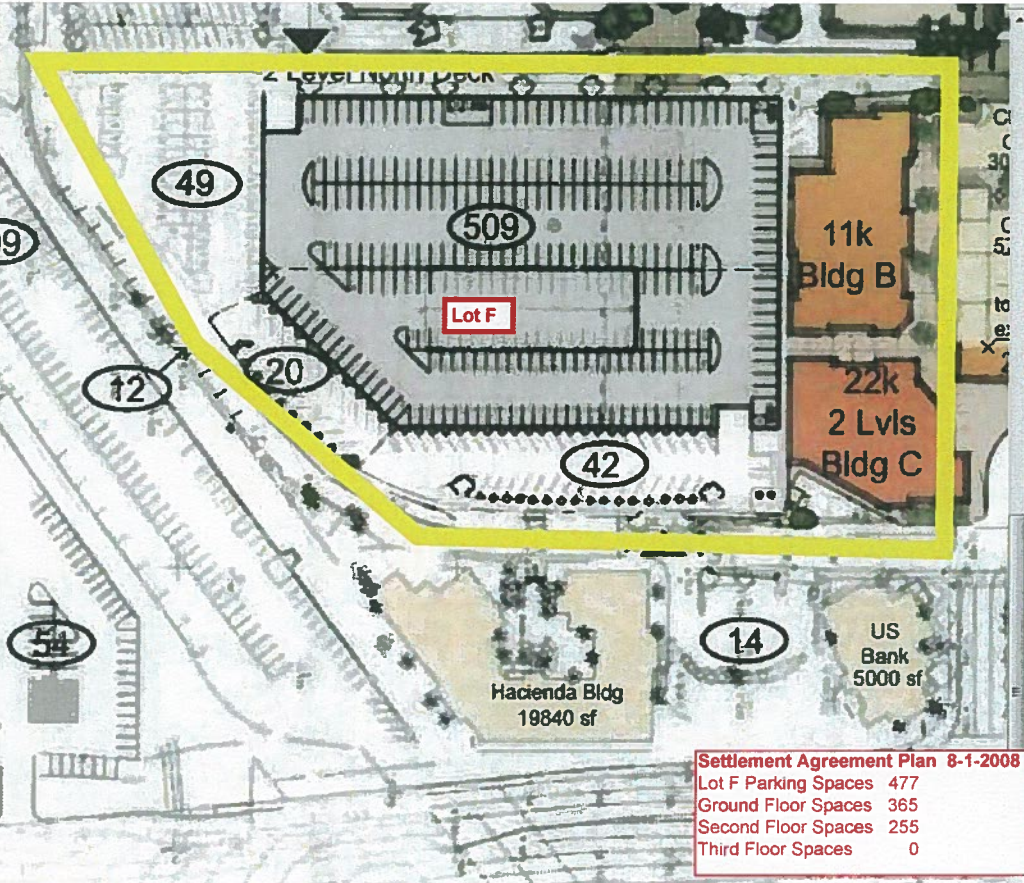
Grant Deed Easement Area
 Approximately 911 spaces
 12% = 109 spaces
 Ground Level Spaces 340 approx.



Grant Deed Easement Area
 Approximately 644 spaces
 12% = 77 spaces
 Ground Level Spaces 255 approx.

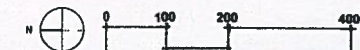
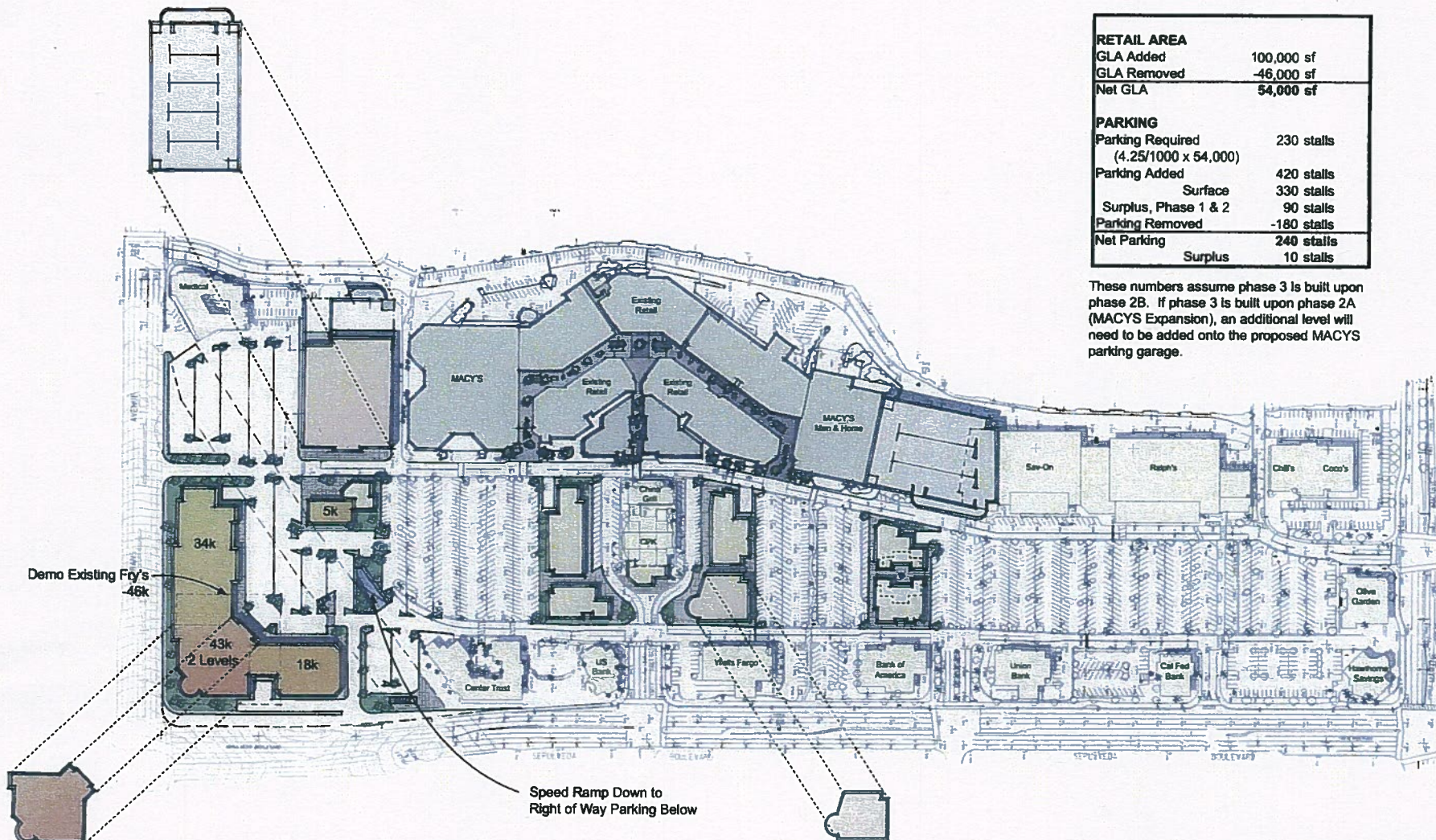
EXHIBIT "C"

EXHIBIT "C"



RETAIL AREA	
GLA Added	100,000 sf
GLA Removed	-46,000 sf
Net GLA	54,000 sf
PARKING	
Parking Required (4.25/1000 x 54,000)	230 stalls
Parking Added	420 stalls
Surface	330 stalls
Surplus, Phase 1 & 2	90 stalls
Parking Removed	-180 stalls
Net Parking	240 stalls
Surplus	10 stalls

These numbers assume phase 3 is built upon phase 2B. If phase 3 is built upon phase 2A (MACYS Expansion), an additional level will need to be added onto the proposed MACYS parking garage.



Distributed at 5/20/14 City Council Meeting by Mark Buxton.

PHASE 3



Parking for NW Component requires a 1.5 level addition to this deck. Adding +/- 145 stalls (Grade + 3)

ONE GARAGE

Elevator / Escalator to / from Parking Below

- LEGEND**
- Existing Mall
 - Existing Retail
 - Expansion Space (1 Level)
 - Expansion Space (2 Levels)
 - Building Heights
 - Parking Count
 - MVBC Property Boundary
 - Component Boundary

COMPLETED NORTHWEST COMPONENT SUMMARY - RETAIL ONLY OPTION

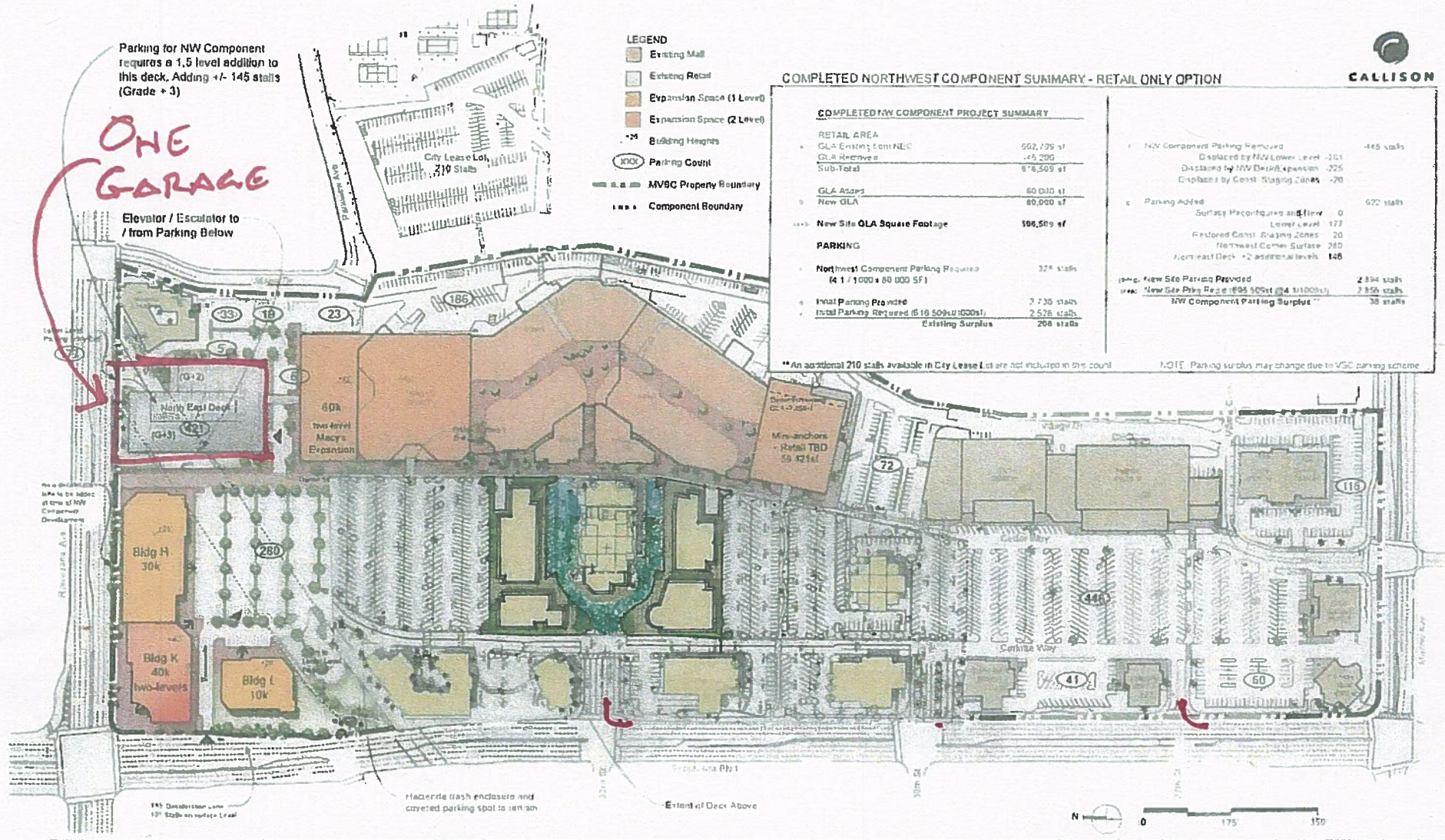
COMPLETED NW COMPONENT PROJECT SUMMARY

RETAIL AREA	
GLA Existing Com FLEC	592,736 sf
GLA Removed	-45,200
Sub-Total	547,536 sf
GLA Added	80,000 sf
New GLA	60,000 sf
New Site GLA Square Footage	106,500 sf
PARKING	
Northwest Component Parking Required (4.1 / 1000 + 80,000 SF)	328 stalls
Initial Parking Provided	2,735 stalls
Initial Parking Returned (6 to 5000 / 1000sf)	2,526 stalls
Existing Surplus	208 stalls

NW Component Parking Removed	-445 stalls
Displaced by MV Lower Level	-101
Displaced by NW Deck Expansion	-205
Displaced by Const. Staging Zones	-70
Parking Added	600 stalls
Surface Reconfiguration and New	0
Level Level	177
Restored Const. Staging Zones	20
Northwest Corner Surface	260
Northwest Deck + 2 additional levels	145
New Site Parking Provided	2,894 stalls
Less: New Site Parking Required (605,500sf @ 4.1/1000sf)	-2,504 stalls
NW Component Parking Surplus	390 stalls

**An additional 210 stalls available in City Lease Lot are not included in this count

NOTE: Parking surplus may change due to VGC parking scheme



MANHATTAN VILLAGE



WORKING DRAFT - Not for Public Review

MVBC Enhancement Project
October 2013 #206340.00

11-12-13



Site Plan: Fry's Departure
Northwest Component Complete
NWC - Option A

Presented to City Council by Councilmember Burton on Document Reader at the 5-20-14 City Council Meeting during Item No. 3

Presented to the City Council by Councilmember
Burton on Document Reader at the 5-20-14 City Council
Meeting During Item No. 3

QUASI-JUDICIAL HEARINGS: STATE OFFICE OF PLANNING AND RESEARCH

IN PUBLIC HEARINGS, THE CITY COUNCIL EXERCISES ITS QUASI-JUDICIAL FUNCTION. IN OTHER WORDS, THE COUNCIL WILL ACT AS A "JUDGE" DETERMINING WHETHER A PARTICULAR LAND USE ENTITLEMENT, SUCH AS A VARIANCE OR A CONDITIONAL USE PERMIT, IS APPROPRIATE FOR A PARTICULAR PIECE OF PROPERTY

CALIFORNIA COURTS HAVE DEMONSTRATED THEIR CONCERN FOR "RATIONAL AND OPEN LAND USE DECISIONS"

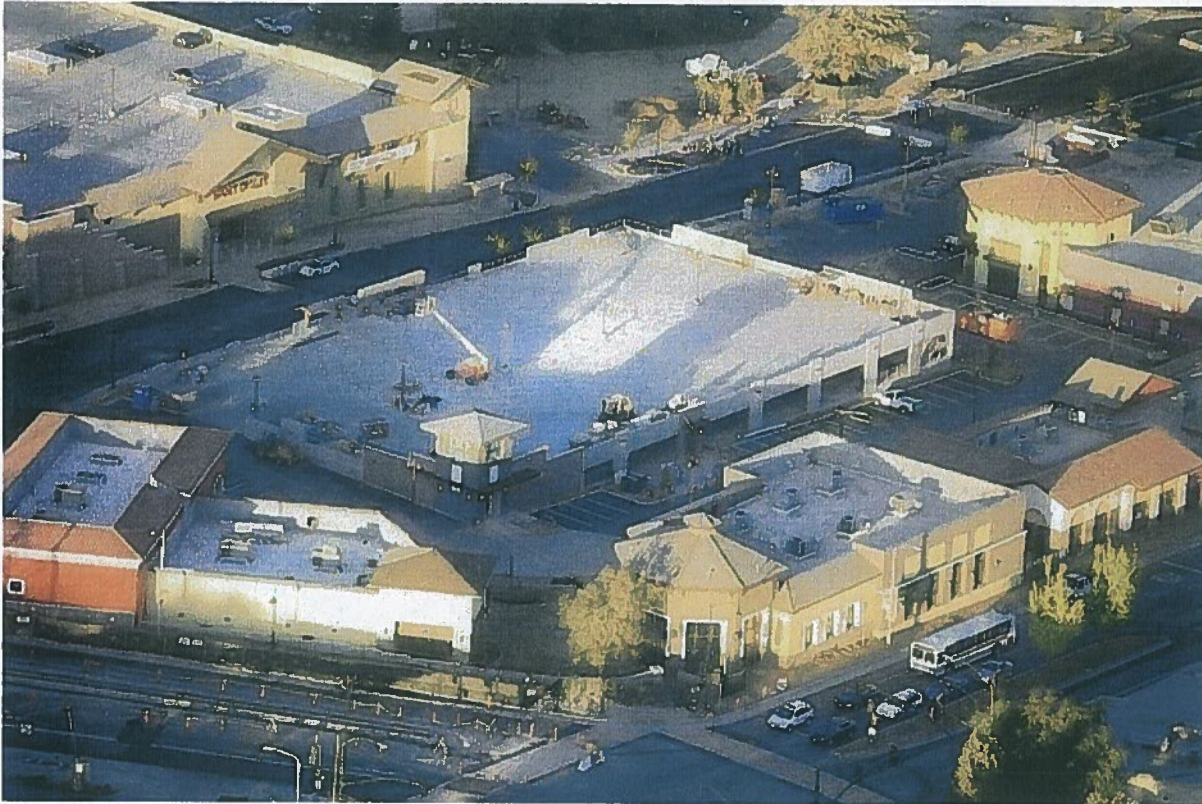
IN TOPANGA ASSOCIATION for a SCENIC COMMUNITY v. COUNTY OF LOS ANGELES, 11 Cal. 3rd 506 (1974), THE CALIFORNIA SUPREME COURT DESCRIBED THE "INTENDED DECISION MAKING STRUCTURE"

- **DECISION MAKING THAT IS "CAREFUL, REASONED AND EQUITABLE"**
- **A DECISION MAKING STRUCTURE THAT "SHOULD ENHANCE THE INTEGRITY OF THE (HEARING) PROCESS, HELP MAKE ANALYSIS ORDERLY, AND REDUCE THE LIKELIHOOD THAT THE (COUNCIL) WILL RANDOMLY LEAP FROM EVIDENCE TO CONCLUSIONS"..." THIS REQUIRES THE (COUNCIL) TO IDENTIFY THE REASONS SUPPORTING A DECISION PRIOR TO TAKING ACTION"**
- **THE NOW FAMILIAR LANGUAGE OF THE SUPREME COURT IN TOPANGA REQUIRING CITIES TO "BRIDGE THE ANALYTICAL GAP BETWEEN RAW DATA AND THE ULTIMATE DECISION" LEAVES NO DOUBT THAT "COUNCIL" IS TO "FOLLOW AN ORDERLY PATH OF LOGIC BEFORE ARRIVING AT DECISIONS"**
- **WHILE THE POLITICAL REALITY OF MAKING LAND USE DECISIONS INVOLVES COMPROMISES AT TIMES, "THE POLITICAL REALITY MUST ACCOMMODATE RATIONAL AND DISPASSIONATE DELIBERATION IN THE DECISION MAKING PROCESS"**

5-20-14 Mtg
Item No. 3

From: Mark Burton [REDACTED]
Sent: Tuesday, April 29, 2014 6:54 AM
To: [REDACTED]
Subject: 57876558.jpg 600x398 pixels

Page 1 of 2



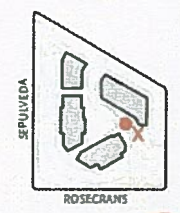
Presented to City Council
By Councilmember Burton
on Downant Resoer
at the 5-20-14 City Council Meeting
During Item No. 3

THE POINT LOCATION VIEWS



View from Interior

THE POINT AREA KEY



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City of Manhattan Beach

Community Development

Phone: (310) 802-5500
FAX: (310) 802-5501
TDD: (310) 546-3501

November 6, 2007

Kevin McDonnell
1900 Avenue of the Stars 7th Floor
Los Angeles, California 90067-0567

Subject: Property at 3500 Sepulveda Blvd.

Dear Mr. McDonnell:

This letter is in response to your letter dated October 25, 2007, regarding Mr. Neumann's property located next to the Manhattan Village Shopping Center. Your letter demands the City to issue the necessary clearances that would allow a Starbucks store to locate within the existing building on the subject property.

Both you and Mr. Neumann have been informed that before a building permit is issued for Starbucks a Use Permit must be approved by the City in accordance with Municipal Code Section 10.16.020 (Eating and Drinking Establishments).

Your client recently purchased the subject site and inquired about the rules and regulations governing the property as well as the shopping center property that is contiguous to it. We participated in several meetings with him and the owners of the shopping center to better understand the situation and relationship between the two parties. Most importantly we researched the files to determine if the subject property was included in the Master Use Permit that was granted to the shopping center in 2001. If it was, then the property rights, entitlements and conditions of approval would also apply allowing Starbucks to locate in the building. However we discovered that the application for the Master Use Permit did not include the owner's permission to be considered and/or included in the permit even though the property description included the subject site. We subsequently contacted both property owners and suggested that if everyone acknowledges that it was simply an oversight and that it was every ones understanding that the subject site should be included then the Master Use Permit could be extended to include your clients' property. Unfortunately we have not been able to obtain this agreement.

*Distributed to
City Council at
5/20/14 meeting
by Mark Neumann*

**Manhattan Village Shopping Center
Renovation Project
Planning Information
September 23, 2003
(tenant spreadsheet subject to revision)**

See Attached for reference:

1. **Tenant spreadsheet.** List tenants in mall and all other exterior buildings, by address and gives the following info: tenant name, type of use, renovation building/sign permit #, gross leasable area (sq footage of leased area, upon which parking is based) and if a restaurant, if there alcohol is approved.
2. **Master Use Permit Resolution PC 01-27:** contains all effective operating conditions imposed by Planning Commission in 2001 approval.
3. **Master Sign Program Resolution PC 02-07:** contains sign conditions for the major entry signs and some building wall/monuments signs on the entire site. Note: all signs both interior to the mall and exterior require a sign permit; all plans must be stamped approved by the representative of the owner, Madison Marquette (typically the mall tenant coordinator, Bob Miller). All sign permits to be signed or have attached a copy of the permit approval by Bob Miller for Madison Marquette. The only exception is the parcel that is the former Hagen Office building, 3500 Sepulveda, which is not owned by Madison Marquette.
4. **Please note:** 3500 Sepulveda is part of the shopping center and Master Use Permit and must follow the conditions in these Resolutions.

FROM CITY OF MB - 3200 SEPULVEDA (MANH. VILL) MUP AMEND/VARIANCE '06

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Cory Briggs

From: Jim and Evelyn Brandon <JimandEvelyn@roadrunner.com>
Sent: Wednesday, May 14, 2014 11:46 AM
To: Cory Briggs
Subject: RE: wayne powell statement

Yes !!!!!

From: Cory Briggs [mailto:cory@briggslawcorp.com]
Sent: Wednesday, May 14, 2014 11:44 AM
To: 'Jim and Evelyn Brandon'
Subject: RE: wayne powell statement

May I give this statement to the city council?

Cory J. Briggs
Briggs Law Corporation
San Diego County: 814 Morena Boulevard, Suite 107, San Diego, CA 92110
Inland Empire: 99 East "C" Street, Suite 111, Upland, CA 91786
Telephone: 619-221-9280 (San Diego), 909-949-7115 (Inland Empire)
Facsimile: 619-515-6410 (San Diego), 909-949-7121 (Inland Empire)
E-mail: cory@briggslawcorp.com

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From: Jim and Evelyn Brandon [mailto:JimandEvelyn@roadrunner.com]
Sent: Wednesday, May 14, 2014 11:35 AM
To: Cory Briggs
Subject: wayne powell statement

Hi Cory,

I had a phone conversation with Wayne Powell on Saturday, May 3rd regarding the mall situation. During our conversation, he told me of the Hacienda Building owner's complaint with the project. He said the owner has been fighting this for years and it's all about money for him. I asked Wayne what he meant by that and he said a few years back the owner tried to stop the project with the mall and was given one million dollars, so it is all about money for this guy !

Regards,
Evelyn Brandon

Distributed at 5/20/14
City Council meeting
by Cory Briggs.

Re: DDA for Village Mall

Nick Tell [ntell@fulcrumstrategypartners.com]

Sent: Monday, January 28, 2013 3:40 PM

To: Richard Thompson

Cc: David N. Carmany; David Lessér; Nick Tell; Larry Kosmont (lkosmont@kosmont.com); Christine Rodgers (croddgers@kosmont.com)

Ok

Sent from my iPhone

On Jan 28, 2013, at 3:17 PM, Richard Thompson <rthompson@citymb.info> wrote:

The purpose of this meeting is to provide the subcommittee with a status report on the DDA and the entitlements for the Manhattan Village Mall

Sorry for the change. 10:30am Tuesday the 5th?

<mime-attachment.ics>

From: David Lesser
Sent: Wednesday, August 07, 2013 8:51 PM
To: mark.english@db.com
Subject: RE: Manhattan Village

Mr. English,

Thank you for your message. I appreciate your invitation to meet regarding the Manhattan Village project in advance of its appeal from the Planning Commission to the City Council next month.

Forgive me if I decline a meeting at this time. My preference is to review the facts of an appeal at a public meeting rather than in private discussions with parties because of the quasi-judicial nature of the review. Further, the City Attorney has advised against ex parte meetings regarding this project to avoid any appearance of bias.

Please know I will approach this matter with an open mind and thoroughly review all public documents.

Best wishes,

- David Lesser

From: Mark English [mark.english@db.com]
Sent: Wednesday, August 07, 2013 4:51 PM
To: David Lesser
Subject: Manhattan Village

Dear Mayor Lesser,

With the long Planning Commission review of the Manhattan Village Expansion complete, and last night's vote to hold public hearings on the project in September, I wanted to take the opportunity to send you a note to introduce myself. I oversee all of RREEF's development activities on the West Coast, and have been running our efforts to gain approval to expand Manhattan Village for the past 3.5 years.

The Planning Commission review, which took as over a year and 8+ hearings, yielded a lot of great input that has shaped the project, and we, the Planning Commission, staff and the many members of the community who came to each and every single meeting are all proud of. As we get ready for hearings in September, I also wanted to write to you to request a meeting, preferably on site at the mall where it's easier to conceptualize things, to discuss the project. We have a lot of material to share, though I wouldn't want to take up too much of your time. RREEF does a lot of entitlement and development work, and we've found that these meetings are a good way to address any questions you have, to focus on some of the bigger issues with the project, and also to talk about some of the tenant issues related to Apple and Macy's (among others) which are constantly evolving. I know that you and Larry Kosmont have worked together in the past on the project, and Larry does a wonderful job, however as we get closer to the finish line, I thought I would offer up a direct conversation.

My schedule is relatively open over the next two weeks. August 12, 14, 15 & 16 all work for me, as do August 22 & 23. I look forward to meeting you in the near future, and working together with you on this exciting project.

Kind regards,
Mark English



Mark English

RREEF Management L.L.C.

Real Estate Asset Management - Alternatives and Real Assets

101 California Street, 26th Floor 94111 San Francisco, CA, USA

Tel. +1(415)262-2089

Fax +1(415)781-2229

Email mark.english@db.com

Passion to Perform

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Deutsche Bank does not render legal or tax advice, and the information contained in this communication should not be regarded as such.

From: Richard Thompson
Sent: Monday, January 13, 2014 11:39 AM
To: Larry Kosmont (lkosmont@kosmont.com)
Cc: Laurie B. Jester; John Jalili
Subject: FW: Manhattan Village Project

Follow Up Flag: Follow up
Flag Status: Flagged

Larry,

I provided Council with the following information. Let me know if you have any questions.

Richard Thompson
Director of Community Development
P: (310) 802-5502
E: rthompson@citymb.info



Please consider the environment before printing this email.

From: Richard Thompson
Sent: Monday, January 13, 2014 11:14 AM
To: David Lesser
Cc: John Jalili; Laurie B. Jester
Subject: RE: Manhattan Village Project

Hi David,

These two recommendations go together:

1. Transfer or eliminate 20,000 sq. ft. from Phase 1 to Phase 2
2. Redesign North Parking Structure similar to South Parking Structure

Staff believes that in order to reduce the scale of the project the size of the buildings and parking structure must be reduced. If these recommendations are approved Tuesday night the developer would be required to redesign the project to demonstrate the reduction, which may require elimination of square footage altogether. The revisions for Phase 1 and 2 should be presented to Council for approval at a future meeting.

The size and design of the south structure has a low profile surrounded by stores; which staff is also recommending for the north structure. In redesigning the project the developer would have the option to add the 20,000 sq. ft. in a different area/configuration subject to site plan review.

While staff is not recommending approval for Phase 3, we believe further reductions maybe needed which would be discussed later. Staff is of the opinion that parking in Phase 3 should be provided under the buildings in areas more convenient to customers.

I hope this answers your questions. Please let me know if you have any further questions.

From: David Lesser
Sent: Friday, January 10, 2014 8:26 PM
To: Richard Thompson
Subject: Manhattan Village Project

Richard,

Good evening.

Mark English and I had a frank meeting this afternoon. I can describe our exchange in more detail by phone if you are interested.

In the meantime, one issue Mark raised concerned the staff recommendation to transfer or eliminate 20,000 square feet from Phase 1 of the project to Phase 2. He inquired, as members of the public might too on Tuesday, about the advantage of deferring the additional square feet if Council agrees with the total additional net square footage proposed for the two phases. Hence, can you confirm the advantage of deferring 20,000 square feet to Phase 2 if Council does not wish to eliminate it?

On the other hand, what could be said to critics of the total scale of the proposed project if Council merely defers 20,000 square feet to Phase 2? How would it respond to concerns expressed by some Council members and residents about the size of the project?

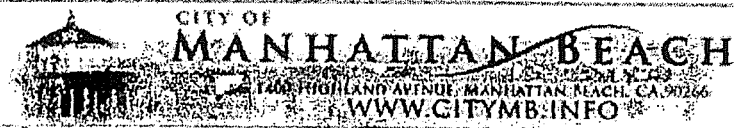
- David

David Lesser

Council Member

P: (310) 937-1515

E: dlesser@citymb.info



Please consider the environment before printing this email.

found in my documents sent to someone in the city

From: Mark English [mailto:mark.english@db.com]

Sent: Wednesday, January 15, 2014 7:35 AM

To: Jeffrey Chambers

Subject: Re: Parking at The Point

Goat rodeo but more or less pleased with the outcome. Full contact small town democracy!

Sent from my iPhone

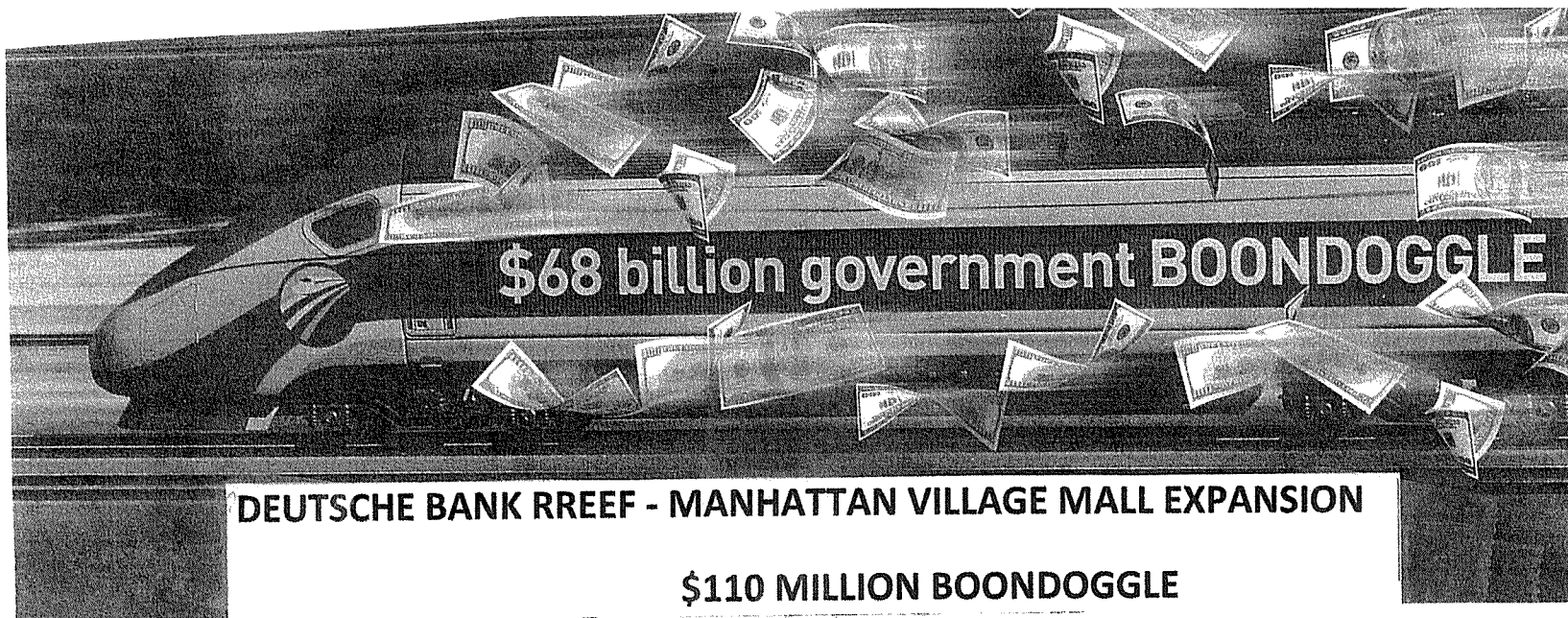
On Jan 15, 2014, at 0:55, "Jeffrey Chambers" <JChambers@federalrealty.com> wrote:

Just finished a bite at The Kettle. Staying at some dive along Sepulveda. What a night. Crazy times to say the least. That is a interesting group of folks running the City. Not certain if I should say congrats or sorry. But maybe you make progress if you have Macy's secured.

Hope the rest of your night goes better.

Jeff Chambers
Federal Realty Investment Trust
jchambers@federalrealty.com
(310) 414-5286 o
(949) 677-1080 c

Read into the record by
Vicki Neumann at
5/20/14 City Council meeting



Preserve Our Small Town Charm – Mall Expansion Does The City Harm

by Robert Bush

Mission Statement (Agenda) – “PRESERVING OUR SMALL BEACH TOWN CHARACTER”

Manhattan Beach Residents are fed-up with City's projects that allows the City to WIN (higher property and sales tax) and residents to LOSE (taxes, bonds) and forces the residents to deal with Fraudulent companies. Deutsche Bank RREEF and Edison (Utility Undergrounding)

Deutsche Bank RREEF - World's Second Largest Bank Assets \$2,815 million

Los Angeles sued Deutsche Bank as one of the City's largest slumlords, accusing it of allowing hundreds of properties it owns to fall into disrepair and breed crime.

Federal Government sued Deutsche Bank saying the bank committed fraud and padded its pockets with undeserved income as it repeatedly lied as it could benefit from a government program that issued mortgages.

Sunnyvale Town Center was a 36-acre two-level shopping mall located in Sunnyvale, California. It was anchored by Macy's, Target and J.C. Penney. As of March 2013, only the Target and Macy's stores remain operational, much of the mall consists of a construction site on which work is stalled as a result of a legal dispute. Deutsche Bank RREEF owned 95% of the mall and default on \$108.8 million loan from Wachovia Bank (Wells Fargo)

Edison - Public Utilities Commission levied a \$30 million fine (largest ever) against Edison for outrageous conduct and FRAUD and ordered \$81 million refund to customers.

Facilities Strategic Plan - Residents only approved the Library and hated the tiered parking structures like they do now. Tiered parking structures are a hotbed for non-violent and violent crimes.

Polliwog Park - woman loses eyesight in one eye due to golf disc (golf disc course) and young boy is molested in restroom. School Board member is injured by someone trying to steal his bicycle. Students near Mira Costa have their cell phones stolen. Crooks follow buyers of Apple products and steal them from their cars, steal third-row seats from Cadillac Escalades, steal mail from post office boxes by using a fishing-type attachment, steal postal deliveries that are left on front steps, steal catalytic converters from cars and steal cell phones, laptops, purses, money and mail (identity fraud) from cars.

Manhattan Beach is called Manhattan Beach Buffet by the crooks that steal from unlocked homes and cars. Crime and Safety are a concern for an expansion of this size and with parking structures as conceived and this expansion will attract more people from surrounding areas. The City of Manhattan cannot handle the crime problems now, so how can they handle the additional problems of an Expanded Mall. Opponents – scale of project, future concerns about increase traffic, lack of parking and crime.

Distributed at
5/20/14 City Council
Meeting by
Robert Bush

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