I. INTRODUCTION

PROJECT DESCRIPTION

The proposed Civic Center/Metlox Development consists of a combined public Civic Center redevelopment and a private mixed-use commercial development (Metlox). The Civic Center component of the project will include demolishing the existing Police and Fire Department buildings (10,568 square feet and 20,000 square feet, respectively) and reconstructing a combined approximate 57,000 square foot Public Safety Facility to house the staffing and spatial needs of both departments. The Civic Center redevelopment will also include either expanding or entirely rebuilding the existing Public Library building (12,100 square feet) with an approximate 30,000 square foot Public Library and approximate 10,000 square foot attached Cultural Arts Center. The total buildable floor area proposed for the entire Civic Center improvements will be approximately 97,000 square feet, a net increase of approximately 54,332 square feet. The commercial portion of the project proposed, referred to herein as the "Metlox Development," is an approximately 90,000 square foot development comprised of retail and commercial office uses and includes a 40-room Bed and Breakfast lodging component. The two sites are contiguously located (north/south), which provides a unique opportunity to integrate the public and private developments through a system of paseos, plazas, and a Town Square. As described in greater detail in Section II. Project Description, some of the project's main objectives include:

- Providing an introduction and gateway to the Downtown area;
- Replacing undersized and functionally deficient Civic Center buildings and increase the operational effectiveness of the Public Safety Facilities; and
- To redevelop the former Metlox Potteries property with a low-scale commercial development, which is compatible with the existing Downtown commercial area;

OVERVIEW OF THE CEQA PROCESS

The California Environmental Quality Act (CEQA) (Public Resources Code (P.R.C) Division 13, § 21000 et seq.) was enacted in 1970 with the main objective of providing public disclosure to inform decision makers and the public of the significant environmental effects of proposed activities and to require agencies to avoid or reduce the environmental effects by implementing feasible alternatives or mitigation measures.

CEQA applies to all discretionary activities proposed to be carried out or approved by California public agencies, including state, regional, county, and local agencies. The proposed project requires discretionary approval from the City of Manhattan Beach and, therefore, is subject to CEQA. For

purposes of complying with CEQA, the City of Manhattan Beach is identified as the Lead Agency for the proposed project.

This Environmental Impact Report (EIR) was prepared in accordance with CEQA and the State CEQA Guidelines (California Code of Regulations (C.C.R.), Title 14, Division 6, Chapter 3, § 15000-15387, as amended December 1, 1999). As provided by the State CEQA Guidelines § 15121 (a):

"An EIR is an informational document which will inform public agency decision-makers and the public generally of the significant environmental effect of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project. The public agency shall consider the information in the EIR along with other information which may be presented to the agency."

In accordance with CEQA (P.R.C. § 21080.1), the City of Manhattan Beach determined that the proposed project has the potential to result in significant adverse effects on the environment and required an Environmental Impact Report (EIR) be prepared.² As provided by the State CEQA Guidelines (C.C.R. § 15084), the City of Manhattan Beach contracted with the environmental planning and research firm Christopher A. Joseph & Associates (CAJA) to prepare the EIR as an independent and third party consultant to the City. As mandated by the Guidelines, the EIR must be subject to the Lead Agency's own review and analysis and reflect the Lead Agency's independent judgment and objectivity with regard to the scope, content, and adequacy.

SCOPE AND CONTENT

The City of Manhattan Beach determined an EIR would be required for the proposed project. In accordance with the State CEQA Guidelines, the City prepared an Initial Study to determine the scope of the EIR. On December 20, 1999, the City issued the Notice of Preparation to provide responsible agencies and interested individuals In addition, the City held a public scoping meeting on January 11, 2000 to receive public input comments on the proposed action and to further assess potential for environmental impacts to occur as a result of the proposed project. At this meeting, interested

The State CEQA Guidelines, adopted by the Resources Agency, are the primary rules and source of interpretation of CEQA (P.R.C. § 21083).

[&]quot;Significant effect on the environment" means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.

members of the public were invited to voice their concerns with regards to identifying potential environmental impacts that may occur as a result of the proposed project. The NOP was re-circulated on April 6, 2000 to provide notice of the addition of the Public Library and Cultural Arts Center as part of the proposed project. Based on the Initial Study, the comments received in response to the NOP, and the comments received during the public scooping meeting, the City determined that the following environmental issue areas be included within the scope of the EIR:

- Aesthetics
- Air Quality
- Land Use
- Noise

- Public Services (Police Protection)
- Risk of Upset
- Transportation and Circulation
- Hydrology/Water Quality

The environmental impact analysis for each of the environmental issue areas identified above is contained in Section V of this EIR. For each environmental issue area, the EIR identifies the environmental setting (e.g., the existing baseline conditions at the time of the NOP), defines the methodologies and significance thresholds employed to determine significant environmental impacts, identifies significant environmental impacts that may occur as a result of the project, provides recommended mitigation measures that may reduce or avoid potential significant impacts, and provides a cumulative impact analysis of the project when combined with other known projects which have been recently proposed within the surrounding area.

As required by CEQA, Section VI of this EIR includes a discussion of significant irreversible environmental changes which would be involved in the proposed project should it be implemented and addresses the project's potential for growth-inducing impacts. (State CEQA Guidelines, P.R.C. § 15126). Additionally, CEQA requires that the Draft EIR include a reasonable range of project alternatives that may reduce the effects of the proposed project. The alternatives analysis is included in Section VII of this EIR and includes the following six project alternatives:

- 1) The No Project Alternative;
- 2) **Civic Center Only.** The Civic Center (as proposed) without the Metlox commercial development;
- 3) **Metlox Development Only.** The Metlox commercial development (as proposed) without the Civic Center improvements;
- 4) **Reduced Density Alternative.** The Civic Center (as proposed) with a 60,000 square foot Metlox commercial development (includes surface parking only);

5) **Increased Parking Alternative.** The Civic Center (as proposed) with a 90,000 Metlox commercial development (as proposed) with increased parking (includes a 2nd levels of subterranean parking); and

6) **Alternative Mixed-Use Metlox Development.** The Civic Center (as proposed) with a 90,000 square foot Metlox commercial development with an alternative mix of commercial uses.

PUBLIC PARTICIPATION

Public participation is an essential part of the CEQA process. To provide full public disclosure of potential environmental impacts that may occur as a result of a proposed project, CEQA requires a Draft EIR be circulated during the public review period to all responsible agencies, trustee agencies, and the general public. This Draft EIR is being circulated for a period of 45 days (in accordance with State CEQA Guidelines § 21091 (a)). The public review period will commence on October 9, 2000 and will end on November 22, 2000. During this review period, all public agencies and interested individuals and organizations are encouraged to provide written comments addressing their concerns with the adequacy and completeness of the EIR. When providing written comments on the subject matter of the EIR, the readers are referred to State CEQA Guidelines, 15204(a), which state:

"In reviewing Draft EIRs, people persons and public agencies should focus on the sufficiency of the document in identifying and analyzing the possible impacts on the environment and ways in which the significant effects of the project might be avoided or mitigated. Comments are most helpful when they suggest additional specific alternatives or mitigation measures that would provide better ways to avoid or mitigate the significant environmental effects. At the same time, reviewers should be aware that the adequacy of an EIR is determined in terms of what is reasonably feasible, in light of factors such as the magnitude of the project at issue, the severity of its likely environmental impacts, and the geographic scope of the project. CEQA does not require a lead agency to conduct every test or perform all research, study, and experimentation recommended or demanded by commentors. When responding to comments, lead agencies need only respond to significant environmental issues and do not need to provide all information requested by reviewers, as long as a good faith effort at full disclosure is made in the EIR."

All comments regarding the contents of the Draft EIR should be submitted in writing to the City of Manhattan Beach at the following address by no later than November 22, 2000:

City of Manhattan Beach
Community Development Department
1400 Highland Avenue
Manhattan Beach, California, 90266
metloxproject@ci.manhattan-beach.ca.us

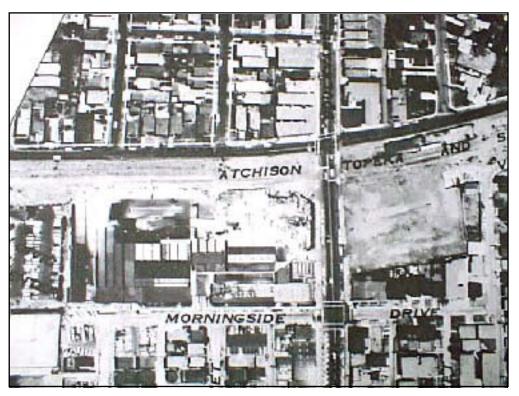
The Draft EIR will be made available to the general public at the address listed above. In addition, copies of the Draft EIR will be made available to the public at the Civic Center Public Library. The Draft EIR will be published on the City of Manhattan Beach internet website at: http://www.ci.manhattan-beach.ca.us/. Comments submitted via e-mail to the e-mail address listed above will be accepted.

Following the public review period, the Lead Agency will prepare a Final EIR. The Final EIR will include additions and corrections to the Draft EIR as appropriate, and written responses addressing the comments and recommendations received by individuals and entities during the public review period. The Lead Agency's responses to comments must demonstrate a good faith and well responded analysis, and may not be conclusory (CEQA, P.R.C. § 21091 (d), and State CEQA Guidelines, C.C.R. § 15088 (b)). However, when responding to comments on the Draft EIR, the Lead Agency need only respond to significant environmental issues and does not need to provide all information requested by reviewers. (State CEQA Guidelines, C.C.R. § 15204(a)).

PROJECT HISTORY

The proposed project is centered around redeveloping the former Metlox Potteries site within the Commercial Downtown area of the City of Manhattan Beach. Metlox Potteries operated a pottery manufacturing plant on the project site between 1927 and 1989. Between 1927 and 1971, the City of Manhattan Beach issued 25 building permits for new construction and additions on the Metlox site. The total square footage of these buildings were 49,865. Notes in the file indicated they employed as many as 500 persons. Historical photographs depicting the project site and surrounding area during the Metlox Potteries era are provided in Figure 1 and Figure 2 on pages 6 and 7, respectively. Since its closure in 1989 all of the Metlox structures have been demolished and removed from the project site. The site has since been adequately remediated to remove contaminants released into the soil during years of pottery manufacturing operations. The following list of events represents the history of the former Metlox Potteries property from its original development in 1927 to the present, and provides a chronology of City Planning actions and community events leading to the preparation of this EIR:

- June 1927 January 1976 construction/operation of manufacturing and commercial buildings including offices, stores, warehouses, kilns, and factories for Metlox Pottery;
- June 1989 Metlox Potteries closed.
- June 1991-1996 the Metlox Potteries buildings were demolished and the property was remediated:



Aerial photograph of the project area in 1965.



Aerial photograph of the project area in 1991.



Aerial view of Metlox and the Civic Center prior to the building of the Police and Fire departments in the early 1940's.



The pottery outlet yard located on the 400 block of Manhattan Beach Boulevard. The yard sold seconds and was open to the public. This photo was taken on April 5, 1989

• September 29, 1992 – the City Council entered into agreement with financial consultant and bond counsel for possible purchase of Metlox site;

- October 20, 1992 after receiving public testimony, the City Council approved a tentative offer to purchase southern portion of Metlox site;
- November 3, and 17, 1992 after conducting a public hearing the City Council continued indefinitely the consideration to purchase the southern portion of Metlox because of issues regarding the title of Santa Fe property;
- December 21, 1993 the City Council appointed an Advisory Committee to study the possible acquisition of the Metlox site;
- February 15, 1994 a joint session with the Metlox Advisory Committee and City Council was held to receive public input on the possible acquisition of the northern portion of Metlox property;
- September 1994 the City Council authorized the retention of Leach Mounce Architects to conduct a Needs Assessment and Building Concept Study for the Public Safety Facility;
- January 13, 1995 an application was submitted to allow the development of a thirty-two unit condominium project on the north half of the Metlox site;
- February 1995 the City Council authorized the development of a Downtown Strategic Action Plan (DSAP) to comprehensively address downtown issues and establish a community vision for the downtown area. The potential development of the Metlox site was included as an element of the DSAP;
- February 7, 1995 the City Council declared a moratorium on the new residential development in the "CD" (Commercial Downtown) zoning district, directed staff to prepare a similar ordinance affecting other "mixed use" zones and to initiate public hearings to consider changes in use or development regulations affecting these zones;
- February 21, 1995 the City Council declared a building moratorium for new conditional residential uses in the CL (Local Commercial) and CNE (North End Commercial) zones (Ord. 1923);
- March 21, 1995 the City Council extended the expanded residential moratorium for a period of 10 months and 15 days (Ord. 1924);
- May 16, 1995 the City Council amended the Zoning Ordinance, modifying the required findings for use permits (Ord. 1926);
- July 1995 the Needs Assessment and Building Concept Study for the Public Safety Facility is completed;

• January 3, 1996 - the thirty-two unit condominium application for the Metlox site was withdrawn;

- January 23, 1996 the City Council modified the Zoning Ordinance, and clarified development standards and use permit requirements for residential and mixed-use projects in the CD, CL and CNE zones (Ord. 1942);
- February 21, 1996 the residential moratorium in the CD, CL, CNE zones expired;
- May 6, 1996 posters inviting the community to participate in the Downtown Walking Tour distributed to all downtown merchants;
- May 23, 1996 a community announcement was published in The Beach Reporter and Easy Reader announcing the upcoming Kickoff/Walking Tour;
- May 30, 1996 a full page insert in The Beach Reporter was published announcing the Walking Tour;
- June 6, 1996 a full page insert re-run was published in The Beach Reporter;
- June 8, 1996 the Downtown Walking Tour was held. Community members were invited to walk the downtown area and provide information about specific sites including the Metlox property;
- June 28, 1996 a community announcement in The Beach Reporter was published to announce the upcoming visioning workshop;
- July 5, 1996 a community announcement was published in The Beach Reporter for an upcoming visioning workshop;
- July 11, 1996 second full-page insert published in The Beach Reporter announcing the visioning workshop;
- July 18, 1996 second full-page insert re-published in The Beach Reporter;
- July 20, 1996 the visioning workshop was held;
- August 7, 1996 posters announcing the strategic issues workshops were delivered to all Downtown merchants for display;
- August 29, 1996 a third full-page insert was published in The Beach Reporter promoting the strategic issues workshops;
- September 5, 1996 an announcement was placed advertising the upcoming strategic issues workshops;
- September 7, 1996 the Strategic Issues Workshop was held;

• September 21 Strategic Issues Workshop - A portion of this workshop was specifically dedicated to discussion of the development of the Metlox property;

- October 1996 HOK Architects was retained to provide preliminary designs and construction cost estimates for the Public Safety Facility;
- November 6, 1996 the Draft DSAP was presented to the Board of Parking Place Commissioners for public/Commission comment;
- November 13,1996 the Draft DSAP was presented to the Manhattan Beach Chamber of Commerce Board of Directors:
- November 13, 1996 the Draft DSAP was presented to the Planning Commission for public/Commission comment;
- November 18, 1996 the Draft DSAP was presented to the Public Works Commission for public/Commission comment;
- November 21, 1996 the Draft DSAP was presented to the Downtown Bar & Tavern Association for comment;
- November 22, 1996 general community meeting held the Draft DSAP was presented for public comment;
- December 3, 1996 the Draft DSAP was presented to the City Council for public/Commission comment;
- December 17, 1996 the DSAP was accepted by the City Council and staff authorized to pursue identified projects;
- July 15, 1997 the City Council approved the purchase of the southern portion of the Metlox site;
- February 3, 1998 the City Council approved the purchase of the northern portion of the Metlox site;
- April 24, 1998 the Request for Qualifications (RFQ) for development of the Metlox property was delivered to fifty (50) development firms;
- May 15, 1998 twenty (20) submittals were received in response to the RFO;
- June 2, 1998 the City Council approved the creation of the Metlox Development Ad-Hoc Committee, and appointed Councilmembers Joan Jones and Linda Wilson to this Committee;
- June 12 & 26, 1998 the Committee evaluated the twenty (20) responses to the Request for Qualifications and recommended that the following firms be invited to participate in the

proposal process: (1) the TolkinGroup; (2) Madison – Marquette; (3) the CIM Group; and, (4) the Lincoln Property Company;

- July 7, 1998 the City Council approved the Request for Proposal (RFP) and authorized staff to provide the RFP to the identified finalists;
- July 27, 1998 a public workshop was held at the Joslyn Community Center to receive input and ideas from members of the public regarding the future development of the Metlox Property. The four development firms attended this workshop;
- August 14, 1998 a meeting was held to allow the architects for the City's Public Safety Facility to present their preliminary design alternatives to each of the Metlox finalists;
- August 18, 1998 the City received correspondence from the Lincoln Property Company indicating their withdrawal from the process;
- August 18, 1998 the City Council authorized the submittal of a request for proposal to the firm of DDR / Oliver-McMillan;
- August 26, 1998 the City received a correspondence from Madison-Marquette indicating their withdrawal from the process;
- September 17, 1998 proposals were submitted by the three development finalists and a special meeting of the City Council was held at the Manhattan Heights Community Center for public presentation of the proposals;
- October 6, 1998 the City Council held a public hearing on the submitted proposals;
- October 20, 1998 the City Council postponed the final selection of a development partner and directs the Developer Selection Subcommittee to select a real estate/financial consultant to assist in the review of the Metlox proposals and developers;
- November 16, 1998 the Developer Selection Subcommittee conducted interviews of the four financial consultant finalists and selected Keyser-Marston Associates, Inc., to prepare the analysis;
- November 17, 1998 the City Council authorized the City Manager to negotiate a contract with HOK (City architect) to assist the Metlox developer with the design process;
- December 8, 1998 Kathleen Head of Keyser-Marston conducted a study session with the City Council regarding the financing of public/private partnerships;
- December 15, 1998 the results of the financial analysis prepared by Keyser-Marston were presented to the City Council, and a final selection for the Metlox developer was made;
- December 15, 1998 the City Council unanimously selected the TolkinGroup as the Metlox Developer;

• January 19, 1999 - the City Council approved the Exclusive Right to Negotiate with the TolkinGroup; and authorized Tolkin to include the Civic Center (Police, Fire, and Library buildings) in the Master Plan - the City Council approved the Contract with HOK Architects to provide services for the Public Safety Facility Buildings (Police, Fire, and Library); the City Council authorized Staff to investigate the possibility of withdrawing from the County library system and authorizes HOK Architects to include library space needs in the Civic Center / Metlox site.

- January 21, 1999 a workshop was held between City staff, representatives of the TolkinGroup and representatives of the Civic Center project (Public Safety Facility and Library);
- February 23, 1999 a community meeting was held at the Joslyn Center with over 200 people in attendance;
- March 4, 1999 a meeting was held between City staff, representatives of the Tolkin Group and the City's Financial Advisor;
- April 15 16, 1999 a design charette was held between City staff, representatives of the Tolkin Group and representatives of the Civic Center Project (HOK Architects);
- May 4, 1999 HOK Architects met with representatives of the Police and Fire Departments to define design concepts for the Public Safety Facility;
- May 14, 1999 HOK Architects conducted a second meeting with the Police and Fire Departments to discuss design concepts for the Public Safety Facility;
- May 18, 1999 a meeting was held with the Manhattan Beach Chamber of Commerce;
- May 24, 1999 a Community Workshop was scheduled at the Joslyn Center to present the design alternatives prepared for the Civic Center / Metlox development;
- June 1, 1999 the City Council extended the Exclusive Negotiating Agreement with the Tolkin Group to December 17, 1999;
- June 23, 1999 a public hearing was held before the Planning Commission to discuss project alternatives;
- June 29, 1999 the City Council held a discussion on the Civic Center Project financing options;
- July 14, 1999 a public hearing was held before the Planning Commission to discuss Civic Center/Metlox development concept plan.
- July 20, 1999 a presentation was made to the City Council regarding the need for a new Public Safety Facility. City Council decided not to hold a bond election in November 1999.

• July 28, 1999 - a public hearing was scheduled before the Planning Commission to discuss the Civic Center/Metlox development concept plan.

- July 28, 1999 the Planning Commission conducted a public hearing and recommended that the City Council initiate the preparation of an Environmental Impact Report.
- August 17, 1999 the City Council conducted a public hearing and directed that the maximum size of the project be reduced for evaluation purposes.
- September 9, 1999 the Tolkin Group conducted a workshop at Manhattan Heights Community Center which generated public feedback regarding concept alternatives.
- October 7, 1999 the Tolkin Group conducted a workshop at Manhattan Heights Community Center which generated public feedback regarding concept alternatives.
- October 19, 1999 the City Council received a presentation from Kathy Head of Keyser -Marston & Associates regarding the financial aspects of the project alternatives;
- October 26, 1999 the City Council conducted a special session to review project alternatives and initiated the preparation of an Environmental Impact Report on a 110,000 square foot commercial project;
- November 16, 1999 the City Council Reactivated the Metlox Subcommittee and appointed Mayor Linda Wilson and Councilperson Joyce Fahey to the committee. The City Council also decided to reduce the maximum size of the commercial portion of the project to be evaluated in the Environmental Impact Report to 90,000 square feet;
- January 11, 2000 a public scoping meeting pertaining to the environmental review for the proposed project was held;
- February 8, 2000 the EIR Subcommittee held a meeting to discuss the scope of the EIR in response to the public comments received;
- February 16, 2000 the EIR Subcommittee held a meeting to discuss the scope of the EIR in response to the public comments received;
- March 7, 2000 Proposition 14 "California Library Construction and Renovation Bond Act" was passed;
- March 22, 2000 EIR Subcommittee Meeting. The project description was revised to incorporate an addition to the Civic Center Library in response to the passage of Proposition 14;
- April 6, 2000 the NOP was re-circulated and re-advertised in the Beach Reporter due to the addition of the Library project.