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EXISTING CONDITIONS

This chapter includes an overview of the location, characteristics, existing conditions, and key opportunities for the project area, as they existed when the Specific Plan process commenced in 2015. More details about the project area's existing conditions are contained in the Specific Plan's Initial Study/Mitigated Negative Declaration and the ULI Report.

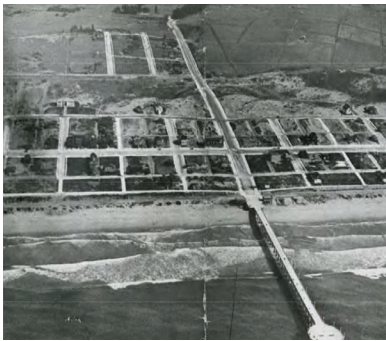
This chapter is organized into the following sections:

- 2.1. Local Setting
- 2.2. Historic Context
- 2.3. Existing Land Use
- 2.4. General Plan Land Use
- 2.5. Local Coastal Program
- 2.6. Circulation Networks & Parking
- 2.7. Community Character
- 2.8. Urban Form
- 2.9. Existing Infrastructure & Public Facilities
- 2.10. Economic Conditions

2.1 LOCAL SETTING

As identified in Chapter 1, the Specific Plan area encompasses approximately 40 blocks and 51.62 acres in the central western portion of the City (see Figure 2.3: Local Setting). The project area is bounded by 15th Street to the north, Valley Drive to the east, 8th, 9th and 10th Streets to the south, and The Strand to the west.

Specific destinations in the project area include the Beach and Pier, a Vons grocery store, the Metlox development, and the City’s Civic Center and Library. The project area also includes land designated for high-density residential development as well as the retail shops, restaurants, personal services, banks, offices, and professional businesses that form the City’s central business district. The district is predominantly surrounded by high-density residential development to the north and south and medium- and low-density residential neighborhoods to the east, and the Manhattan Beach Pier, The Strand, and the beach to the west.



Figures 2.1-2.2 Historic photos of Manhattan Beach

2.2 HISTORIC CONTEXT

The modern history of Manhattan Beach began in 1888, when the first railroad spur (now Veterans Parkway) connected Redondo Beach Wharf to Downtown Los Angeles. In 1897, the townsite of “Potencia” first appeared as a stop on the Santa Fe timetable. Potencia later became Shore Acres in 1902 and Manhattan Beach the following year. The City of Manhattan Beach was incorporated on December 7, 1912.

Manhattan Beach was originally promoted as a summer vacation resort. This initial development phase primarily comprised small beach cottages. Today, this area coincides with the western half

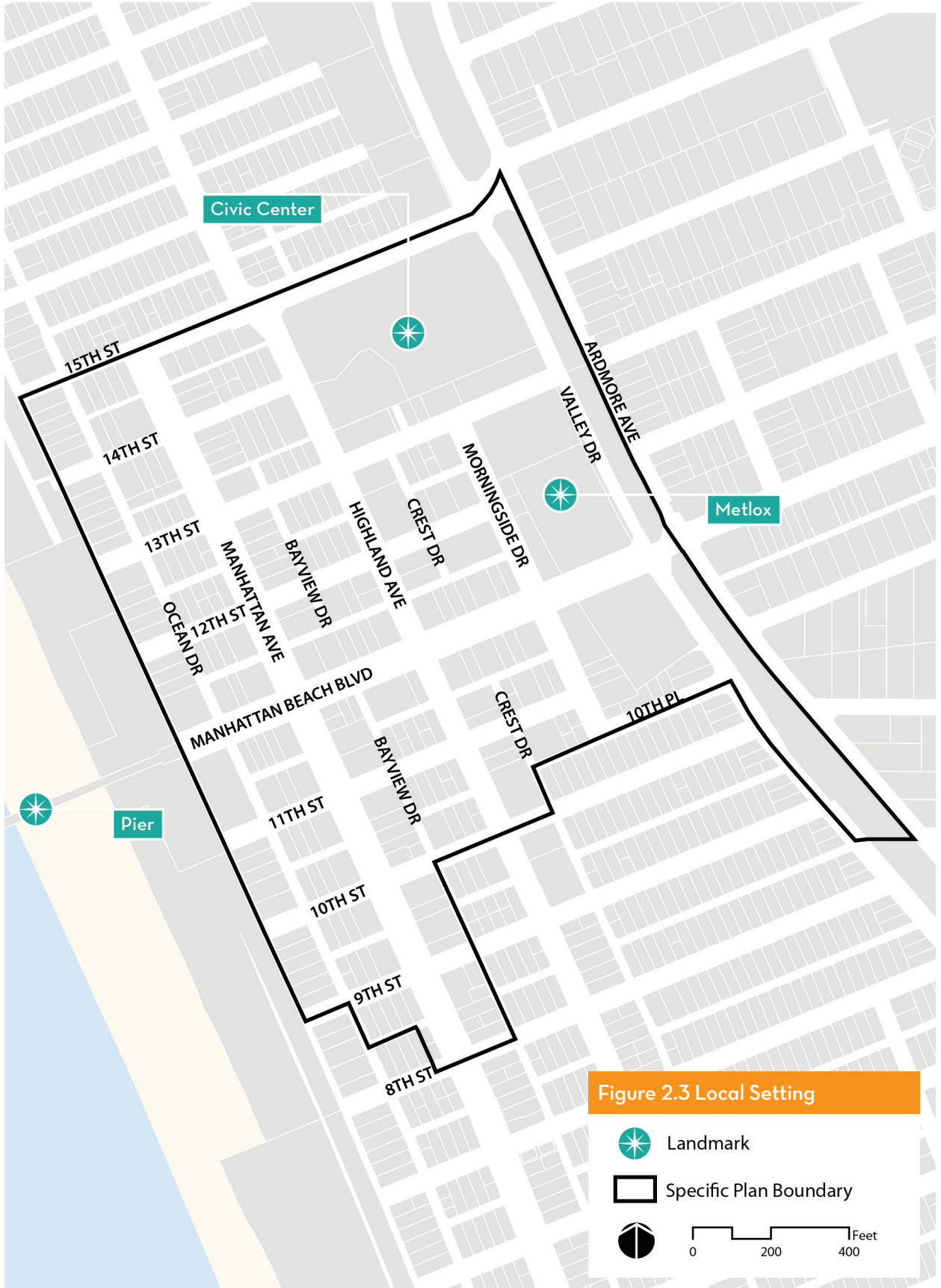


Figure 2.3 Local Setting

of the Downtown. During the postwar era, Manhattan Beach experienced considerable growth as an increasing number of permanent residents moved into the City. This period gave rise to an established community with multiple residential neighborhoods and commercial areas, including the remainder of the project area and the surrounding neighborhoods.

2.3 EXISTING LAND USE

The project area currently includes a mixture of retail, restaurant, office, professional business, residential, public, and open space uses, as shown in Figure 2.4: Existing Land Use. Commercial development is concentrated along Manhattan Beach Boulevard, Manhattan Avenue, and Highland Avenue. Public uses are located in the City’s Civic Center, a one-block area bounded by 15th Street to the north, Valley Drive to the east, 13th Street to the south, and Highland Avenue to the west. The district’s open space area is composed of Veterans Parkway, located between Valley Drive and Ardmore Avenue. Residential development, as well as public and private parking, occupies the remainder of the project area.

Table 2.1 identifies the acreage and building square footage for existing land uses in the project area.

Table 2.1 Existing Land Uses

Existing Land Use	Acreage	Building Area (sq ft)
Bank	0.78	18,158
Mixed-Use (Commercial and Residential)	2.56	132,004
Multi-family Residential	6.04	243,131
Office / Professional Business	8.90	96,552
Park / Open Space	2.82	0
Parking Facilities	2.19	N/A
Public Facilities	5.45	105,974
Retail and Restaurant	6.72	148,265
Single-family Residential	8.22	239,505
Grand Total	43.68	983,589

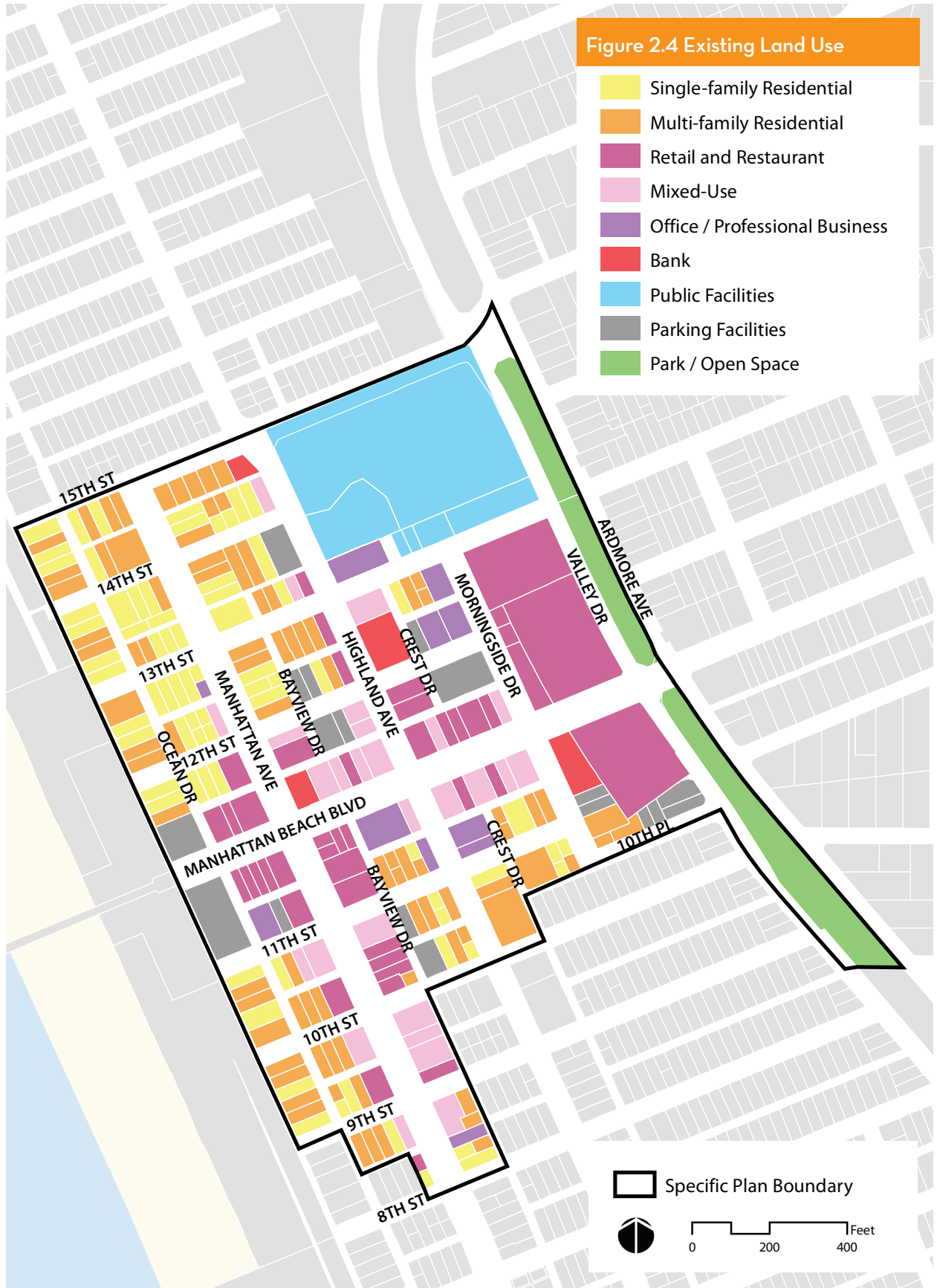


Table 2.2 shows the total number of residential units in the project area.

Table 2.2 Total Residential Units

Existing Land Use	Residential Units
Mixed-Use	11
Multi-family Residential	88
Single-family Residential	116
Grand Total	215

2.4 GENERAL PLAN LAND USE

The Manhattan Beach General Plan is the guiding document for development in the City and the project area. The General Plan identifies the land use classifications and sets the direction for development standards found in the Zoning Code.

As illustrated in Figure 2.5: General Plan Land Use, the General Plan applies four land use classifications to the project area’s parcels: Downtown Commercial, High Density Residential, Parks and Open Space, and Public Facilities.

Table 2.3 summarizes the General Plan Land Uses in the project area.

Table 2.3 General Plan Land Use

General Plan Land Use	Acres
Downtown Commercial	13.8
High Density Residential	12.9
Parks/Open Space	2.9
Public Facilities	5.6
Total	35.2

2.5 LOCAL COASTAL PROGRAM

The Manhattan Beach Local Coastal Program (LCP) provides additional policy direction and includes standards for development within the project area. As illustrated in Figure 2.6: Local Coastal Program, almost the entire district is located within the LCP’s Coastal Zone, and the portion of the project area located west of Manhattan Avenue is located within the LCP’s appealable area, which provides for City decisions on coastal permits to be appealed to the California Coastal Commission.

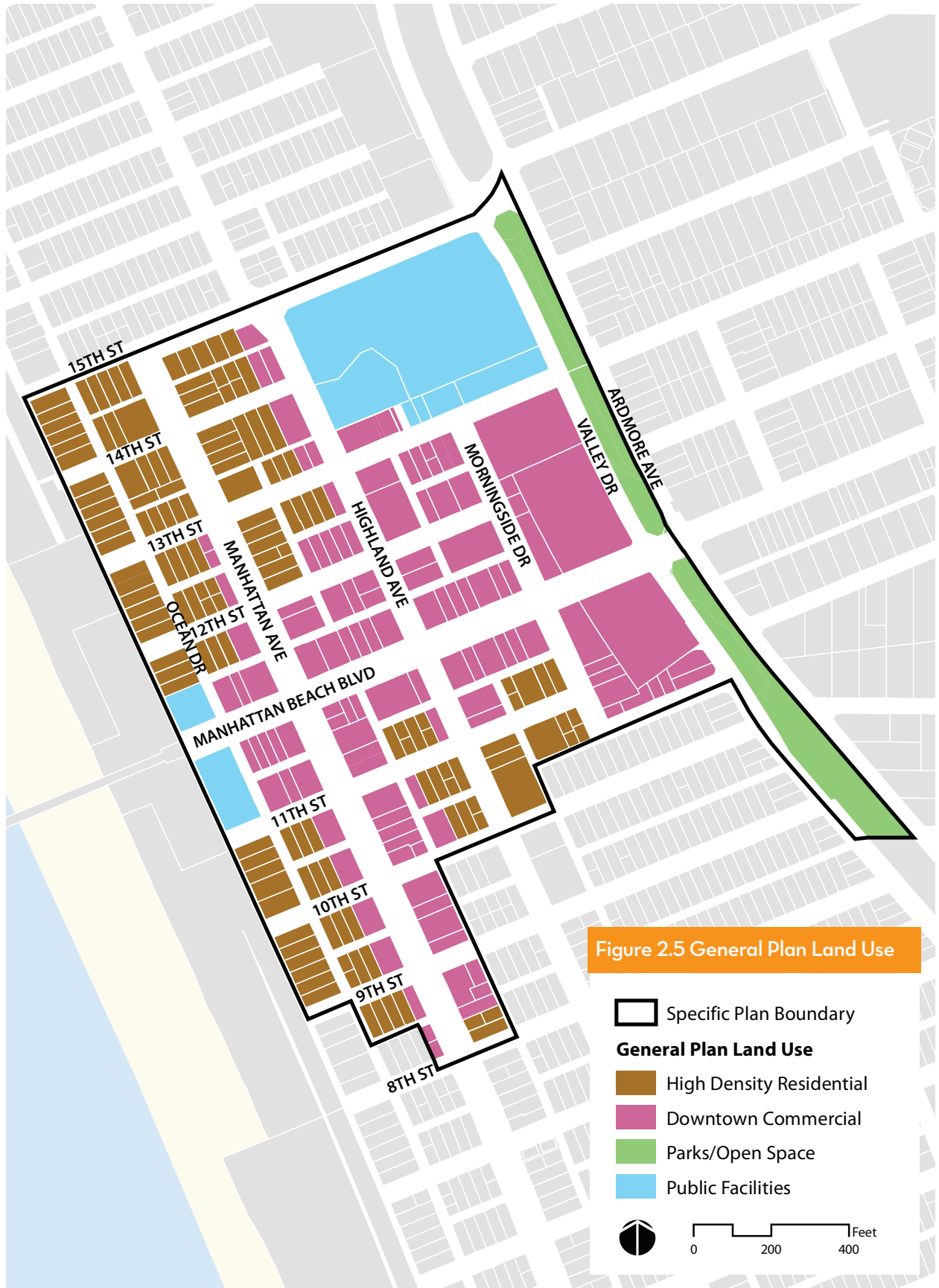


Figure 2.5 General Plan Land Use

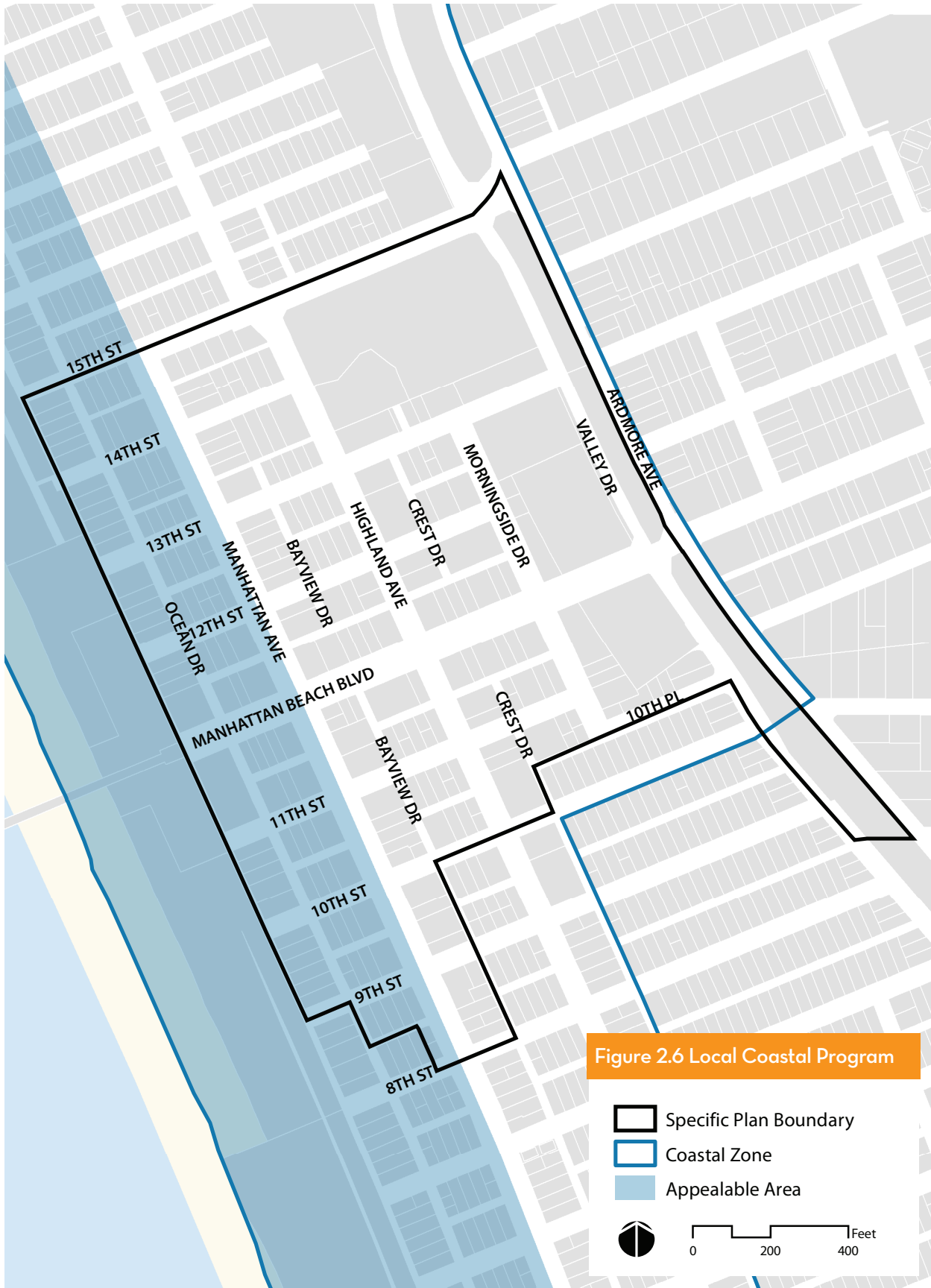


Figure 2.6 Local Coastal Program



2.6 CIRCULATION NETWORKS & PARKING

2.6.A STREET NETWORK

The Downtown is primarily served by four arterial and collector streets that extend through or along the edge of the project area: Manhattan Beach Boulevard running east-west, Highland Avenue, Manhattan Avenue, and the Valley Drive/Ardmore Avenue couplet running north-south. The routes provide access from the surrounding residential neighborhoods, Sepulveda Boulevard (Highway 1) to the east, and Hermosa Beach to the south. The street network within the project area is composed of a tight grid pattern of local streets and alleys.

This grid pattern adequately accommodates pedestrians, but lacks the necessary vehicular connections in the southern half of the project area. South of Manhattan Beach Boulevard, no vehicular streets oriented in the east-to-west direction connect Manhattan Avenue or Highland Avenue with the Valley Drive/Ardmore Avenue couplet. This has the effect of routing vehicles onto nearby streets with a through connection, increasing congestion and pedestrian-to-vehicle conflicts on those streets.

Figure 2.7 (left) Manhattan Beach Boulevard

Figure 2.8 (top right) Highland Avenue

Figure 2.9 (bottom right) Alley



Figure 2.10 (above) Sidewalk along Highland Avenue
Figure 2.11 (right) Walkstreet



Figure 2.12: Circulation, shows the existing roadway classifications: walkstreets, major local, residential collector, collector and minor arterial, in the project area.

2.6.B PEDESTRIAN & BICYCLE NETWORK

Pedestrian and bicycle movement within and through the project area is generally accommodated by existing streets and sidewalks. The district's compact blocks and tight street grid provide a well-connected pedestrian network. Pedestrians also benefit from having access to The Strand, several walkstreets, and Veterans Parkway. The City's walkstreets extend through the westernmost blocks of the project area in the east-west direction. Veterans Parkway, a linear park located between Valley Drive and Ardmore Avenue, includes a pedestrian jogging and walking trail that extends from the northern border of the City through the project area south to Hermosa Beach. While pedestrians generally enjoy good access to the project area, mobility is impacted by narrow sidewalks, particularly along the district's commercial streets, a lack of accessible curb ramps, and vehicular congestion and high traffic speeds along arterial streets.

Cycling is a major recreational activity in Manhattan Beach, but the City's designated bicycle network is limited within Downtown.

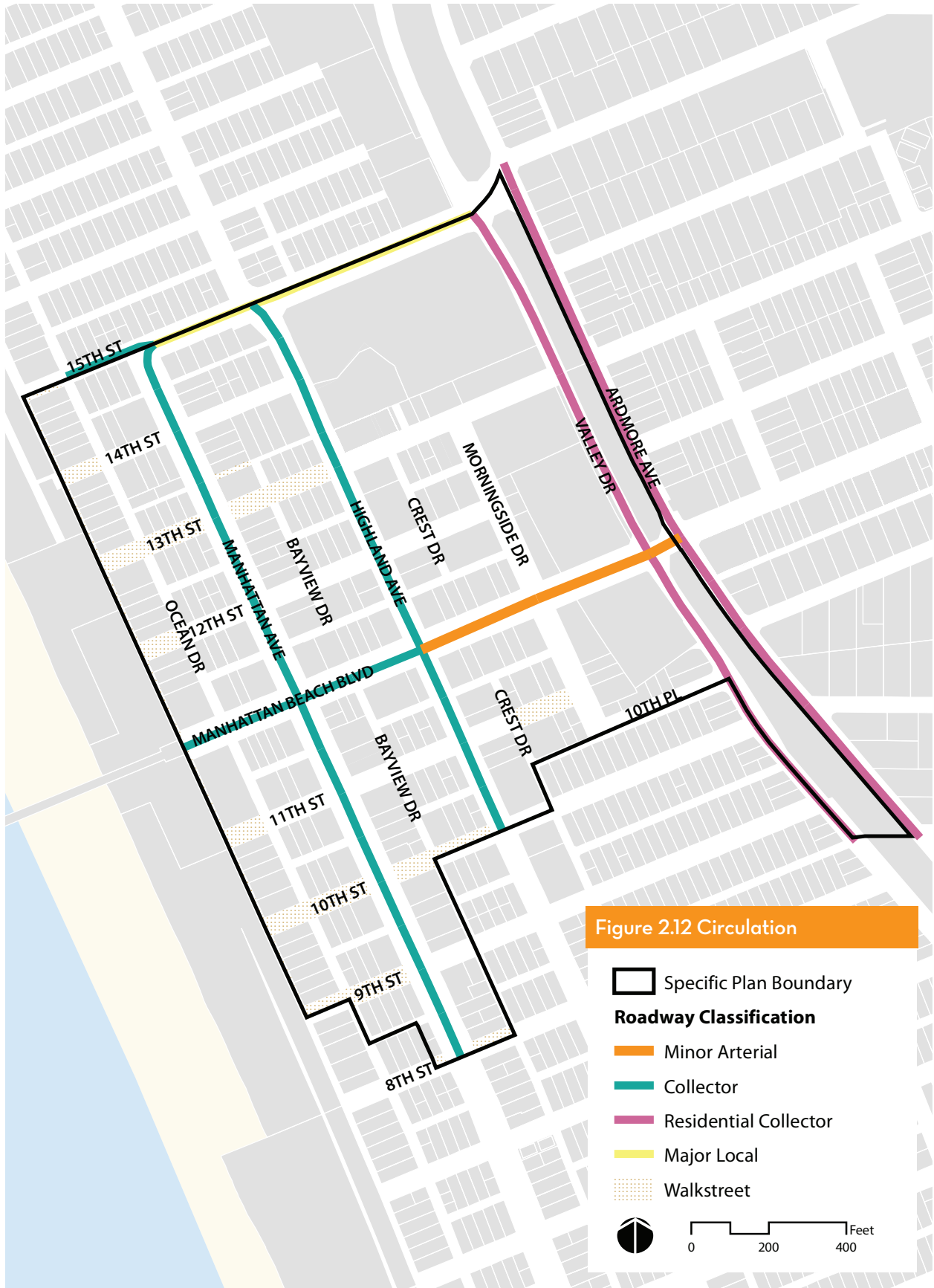




Figure 2.13 Marvin Braude Bike Trail



Figure 2.14 Ocean Express shuttle



Figure 2.15 Metlox underground parking garage structure

The primary bicycle facility is the Class I Marvin Braude Bike Trail that runs parallel to The Strand. This path occupies a short segment of the bicycle route along the beach that extends from Malibu to the north to the Palos Verdes Peninsula to the south. The other facility is a Class III on-street bicycle route with sharrows on Manhattan Avenue that extends between 8th and 15th Streets. The project area's narrow and congested streets, coupled with diagonal parking, limits the opportunities for additional bicycle facilities. In addition to expanding the bicycle network, the project area is in need of short- and long-term bicycle parking facilities that would accommodate more people biking to Downtown destinations.

2.6.C TRANSIT NETWORK

The Downtown and adjacent area are served by several transit routes. They include Beach Cities Transit (BCT) Line 109, a fixed-route public transit line that connects the South Bay cities; Commuter Express Bus Line 438, a route operated by LADOT that connects the South Bay and Downtown Los Angeles; Los Angeles County Metropolitan Transit Authority (MTA) Line 126; and Dial-a-Ride, a shared, curb-to-curb bus service available to Manhattan Beach residents who are disabled or at least 55 years old.

The Downtown area is also served by Ocean Express, a private shuttle service for hotel guests and tenants in the Gateway to L.A. Property-based Business Improvement District, an area that includes hotels and other business that serve LAX. Although Ocean Express is not considered public transportation, the shuttle drops off and picks up guests in the project area.

2.6.D PARKING

The project area includes approximately 2,258 commercial parking spaces. The district's parking supply comprises 1,130 off-street public parking spaces in ten surface lots and two structures, 371 on-street spaces adjacent to commercial and mixed-use development, 287 on-street spaces adjacent to residential development, and 470 private commercial parking spaces.

Access to parking is one of the critical issues facing future development in the project area. Between the district's residents, employees, shoppers, and visitors, demand for parking regularly outstrips supply. To address the issue, the City adopted the Downtown Parking Management Plan in 2008. Appendix 4: Downtown Parking Management Plan Evaluation lists the plan's strategy, describes the issues that the strategies attempt to address, and provides an evaluation for how successfully the City has implemented the measures.



2.7 COMMUNITY CHARACTER

The Downtown is imbued with the characteristics of a small Southern California beach town. The district is organized into a tightly gridded network of mostly narrow streets, compact blocks, and narrow, deep lots that date back to the City's initial development as a primarily pedestrian-oriented beachside community in the early 1900s. While most of the small cottages that originally occupied the lots have been replaced or significantly modified, the current buildings generally perpetuate the district's small, low-scale, urban development pattern. Most of the commercial and mixed-use buildings are one or two stories tall and feature minimal or no setbacks while residential buildings are often three stories tall with narrow setbacks. In addition, commercial and mixed-use buildings generally incorporate prominent storefronts with substantial openings, activating the adjacent streetscape. To perpetuate the Downtown's small town character, it is imperative that future development emulate these characteristics.

Figures 2.16-2.19 Examples of residential, commercial, and mixed-use development that contribute to Downtown's small town character



Figure 2.20 (top) The Metlox development successfully emulates Downtown’s small town character

Figure 2.21 (bottom) The Vons grocery store building appears out of scale and disconnected from the adjoining streetscapes

The district also features several sites that include larger parcels and/or buildings. One of the sites, the Metlox development, a mixed-use project that occupies the site of the former Metlox pottery factory, comprises small retail shops, restaurants, a boutique hotel, and second floor offices and personal services that all work to replicate the project area’s traditional scale and character, while providing a welcoming gateway into Downtown. Another site, the Civic Center, serves as a campus for the district and much of the City’s public and institutional uses. The two remaining sites, the Vons block and Skechers’ corporate headquarters, include buildings that appear out of scale and disconnected from the adjacent streetscapes. Any potential future development on these sites should focus on perpetuating the project area’s small, low-scale character and strengthening the relationship between the site and the streetscape while maintaining important neighborhood service uses such as a grocery store. The Vons site is a key gateway into the Downtown area and any future development needs to create a welcoming environment. The Civic Center site also serves as a key gateway from the north and should recognize that opportunity.

The district’s built environment possesses an eclectic style that contributes to its small town character. Most of the district’s commercial buildings were constructed between 1920 and 1960 and feature a mixture of the architectural styles that were popular during this period. The residential buildings span from

the early 1900s to the present. The district’s newer commercial buildings, generally constructed during the past 15 years, incorporate a more contemporary aesthetic. While this aesthetic contributes positively to the district’s eclectic character, the ongoing exterior renovation of older buildings to contemporary styles threatens the project area’s eclectic beach town appearance. To safeguard the Downtown’s visual character, the effort should be made to preserve existing examples of and emulate characteristics associated with the district’s eclectic styles.

2.8 URBAN FORM

The project area possesses an excellent urban form that helps define its identity as a small town urban district (see Figure 2.22: Urban Form Axonometric). Future infill development should build upon this asset.

The district’s commercial and mixed-use development is focused within the City’s central business district, an area that includes the entire length of the Manhattan Beach Boulevard corridor as well as significant portions of the Manhattan Avenue and Highland Avenue corridors. The built environment in these areas is typical of traditional “main street” development. Small, narrow, mainly



one- and two-story block buildings are located adjacent to the sidewalk and generally occupy the majority of the typical 30 foot by 90 foot or similarly sized lots. The buildings' street-facing façades are well articulated, featuring prominent storefronts along the ground floor. A number of the two-story buildings incorporate an upper-story stepback, creating a balcony and the impression of a single-story building along the street. As future development occurs, the district's small-scale urban form should be protected against the consolidation of storefronts and extended to the few buildings that appear oversized.

Two commercial sites do not reinforce the Downtown's small town urban form. The Vons block, developed during the 1960s in the mold of a suburban commercial center, features two relatively large buildings, a Vons grocery store and a Union Bank, both set back from the sidewalks along Manhattan Beach Boulevard and Valley Drive by wide parking lots. Future development on these properties should seek to emulate the urban form that exists elsewhere in the central business district. The second site, the Skechers' corporate headquarters, is located in a large building along Manhattan Beach Boulevard that appears out of scale with the other buildings along the street due to its imposing size and height and its scale, as it takes up almost an entire block. The building also lacks the necessary pedestrian-oriented presence along the street. While the building generally obtains an appropriate urban form, the central portion of the street-facing façade is setback from the sidewalk by a large forecourt located below the adjoining sidewalk's grade, and the remainder of the façade lacks storefronts.

Residential development occupies most of the remainder of the project area, especially the several blocks at the northern and southern ends of the project area. While these areas are designated for high-density development, they include a combination of single-family homes and multiple-family apartment and condominium buildings. Most of the properties were originally developed with small, 600-800 square foot, single-story cottages. The cottages have generally been replaced with or expanded into much larger, two- and three-story structures that maximize the permitted development envelope. Where future development occurs within these residential areas, the effort should be made to reduce building bulk with balconies, stepbacks, setbacks, use of architectural features, and open spaces.

The City's Civic Center occupies the project area's northeastern corner, an area bounded by 15th Street to the north, Valley Drive to the east, 13th Street to the south, and Highland Avenue to the west. The site serves as a key gateway into Downtown and includes a central civic campus, comprising three buildings (City Hall, the Police & Fire Facility, and the Library), a single-story subterranean parking structure, a surface parking lot, and a network of public plazas and green spaces.

Because the Downtown's urban form is virtually unbroken, the district includes few other large open spaces. The most prominent examples are located at Metlox, which has a large central plaza, a smaller plaza at the northwestern corner of the site, and several pedestrian paseos, providing linkages to the surrounding streets. Given the site's adjacency to the Civic Center, these spaces serve as an extension of the campus's open space network. They also provide much needed locations for outdoor dining, large public events, and the City's weekly Farmers Market. The other significant open space, Veterans Parkway, is a linear park located between Valley Drive and Ardmore Avenue,

partially located in the project area. The district does incorporate a number of small open spaces on private properties. This includes front yards on residential properties, particularly along walkstreets, and small areas created by façade setbacks along commercial frontages. Future development should incorporate both kinds of spaces to provide small gathering spaces adjacent to the district's streetscapes and visual relief.

2.9 EXISTING INFRASTRUCTURE & PUBLIC FACILITIES

2.9.A UTILITY INFRASTRUCTURE

The West Basin Municipal Water District serves as the water service wholesaler, and the City of Manhattan Beach serves as the water service provider in the project area. The water system infrastructure in the project area includes a grid of distribution mains that range in size from 4 to 12 inches in diameter.

The City serves as the wastewater provider in the project area. As such, the City is responsible for operation and maintenance of the collection system. Wastewater from individual services flows into the City's collection system. Regional trunk sewers then collect the wastewater generated in the City and transport it to Los Angeles County Sanitation District's Joint Water Pollution Control Plant for treatment in the City of Carson.

The City provides storm drainage collection in the project area and is responsible for operation and maintenance of the collection system. The system includes open channels, closed conduits, catch basins, laterals, manholes, and other associated facilities, and was mostly constructed after 1960. The system's distribution network comprises cast iron, reinforced and nonreinforced concrete, asbestos cement, corrugated metal, PVC, steel, and vitrified clay pipes, ranging in diameter from 2 to 72 inches. Other agencies, such as the Cities of Hermosa Beach and Redondo Beach and the Los Angeles County Flood Control District, along with some privately owned facilities, maintain facilities in the project area.

AT&T and Time Warner provide telecommunication, cable television, and Internet services. Utility infrastructure in the project area is located both aboveground on utility poles and belowground in public utility easements.

Southern California Edison provides electric services in the project area. Electrical infrastructure in the project area is located aboveground on utility poles as well as belowground. Southern California Gas Company provides natural gas services in the project area. Natural gas pipelines are located belowground.

2.9.B RECREATION & PARKS

The project area is served by one designated open space, Veterans Parkway. The landscaped parkway extends along the eastern edge of the project area between Valley Drive and Ardmore Avenue. The space includes a row of diagonal public parking spaces between 15th Street and Manhattan Beach Boulevard and a pedestrian jogging and walking trail.

2.9.C PUBLIC SAFETY

Public safety consists of police, fire protection, and emergency services. In the project area, these services are primarily fulfilled by the Manhattan Beach Police Department and the Manhattan Beach Fire Department. The Departments share their primary facility, the Manhattan Beach Police & Fire Facility, in the project area along the eastern side of the Civic Center at 400 and 420 15th Street. As of 2016, the Police Department employed 65 sworn personnel and 40 civilian staff members, and the Fire Department included 30 career firefighters and 24 volunteer personnel.

2.9.D EDUCATIONAL, LIBRARY, & CULTURAL FACILITIES

The project area is located in the Manhattan Beach Unified School District. No schools are located in the project area; however, it is served by Grand View and Robinson Elementary Schools, Manhattan Beach Middle School, and Mira Costa High School.

The City's branch of the Los Angeles County Public Library, completed in 2015, is located in the project area along the southwestern corner of the Civic Center at 1320 Highland Avenue.

The project area does not include any cultural facilities, but several such facilities within close proximity do serve the district. This includes the Roundhouse Aquarium, located on the Pier, several buildings located in Live Oak Park: the Annex, Joslyn Community Center, Live Oak Park Recreation Center, and the Scout House, and one building located adjacent to the park that houses the Downtown post office and the Chamber of Commerce.

2.10 ECONOMIC CONDITIONS

2.10.A MARKET POSITION

The Downtown enjoys a strong market position as a multifunctional, unique, and charming shopping and dining destination enjoyed by residents year-round, which also serves as a social and civic center for the entire City. The project area is also a destination for thousands of regional visitors and tourists who flock each year to the area to enjoy the beautiful ocean views, historic Manhattan Beach Pier, and numerous events. The Downtown's diverse target market groups present considerable consumer demand and buying power, and the Downtown business

core serves them with a healthy mix of businesses ranging from locally servicing personal and professional businesses to a solid dining and retail cluster.

2.10.B LOCAL ECONOMIC MARKETS

The Downtown's primary trade area encompasses the entire City, which consists of 35,619 residents. The secondary trade area has over 66,000 residents who live within a 10-minute drive time of downtown (see Figure 2.23: Drive Times). This trade area includes the Cities of El Segundo, Redondo Beach, and Hermosa Beach as well as a small portion of the City of Lawndale. Within a 20-minute drive time, the area population is 713,534 residents, capturing the Playa del Rey and Marina del Rey neighborhoods to the north, the cities of Inglewood, Hawthorne, and Gardena to the east, and the cities of Redondo Beach and Torrance to the south.

In addition to the solid population base within the primary and secondary trade areas, Downtown Manhattan Beach businesses pull from other target markets, including close to 18,000 employees within the City boundary, an estimated 3.8 million visitors to the City each year, and events that attract regional visitors as well as smaller community-based events that appeal to the resident base.

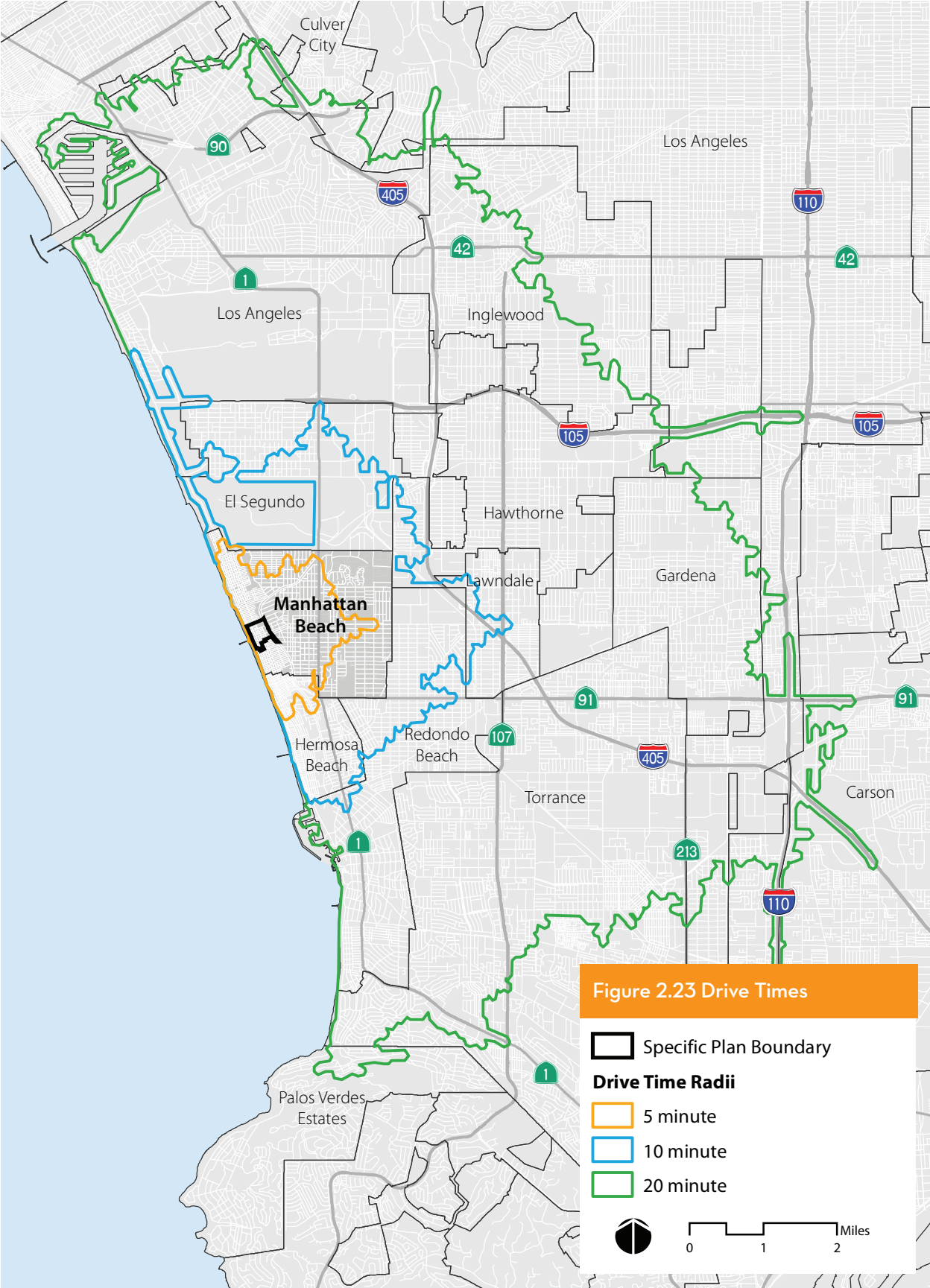
2.10.C DOWNTOWN BUSINESSES

The Downtown boasts a strong, small shop dominance balanced with local independently owned operations and formula-based regional and nationally recognized businesses. This mix of businesses creates a number of strong business clusters that appeal to the various consumer groups. Of the 274 businesses located in the project area, 52 percent provide goods and services that support the needs of the local resident base and 40 percent directly appeal to the visitor market.

2.10.D EVENTS & PROMOTIONS

Numerous special events occur throughout the City, but many held specifically in the Downtown draw thousands of residents and visitors to the area. Well-known athletic events include the AVP Volleyball Tournament, the Charlie Saikley Volleyball Tournament (referred to as the "6-Man"), the Grand Prix, and the Tour de Pier. Community events include the Hometown Fair, World Famous Pumpkin Race, Pier Lighting and Downtown Holiday Open House, and the Downtown Holiday Fireworks Show.

The City also hosts smaller, community-based events throughout the year, including the Summer Surf Movie Series, Metlox concert series, and numerous Library-sponsored events. The Downtown Business and Professional Association coordinates the weekly Manhattan Beach Farmers Market as well as a number of advertising and public relations activities.



2.10.E POTENTIAL FUTURE MARKET OPPORTUNITIES

Upon analyzing the existing conditions summarized here and in the ULI Report, and input from the stakeholders, the community, and the Specific Plan Advisory Committee, the project team identified the following opportunities in the project area.

According to the ULI Report, the Downtown has approximately 400,000 square feet of existing retail and commercial uses. Of those uses, 70 percent are in a small-shop format. With the possible future redevelopment of potential key opportunity sites identified by the report, the densification of some existing sites, and the development of the shared office/retail building concepts, there will likely be some increase in the commercial and retail square footage in the project area in the coming decades.

As identified in Table 2.4: Retail Demand, Supply, Leakages and Surpluses within Manhattan Beach, ESRI sales performance data indicates that within the primary trade area, there is unmet demand in several NAICS categories, including home furnishing, grocery, general merchandise, and other store retailers. In addition, the sales performance estimates surplus in clothing and food service and drinking places, indicating that these uses are drawing customers from outside the trade area, thus supporting the ULI Report's assertion that visitors are integral to supporting the project area's retailers and restaurants.

Table 2.4 Retail Demand, Supply, Leakages and Surpluses within Manhattan Beach

Industry Group	Demand (Potential)	Supply (Sales)	Leakage or Gap
Home Furnishing Stores (NAICS 4422)	\$11,429,041	\$1,927,451	\$9,501,590
Grocery Stores (NAICS 4451)	\$137,776,220	\$117,839,404	\$19,936,816
Specialty Food Stores (NAICS 4452)	\$5,742,945	\$6,218,230	-\$475,285
Beer, Wine & Liquor Stores (NAICS 4453)	\$9,517,205	\$5,004,128	\$4,513,077
Clothing & Clothing Accessories Stores (NAICS 448)	\$65,235,872	\$98,855,317	-\$33,619,445
General Merchandise Stores (NAICS 452)	\$127,005,169	\$37,890,062	\$89,115,107
Other Misc. Store Retailers (NAICS 453)	\$26,724,522	\$10,818,871	\$15,905,651
Food Services & Drinking Places (NAICS 722)	\$103,904,456	\$134,268,128	-\$30,363,672

SOURCE: ESRI (Sales leakage estimates indicate business development opportunities - opportunities to expand existing businesses or add new businesses to address the "market gap." Sales surpluses indicate a market where local demand is saturated and customers are already being drawn from outside of the trade area.)

Existing businesses are faced with extensive opportunities for retaining, strengthening, and expanding business through individual business enhancement initiatives, as well as an array of cooperative retail and business development actions. These initiatives and actions are supported by the City as well as several strong and well-organized business organizations including but not limited to the Chamber of Commerce and the Downtown Business and Professional Association.