



LOS ANGELES CITY PLANNING COMMISSION

200 N. Spring Street, Room 532, Los Angeles, California, 90012-4801, (213) 978-1300

www.lacity.org/PLN/index.htm

JUN 26 2007

Determination Mailing Date: _____

CITY COUNCIL
Room 395, City Hall
Los Angeles, California

Applicant: The Related Companies, LLC

CASE NO. CPC 2006-9702-ZC-CU-CUB-CUX-ZV-DA

Location: 100, 221, 225, and 237 S. Grand Avenue; 121, 129, and 135 S. Hill Street; 220 and 236 S. Hope Street; 111, 121, 130, 134, 138, 141, 145, 151, and 161 S. Olive Street; 400 and 440 W. 1st Street; 411, 417, 419, 419, 421, 425, 427, 429, and 431 W. 2nd Street; and 630 and 635 W. General Thaddeus Kosciuszko Way
Council District: No. 9
Plan Area: Central City
Requests: Zone Change, Conditional Uses, Conditional Use Alcoholic Beverage, Conditional Use Dancing and Live Entertainment, Zone Variances, Development Agreement

At its meeting on June 14, 2007 the following action was taken by the City Planning Commission:

1. **Approved and Recommended** that the City Council adopt a Zone Change from R5-4D to [T] [Q] C2-4D; subject to attached Conditions of Approval.
2. **Approved** a Conditional Use to permit a mixed-use development with a floor area ratio of 9.9:1 throughout the entire site in lieu of the maximum allowed ratio of 6:1 under the existing "D" limitation of Ordinance No. 164,307, subject to attached Conditions of Approval.
3. **Approved** a Conditional Use to permit a residential density of one unit per 136 square feet of net lot area throughout the entire site in lieu of the minimum allowed one unit per 200 square feet of net lot area, subject to attached Conditions of Approval.
4. **Approved** a Conditional Use to permit the sale and dispensing of alcoholic beverages for 35 establishments that will offer on-site sale and consumption, or off-site sales, including 28 establishments that will offer on-site alcoholic beverage service, five establishments that will sell alcoholic beverages for off-site consumption, and two establishments with a combination of on- and off-site consumption in the C2 zone incident to the zone change on Parcels Q, L/M-2, and W-1/W-2, subject to attached Conditions of Approval.
5. **Approved** a Conditional Use to permit live entertainment with incidental public dancing at up to eight establishments in the C2 zone incident to the zone change on Parcels Q, L/M-2, and W-1/W-2, subject to attached Conditions of Approval.
6. **Approved** a zone variance from Section 12.21-G to permit 1) 47,758 square feet of open space for 500 dwelling units on Parcel Q in lieu of the required 73,000 square feet of open space; 2) 33,000 square feet of open space for 850 dwelling units on Parcels L/M-2 in lieu of the required 123,650 square feet of open space; and 3) 62,100 square feet of open space for 1,310 dwelling units on Parcels W-1/W-2 in lieu of the required 190,650 square feet of open space for the Additional Residential Development Option, or to permit 41,000 square feet of open space for 710 dwelling units on Parcels W-1/W-2 in lieu of the required 103,300 square feet of open space for the County Office Building Option; where the common residential open space for all five parcels will include the square footage of adjacent public plazas, and that the landscaped portion of that

common open space be less than the 25 percent minimum that is required, subject to attached Conditions of Approval.

7. **Approved** a zone variance from Section 12.21-A,5(h)(2) to permit tandem parking spaces with a valet in lieu of providing a minimum of one individually and easily accessible parking space at all times for each dwelling unit or guest room for residents and hotel guests, subject to attached Conditions of Approval.
8. **Recommended** that the City Council approve a Development Agreement pursuant to Section 65864 of the State Government Code and the City Implementing procedures with a term of 20 years for Parcels Q, L/M-2, and W-1/W-2.;
9. **Recommended** that the City Council adopt the Findings of the Grand Avenue Project Final Environmental Impact Report (State Clearinghouse No. 2005091041) as certified by the Grand Avenue Authority, and adopt the subsequent CEQA Findings. This recommendation reflects the independent judgment and analysis of the Responsible and Lead Agencies that the project's environmental effects have been adequately addressed.
10. **Recommended** that the applicant be advised that time limits for effectuation of a zone in the "T" Tentative classification or "Q" Qualified classification are specified in Section 12.32.G of the L.A.M.C. Conditions must be satisfied prior to the issuance of building permits and, that the "T" Tentative classification be removed in the manner indicated on the attached page.
11. **Advised** the applicant that, pursuant to California State Public Resources Code Section 21081.6, the City shall monitor or require evidence that mitigation conditions are implemented and maintained throughout the life of the Project and the City may require any necessary fees to cover the cost of such monitoring.
12. **Advised** the applicant that, pursuant to California State Public Resources Code Section 21081.6, the City shall monitor or require evidence that mitigation conditions are implemented and maintained throughout the life of the Project and the City may require any necessary fees to cover the cost of such monitoring.
13. **Advised** the applicant that pursuant to State Fish and Game Code Section 711.4, a Fish and Game Fee and/or Certificate of Fee Exemption is now required to be submitted to the County Clerk prior to or concurrent with the Environmental Notice of Determination (NOD) filing.

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

This action was taken by the following vote:

Moved: Usher
Seconded: Woo
Ayes: Usher, Freer, Cardoso, Montanez, Woo, Roschen
Absent: Kay, Kezios, Irlando

Vote: 6-0



Gabriele Williams, Commission Executive Assistant II
City Planning Commission

Effective Date / Appeals:

Appeals: If the Commission has disapproved the Zone Change request, in whole or in part, only the applicant may appeal that disapproval to the Council within 20 days after

the mailing date of this determination. Any aggrieved party may appeal the Conditional Use to the Council within 20 days after the mailing date of this determination. Any appeal not filed within the 20-day period shall not be considered by the Council. All appeals shall be filed on forms provided at the Planning Department's Public Counters at 201 N. Figueroa Street, Fourth Floor, Los Angeles, or at 6262 Van Nuys Boulevard, Suite 251, Van Nuys.

FINAL APPEAL DATE JUL 16 2007.

The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedure Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

Attachments: Findings, Conditions, Ordinance, Map(s), Development Agreement

cc: Notification
Jeri L. Burge, City Attorney
Henry Chu, Planning Staff

CONDITIONS OF APPROVAL**CONDITIONAL USE, CONDITIONAL USE ALCOHOLIC BEVERAGE AND DANCING,
ZONE VARIANCE, DEVELOPMENT AGREEMENT CONDITIONS OF APPROVAL****A. Entitlement Conditions**

1. Permit a floor area ratio of 9.9:1 throughout the entire site.
2. Permit approximately a residential density of one unit per 136 square feet of net lot area for the entire project site area.
3. Permit the sale and dispensing of alcohol for a maximum 35 establishments that will offer off-site and on-site sale and consumption, off-site sales, including 28 establishments that will offer on-site alcoholic beverage service, five establishments that will sell alcoholic beverages for off-site consumption, and two establishments with a combination of on- and off-site consumption in the C2 zone subject to plan approvals. The applicant shall maintain a list of all establishments approved under this condition and submit this information along with a detailed floor plan for each corresponding plan approval.
4. Permit live entertainment with incidental public dancing at up to eight establishments in the C2-4D Zone subject to plan approvals.
5. Permit approximately 47,758 square feet of open space for 500 units on Parcel Q, approximately 33,000 square feet of open space for 850 units on Parcels L and M2, and approximately 62,100 square feet of open space for 1,310 dwelling units on Parcels W-1 and W-2.
6. Permit tandem parking spaces at all times for each dwelling unit or guest room for residents and hotel guests.
7. **Equivalency Program.** In accordance with the Equivalency Program contained in the Final Environmental Impact Report (State Clearinghouse No. 2005091041) for the Project, land uses can be exchanged for certain other permitted land uses within and between the development parcels/phases so long as the limitations of the Equivalency Program are satisfied and no additional environmental impacts occur. All permitted land use increases can also be exchanged for corresponding decreases of other land uses. The Department of City Planning shall be the implementing agency for this Program.
8. **Revocable Permit.** That the Bureau of Engineering be authorized to issue a revocable permit(s) to allow work in the public rights-of-way to commence prior to the recordation of the final maps for Tentative Tract Map Nos. 64790, 67491, and 67492. In conjunction with such revocable permit(s), the applicant shall guaranty, and post a bond in sufficient amounts to be determined by the City Engineer, to return and reconstruct the rights-of-way back to their present condition in the event that the applicant does not complete the proposed development project and/or does not record the final tract maps.

9. Prior to the issuance of any building permits for any development parcels/phase, the applicant shall submit detailed development plans, including a landscape plan, for those development parcels/phase to the Department of City Planning for review and approval, and verification of substantial conformance with the conditions herein, and with the Design Guidelines outlined in the Scope of Development of the Grand Avenue Disposition and Development Agreement. Such review shall address Phases II and III with the intent of meeting the urban design and architectural qualities of Phase I, including through-block pedestrian circulation, street-level plazas or other spaces intended to link the three phases as a recognizable urban neighborhood with consistent connections and public spaces. Such review shall be conducted by the Department of City Planning concurrently with, and in collaboration with, CRA's design review.
10. The applicant shall work with the Department of Transportation to facilitate a minimum of two dedicated on-street parking spaces adjacent to the project for use by a share-car program.
11. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
12. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
13. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Zoning Administrator and the Department of Building and Safety for purposes of having a building permit issued.
14. **Plan Approval.** The applicant or individual operator shall file a plan approval with the Department of City Planning prior to the utilization of any grant made herein pursuant to the sale of alcoholic beverages, and/or dance hall use. The plan approval(s) shall be accompanied by the payment of appropriate fees, pursuant to Section 19.01,C of the Municipal Code, and must be accepted as complete by the Department of City Planning. Mailing labels shall be provided by the applicant for all abutting property owners. In reviewing the plan approval(s) for alcohol sales, and dance hall use the Zoning Administrator may consider conditions volunteered by the applicant or suggested by the Police Department (Community Problems Unit, 251 E. 6th Street, Room 332, Los Angeles, CA 90014), but not limited to establishing conditions, as applicable, on the following: time period of the grant (i.e. five years); hours and days of operation; primary use(s); security plans; maximum seating capacity; maximum floor area; maximum occupancy; valet parking; noise; mode, character and nature of the operation; food service and age limits. Also, the plan approval review application is for the purpose of evaluating the effectiveness of all conditions, associated with alcoholic beverages and dance hall use of this granted action, as to whether additional conditions are necessary or whether conditions may be deleted.

15. Alcohol sales and dispensing only for on-site consumption shall only be served by employees of the dance hall, bar/nightclub, or restaurant. The sale of alcoholic beverages for consumption off the premises of the bar/nightclub is prohibited. The conditional use authority to sell alcohol applies only to the subject facilities approved under the respective "plan approval" and not to any other facility within the subject ownership.
16. A kitchen shall be maintained in the restaurant(s) in accordance with the definition of such in the Los Angeles Municipal Code. Full food service shall be available at all times that the restaurant is open for business.
17. At least one on-duty manager with authority over the activities within the facility shall be on the premises at all times that the facility is open for business.
18. Only customers who are 21 years of age or older are allowed to enter the bar area on the subject premises. Signs shall be prominently posted stating this age restriction. All patrons appearing under the age of 35 years of age shall be required to present State approved bona fide identification at the time of entry into the dance hall area and prior to every sale/service of an alcoholic beverage. Signs shall be prominently posted in English and the predominant language(s) of the facility's clientele indicating that California State Law prohibits the sale of alcoholic beverages to persons who are under 21 years of age.
19. An electronic age verification device and black light device shall be maintained at all entry points to the ground floor of the dance hall(s) as a means to assist in identification verification.
20. The premises shall not be operated as adult entertainment of any type as defined and regulated by the Los Angeles Municipal Code, nor any wet-shirt contests, leg contest, mud or oil wrestling, lap dancing or similar adult-type entertainment shall be permitted.
21. All areas within the dance hall(s) shall be easily accessible at all times for monitoring by security staff and/or law enforcement personnel.
22. Sale of beverages at discounted prices, which are less than standard prices, shall not be permitted.
23. There shall be no advertising of any kind or type, including advertising directed to the exterior from within, promoting or indicating the availability of alcoholic beverages.
24. There shall be no public telephones located on the exterior of the premises.
25. The property, including any associated parking facilities, shall be maintained in an attractive condition and shall be kept free of trash and debris during the hours of operation.
26. The operator of any dance halls, bars and night clubs shall provide a written schedule of daytime special events on a quarterly basis to the Zoning Administrator and Police Department Central Division. For purposes of this condition, events held in the planned Event Facility or in the hotel banquet facilities shall not be considered special events. The operator shall comply with the following requirements for each daytime special event:

- a. In accordance with State Law, no alcohol shall be provided on a complimentary basis; alcohol shall only be available for sale.
 - b. Alcohol shall only be made available in conjunction with food that is normally offered in restaurant(s) for a luncheon or brunch. The food provided shall not be limited to snacks.
27. A valet parking plan for special events, with designated drop-off and pick up areas, shall be submitted for review and approval by the Los Angeles Department of Transportation.
28. Parking for the dance hall and restaurant uses shall be provided pursuant to the provisions of the Los Angeles Municipal Code.
29. The applicant shall secure a City permit decal denoting approval of alcoholic beverage sales from a Planning Department public counter subsequent to the Zoning Administrator's signature on the Planning Department sign-off form and mount it on either the inside of the window of the subject site facing the street or on the outside of the building (if inside mounting is not possible). The decal shall be visible at all times and mounted before the privileges granted herein are utilized.
30. Within 60 days of the opening of the dance hall(s) and restaurant(s), all employees of the business shall receive "Server Awareness Alcohol Training" (STAR) and LEAD programs regarding alcohol sales, as respectively sponsored by the Los Angeles Police Department and State of California Alcoholic Beverage Control Department at least two times per year or to the satisfaction of the Los Angeles Police Department. The applicant shall transmit a copy of the completion of such training to the Zoning Administrator for inclusion in the file.
31. The applicant shall provide adequate security both inside and outside the nightclub/dance hall during the hours of club activity. A sufficient number of security personnel, as determined by the Zoning Administrator (with a minimum of one security officer for each plan approval), under the control of the respective property owners or operators of the establishment, shall be provided. The Zoning Administrator, or his/her designee, shall consult with LAPD for recommendations regarding security measures for adequate protection to visitors and employees of the site, and impose those conditions which he or she deems to be necessary and feasible. The guard shall substantially comply with the requirements of the California Business and Profession Code Section 7582.26(f). Any security service shall only be provided by State licensed professionals. A copy of any security shall be placed in the case file. Security requirements include security for any parking area under use, and additionally, such security persons shall patrol the area around the dance hall and between the dance hall and parking areas.
32. Multiple temporary signs in the windows and along the building walls are not permitted.

33. A 24-hour "hotline" phone number for the receipt of complaints from the community regarding the subject dance hall shall be posted at the entry. The number shall be made known via a posting on the entry/exit doors to the facility and shall be distributed by mail to all tenants and owners within 500 feet of the premises every six months. A log of all calls and resolutions shall be maintained and as necessary responded to within 48 hours of the call.
34. A clearly legible and easily readable copy of these Conditions shall be posted in an obvious location in the entry area where it can be readily viewed by customers and employees.
35. The project applicant shall contact LAPD'S Crime Prevention Unit (CPU) to incorporate appropriate crime prevention features into the project design. Example crime prevention design features include.
 - a. Housing units can be designed so as to allow neighbors to "self-patrol" their environments.
 - b. Lighting and landscaping may be enhanced in parking lots to improve visibility.
 - c. Fences around housing developments can be designed in ways that avoid creating hiding places for criminals.
 - d. Signs can be removed from storefront windows to allow clear views in and out of the store.
 - e. Vines or planted coverings may be placed on walls to deter graffiti.
36. This approval is tied to Tentative Tract Map Nos. 67490, 67491, and 67492 (SCH No. 2005091041), which was heard at a concurrent hearing on March 29, 2007. The applicant shall comply with all mitigation measures and conditions of approval identified in that case.
37. Prior to issuance of the certificate of occupancy, the applicant shall submit copies of the plot plan(s) for review and approval to the Fire Department. The Fire Department's approval shall be shown via a stamp on all plans submitted to the Zoning Administrator for sign-off.
38. The applicant shall designate a community liaison that shall be available to meet with representatives of the Neighborhood Council, community groups, or neighborhood associates to resolve any community concerns regarding the operation of the dance hall(s) or restaurant(s).

B. Administrative Conditions

39. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, review or approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning for placement in the subject file.
40. **Code Compliance.** Area, height and use regulations of the zone classification of the subject property shall be complied with, except where herein conditions may vary.

- 41. Covenant.** Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent property owners, heirs or assigns. The agreement shall be submitted to the Department of City Planning for approval before being recorded. After recordation, a copy bearing the Recorder's number and date shall be provided to the Department of City Planning for attachment to the file.
- 42. Definition.** Any agencies, public officials or legislation referenced in these conditions shall mean those agencies, public offices, legislation or their successors, designees or amendment to any legislation.
- 43. Enforcement.** Compliance with these conditions and the intent of these conditions shall be to the satisfaction of the Department of City Planning and any designated agency, or the agency's successor and in accordance with any stated laws or regulations, or any amendments thereto.
- 44. Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety.
- 45. Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the City Planning Commission, or the Director of Planning, pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if in the decision makers opinion, such actions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 46. Multiple Entitlements.** The subject conditional use permits, variances, and development agreement require the completion of all applicable conditions of approval herein to the satisfaction of the Planning Department and the effective date of these grants shall coincide with that of the associated zone change on the property involved.

FINDINGS

1. **General Plan Land Use Designation.** The subject property is located within the area covered by the Central City Community Plan, which was adopted by the City Council on May 2, 1974, (pursuant to Council File 72-1723). The Plan map designates the subject property for Regional Center Commercial land use with corresponding zones of CR, C1.5, C2, C4, C5, R3, R4, R5, RAS3, and RAS4.
2. **General Plan Text.** The Central City Community Plan text includes the following relevant land use objectives, policies and programs:

Objective 1: *To develop Central City as a major Center of the Los Angeles metropolitan region, within the context of the Los Angeles General Plan as envisioned by the Concept and Citywide Plan portions thereof.*

Objective 2: *To create a climate that will prepare Central City to accept that share of anticipated regional growth which is economically and functionally attracted to it.*

Objective 4: *To create a modern, efficient and balanced urban environment for people, including a full range of around-the-clock activities and uses, such as recreation and housing.*

Objective 5: *To create a symbol of pride and identity which gives the Central City a strong image as a major Center of the Los Angeles region.*

Objective 9: *To provide a full range of employment opportunities for persons of all income levels.*

Objective 10: *To provide high and medium density housing close to employment and available to all ethnic and social groups, and to make an appropriate share of the City's moderate and less than moderate income housing available to residents of the area.*

Under the County Office Building Option, the Project will provide up to 2,060 residential units, with up to 412 affordable apartment units; up to 275 hotel rooms; up to 449,000 square feet of retail space; and up to 681,000 square feet of County office space with up to 5,035 parking spaces. Under the Additional Residential Development Option, the Project will provide up to 2,660 residential units, with up to 532 affordable units; up to 275 hotel rooms; and up to 449,000 square feet of retail space with 5,255 parking spaces. The Project will provide much-needed market-rate and affordable housing units in the Central City Community Plan Area, as well as provide a neighborhood-serving commercial uses. The proposed project will create a high quality residential development that not only offers much-needed housing to the area, promotes economic development, better utilizes the project site by improving the land use and character of the existing neighborhood, provides a 24-hour livelihood for the area, ultimately, reinvigorating the area with pedestrian activity, improve urban life, promotes safety by allowing for residents to keep their eyes on the area, and create strong interaction and vitality to the downtown neighborhood.

Framework Element. The Framework Element for the General Plan (Framework Element) was adopted by the City of Los Angeles in December 1996 and re-adopted in August 2001. The Framework Element provides guidance regarding policy issues for the entire City of Los Angeles, including the project site. The Framework Element also sets forth a Citywide comprehensive long-range growth strategy and defines Citywide policies regarding such issues as land use, housing, urban form, neighborhood design, open space, economic development, transportation, infrastructure, and public services.

The project site is currently developed with surface parking lots and a parking structure. It is one of the few under-improved properties in the vicinity. Development of this site is an infill of an otherwise commercial neighborhood comprised of civic, cultural, retail and residential uses. By enabling the construction of a supply of housing and jobs in close proximity to jobs and services, including public transit, the proposed Zone Change would be consistent with several goals and policies of the Framework Element.

The Land Use chapter of the Framework Element identifies objectives and supporting policies relevant to the project site. Those objectives and policies seek, in part, to provide for the stability and enhancement of multi-family residential neighborhoods and to encourage the development of commercial uses and structures that integrate housing units with commercial uses.

The Project would meet many housing objectives and policies contained in the Housing Element of the Los Angeles General Plan as follows:

Objective 1.1: *Encourage production and preservation of an adequate supply of rental and ownership housing to meet the identified needs of persons of all income levels and special needs.*

Under the County Office Building Option, up to 2,060 residential units, including 412 affordable apartment units; would be constructed. Under the Additional Residential Development Option, up to 2,660 residential units, including 532 affordable units would be constructed. Furthermore, up to 412 apartment units will be set aside for affordable housing. Of this total, 35 units would be set aside as extremely low income affordable units, up to 221 units would be set aside as very low income affordable units, and up to 156 units would be set aside as low income affordable units. The Project would accommodate various income levels, bringing in much-needed affordable housing to the community and the City, while providing a mix of studio, one-bedroom, and two-bedroom units to accommodate different household sizes.

Policy 2.1.3: *Encourage mixed use development which provides for activity and natural surveillance after commercial business hours.*

Policy 2.1.4 *Enhance livability of neighborhoods by upgrading the quality of development and improving the quality of the public realm, including streets, streetscape, and landscaping to provide shade and scale.*

Objective 2.3: *Encourage the location of housing, jobs, and services in mutual proximity. Accommodate a diversity of uses that support the needs of the City's existing and future residents.*

The Project will create a high-quality residential development that offers much-needed housing to the neighborhood, promotes safety by deterring crime through architectural features, better utilizes the project site by improving the land use and character of the existing neighborhood, provides a 24-hour livelihood for the area, ultimately, reinvigorating the area with pedestrian activity, improving urban life, and creating strong interaction and vitality to the existing neighborhood. Common areas and public plazas, landscaping and streetscape improvements will enhance livability and welcome the public.

The Project will reduce the gap between jobs and housing. The Project site includes the Civic Center Metro Red Line/Purple Line Station and near several major bus lines that will help connect residents to their jobs throughout downtown and the southern California region. The Project itself will create approximately 29,000 full-time jobs both on- and off-site. Also, as part of the CRA/LA's approved Local Hiring requirements for projects in the Central City Redevelopment Project Area, Local Hiring requirements (one for construction and one for permanent jobs) were drafted for inclusion in the Grand Avenue Project Disposition and Development Agreement. These Local Hiring requirements include a 30 percent local hiring goal, of which one-third (1/3) of this requirement (or 10percent) is an at-risk hiring goal, for construction employers and a 30percent local low-income hiring goal for permanent employers, both of which assign one-third (1/3) of the 30percent requirement as the at-risk hiring goal (10 percent of total workforce).

Policy 2.3.1: *Encourage and plan for high intensity residential and commercial development in centers, districts and along transit Corridors, as designated in the Community Plans and the Transportation Element of the General Plan, and provide for the spatial distribution of development that promotes an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled in order to mitigate traffic congestion, air pollution, and urban sprawl.*

Policy 2.3.3: *Encourage the development of new projects that are accessible to public transportation and services consistent with the community plans. Provide for the development of land use patterns that emphasize pedestrian/bicycle access and use in appropriate locations.*

This Project's proximity to the Civic Center Red Line/Purple Line Station and major bus lines create opportunities for residents and employees to take advantage of transit opportunities while reducing congestion in the area. This will alleviate congestion, and bring a balance of jobs and housing in the area.

3. The **Transportation Element** of the General Plan will be affected by the recommended action herein. However, any necessary dedication and/or improvement of Grand Avenue to Plan designated Major Highway standards, First Street to Plan designated Major Highway standards, Second Street to Plan designated Secondary Highway standards, Olive Street to Plan designated Secondary Highway standards, Hill Street to Plan designated Secondary Highway standards, and General Thaddeus Kosciuszko Way to Plan designated Local Street standards will assure compliance with this Element of the General Plan and with the City's street improvement standards pursuant to Municipal Code Section 17.05.

4. The **Sewerage Facilities Element** of the General Plan will be affected by the recommended action. However, requirements for construction of sewer facilities to serve the subject project and complete the City sewer system for the health and safety of City inhabitants will assure compliance with the goals of this General Plan Element.
5. **Street Lights.** Any City required installation or upgrading of street lights is necessary to complete the City street improvement system so as to increase night safety along the streets which adjoin the subject property.
6. **Zone Change Findings.**
 - a. Pursuant to Section 12.32.C.7 of the Municipal Code, and based on these findings, the recommended action is deemed consistent with public necessity, convenience, general welfare and good zoning practice.

The Central City Community Plan designates the entire project site as having a Regional Center Commercial land use designation with corresponding zones of CR, C1.5, C2, C4, C5, R3, R4, R5, RAS3, and RAS4. The requested zone change to from R5-4D to C2-4D is consistent with the designated land use category and compatible with surrounding properties also designated for Regional Center Commercial land use. These zones allow for commercial uses, parking, and high-density multi-family residential use. Per Section 12.22-A.18 of the L.A.M.C., residential uses are permitted in the CR, C1.5, C2, C4 or C5 Zones and uses permitted in the CR, C1, C1.5, C2, C4, or C5 Zones on any lot in the R5 Zone since the project site is located within the Central City Community Plan area. Thus, the proposed uses of the Project would be permitted.

The requested zone change would encourage and allow mixed-use development, and standardize the other zoning regulations which apply to the site. Currently, three of the properties have a mix of commercial and residential zoning, neither of which provides the same development standards. The proposed zone change to C2-4D is needed to simplify and standardize zoning across the site and to eliminate the need for additional entitlements that would be required on the portion of the project in the R5 Zone. Public parking for commercial uses, commercial circulation through a residential zone, a hotel, supplemental signage, and the sale of alcohol would not be allowed on the R5 portion of the site without the granting of separate entitlement approvals from the City.

The uses adjacent to the subject property along First Street and Grand Avenue are characterized by a myriad of commercial uses that includes office, residential, governmental and institutional uses. Land immediately north and east of the site is developed with public facilities (Department of Water and Power, County Hall of Administration and County Courts) and cultural institutions (Dorothy Chandler Pavilion, Disney Concert Hall). Land to the south and east is developed primarily with commercial and office uses that are zoned C2-4D. There is also residentially zoned land to the south and east. The Project would be compatible and complementary with the adjacent uses. The proposed mixed use project would create regional center commercial uses along major arterials, and provide much needed housing without tenant relocation.

Public necessity and convenience is served by rezoning the parcels to facilitate a mixed-use project consisting of commercial and residential uses on properties that are currently developed with parking facilities. The Project would contribute to the expected growth and continued vitality of this neighborhood by providing up to 2,660 residential units, affordable units, to address the housing shortage the City presently faces. The Project will also provide much needed neighborhood-serving retail services.

In general, the proposed Project would revitalize the Bunker Hill core linking the Civic Center to the financial centers along Grand Avenue and Figueroa Street. Redevelopment of the property fulfills the intent behind the Redevelopment Plan, by replacing the existing underutilized uses with a mixed-use development that will bring economic revenues to the City and County, will attract residents, shoppers, and tourists to the area, while strengthening downtown Los Angeles' identity as a regional and international point of destination.

While providing new residential housing units needed to meet the City's growing population, the Applicant's proposed project fulfills a myriad of goals important to the City, to wit:

- i) The Framework Element of the General Plan further encourages the proposed type of development to: “[r]einforce existing and establish new neighborhood districts which accommodate a broad range of uses that serve the needs of adjacent residents, and are developed as desirable places to work and visit.”
- ii) The Framework Element also states: “Currently, the City of Los Angeles has insufficient vacant properties to accommodate the cumulative amount of population growth which has been forecasted. The supply of land zoned for residential development is the most constrained in the context of population growth forecasts. Thus, should growth and new development in the City occur, most likely it will require the recycling and/or intensification of existing developed properties or conversion of certain uses...”

While the project would rezone residential land to a commercial designation, the Project would utilize land largely for residential purposes. Consequently, while the Project would reduce the amount of residentially zoned land, it is consistent with the Framework Element goals of intensifying the residential use of existing commercial land.

There is no detriment to the general welfare of the City, the surrounding community or the future residents of the property because the project density and scope as designed are appropriate for the site in relationship to the surrounding properties. The general welfare is served by eliminating underutilized properties such as the County parking structure on Parcel Q and existing surface parking lots on Parcels W-1/W-2, and L/M-2. The Project will replace current uses with a high quality, aesthetically appealing development that promotes pedestrian activity, ground floor commercial uses, and attractive public spaces. The proposed Project will provide an increased tax base in terms of both property and sales tax to the City that in turn will assist in the support of the necessary City services that are required for this development. The revenues from the Project

will also contribute to the funding of the redevelopment of the County Mall into a revitalized Civic Center park. The proposal will serve the general welfare of the City by contributing up to 2,660 new residential dwelling units to the City's housing stock and up to 532 affordable housing units. Furthermore, the Project will not displace any residents since there are presently no residential structures on the site.

The Project conforms with good planning practices because it will be developed in a manner consistent with the surrounding neighborhood, and it will further the goals of the Community Plan and Redevelopment Plan 1) to increase the range of housing choices available (Objective 1-2), 2) to promote land uses that address the needs for visitors to downtown (Objective 2-3), and 3) to encourage a mix of 24-hour uses (Objective 2-4). The requested zone change will not increase the allowable density or floor area permitted on the project site. The maximum density permitted in the R5-4D and C2-4D will be one unit per 200 square feet of buildable area. The maximum floor area ratio (FAR) permitted due to the "D" limitation will remain 6.0:1. Good planning practice dictates to simplify the zoning so individual parcels will not have multiple zoning designations. The proposed zone change accomplishes this by rezoning all of the project area to C2-4D and maintaining the current "D" Limitation.

The Project provides a mix of uses, residential (including affordable housing) along with commercial uses, in an area of the City designated Regional Center Commercial which immediately abuts office, residential, governmental and institutional uses. The Project will promote a synergy between institutional uses to the north and east and the office and residential uses to the south and west of the property.

Section H.2 of The Bunker Hill Redevelopment Plan states allowable uses for parcels within the plan area. By granting approval of the requested zone change, the City Planning Commission permits both commercial and residential uses within the Project site and approves the residential uses proposed on Parcels Q and W-1 / W-2 pursuant to Section 803(2) of the Bunker Hill Redevelopment Plan. This enables the Project to fulfill the goals of the Redevelopment Plan by providing neighborhood-serving retail, such as restaurants, a grocery store, and retail space, within an FAR comparable to office developments that dominate Bunker Hill. Not only will this revitalize the community by creating a more vibrant and active mixed use residential and commercial development, but it will be compatible with the adjacent office, residential, governmental, and institutional uses in the area. Its proximity to these uses will reduce commute times and better utilize surface streets as principal access points. As such, the granting of the requested zone change will be deemed consistent with public necessity, convenience, general welfare and good zoning practice.

- b. The action, as recommended, has been made contingent upon compliance with the "T" and "Q" conditions imposed herein. Such limitations are necessary to protect the best interests of and to assure a development more compatible with surrounding properties, to secure an appropriate development in harmony with the General Plan, and to prevent or mitigate the potential adverse environmental effects of the subject recommended action.

7. **Variance Findings (for individually accessible parking and open space).** Pursuant to Section 12.27-D of the Municipal Code: the proposed project is a mixed-use project comprised of five development parcels with two development options. The project will be comprised of a mix of ground level retail, residential units, hotel, and/or a County building. Section 12.21-A,5(h)(2) of the L.A.M.C. requires one individually accessible parking space per dwelling unit or guest room. Section 12.21-G,2 of the L.A.M.C. requires that open space be provided for new residential developments. One hundred square feet of open space is required per unit with less than three habitable rooms, 125 square feet of open space is required per unit with three habitable rooms, and 175 square feet of open space is required per unit of more than three habitable rooms. At least half of this open space must be devoted to common open space and a minimum of 25 percent of this common open space must be landscaped, among other requirements.
- a. *That the strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.*

Parking

Providing the required number of accessible residential parking spaces for dwelling units and hotel guest rooms in a dense urban residential project in the downtown area would result in practical difficulties due to the amount of space required for parking and the available land to accommodate the parking in subterranean parking. The Zoning Code requirement for one accessible parking space per unit is based on the premise that residents would self-park and that tandem parking shared by residents of more than one dwelling unit would create practical difficulties and limit convenient and efficient self-parking. However, since this development proposes to use valet parking for residential units, the necessity for one directly accessible space per unit is eliminated. The current market demand for self-parking in dense residential projects has evolved over time to the point where tenants and property owners of high-end residential developments often prefer valet parking instead of using assigned parking for each unit. Valet parking is an amenity the applicant can provide residential tenants and property owners to ensure high levels of service and amenities. Since it is more convenient for residents to utilize valet parking than drive down multiple floors through underground parking garages to reach assigned parking, the industry trend is to provide less self-parking and more valet parking. The condominium developments along Wilshire Boulevard between Century City and Westwood typically provide valet parking for residents. This extensive use of valet and/or attended parking eliminates the necessity for directly accessible parking spaces for each unit.

Similarly, it is standard for hotels in dense urban environments to provide valet parking for their guests. A valet drop-off is proposed along Upper Grand Avenue, specifically to serve the proposed hotel on Parcel Q. With the use of valet operations, which is both convenient and expected, there is no need for one individually and easily accessible parking space per guest room.

Open Space

Providing required open space for a dense urban residential project in the downtown area would result in practical difficulties due to the amount of open space required and the available land to accommodate the required open space. After dedications, the net lot area of the project site is 364,128 square feet (8.4 acres). Based on the number of units and habitable rooms, the open space required (387,300 square feet or 8.89 acres) is actually greater than the amount of land in the project area. In such limited confines of an urban setting, it is impractical to provide even half of the required open space (193,650 square feet) while retaining sufficient land to construct the buildings that make up the project.

In drafting proposed residential standards to alter the formula for open space requirements in downtown (CPC-2005-0361), City Planning Department staff acknowledged the impracticality of providing large amounts of open space in a downtown setting. In its March 31, 2005, City Planning Commission staff report, staff indicated that "these tight constraints make it difficult, if not impossible (without seeking relief from these requirements) to build residential buildings in the downtown." With the amenities available downtown, as well as the amenities that will be enabled by this project (16-acre Civic Park and Grand Avenue streetscape improvements), the burden of providing on-site open space in conformance with the Municipal Code is an unnecessary hardship.

The architectural design of the proposed residential buildings precludes the most common way of providing private open space, which is to include balconies off of individual units. Providing balconies on the residential towers to help meet the overall open space requirements would conflict with the neighboring Walt Disney Concert Hall. The design of the structures of the Phase I development parcel was intended to complement the Disney Concert Hall since both were designed by the same architect. The Walt Disney Concert Hall's unique shape and material is complemented by Tower 1's sleek and curvy form, while having a metallic appearance. Balconies would disrupt this design, and conflict with the intent to bring a distinguished, architectural design that meets the level of quality of neighboring buildings. For aesthetics and safety, it would be impractical to achieve any additional private open space through the design of the buildings.

All five development parcels (Parcels Q, W-1/W-2 and L/M-2) will provide common open space areas and both indoor and outdoor recreation areas, such as pools, terraces, lounges and recreation rooms. However, with the limited land and building roof tops available for this purpose, the project will not be able to provide the required amount of open space within the residential towers. Instead, a large majority of the common open space will be provided by the public plaza spaces on each parcel. It is worth noting that some of these areas have overhanging structures and do not technically meet the Zoning Code definition of common open space even though they provide common open space in all other aspects and functions. These areas have not been included as part of the open space calculations above.

Finally, due to the nature of the public plaza spaces in a mixed-use setting in a dense urban environment, it is not practical to provide the required amount of landscaping in the common open spaces areas. Although landscaping and green spaces are proposed as part of multiple public plaza levels, these areas

are intended to emphasize walking and sitting and consequently include more hardscape than softscape. The public plaza spaces will be integrated into the streetscape improvements on the surrounding streets, creating pedestrian connections and promoting pedestrian activity. Similarly, the common open space areas associated specifically with the residential towers will also include landscaping, but are more tailored toward lounge areas, gathering places, swimming pools, and other recreational amenities.

- b. *That there are special circumstances applicable to the subject property such as size, shape, topography, location or surroundings that do not apply generally to other property in the same zone and vicinity.*

Parking

There are special circumstances applicable to the project that warrants the granting of a variance for parking space accessibility. On Parcel Q, the site has street frontage on four streets which are all at different elevations. This necessitates the need for several different access ramps for the commercial and residential parking areas. This ramp system in turn requires a large amount of land, which limits the ability to provide many rows of parking with single accessible parking spaces. A large amount of tandem parking is required to maximize the number of parking spaces on each level. On Parcels W-1/W-2 and L/M-2, similar street topography exists which will complicate the ability to provide efficient parking layouts in the underground garages, unless a majority of the spaces can be provided in tandem with full-time valet operations.

Open Space

There are special circumstances applicable to the project that warrants the granting of a variance for open space. An integral component of the proposed project is the creation of a 16-acre Civic Park that builds and expands upon the existing Civic Center Mall connecting Los Angeles City Hall to Grand Avenue. The current conceptual plan for the Civic Park includes a Great Lawn and Grand Terrace, garden areas, and plaza spaces for public enjoyment. The intent of the park is to revitalize the area with improved facilities, provide a setting for festivals and civic event programming, and to serve as a public gathering place for the entire region. Another project component includes streetscape and ambience improvements along Grand Avenue between Fifth Street and Cesar Chavez Avenue to foster a pedestrian-friendly environment and create a positive setting for sidewalks cafés and special events. These components will expand and improve public open space for the benefit of residents of the project and the entire community. The lease of County and City lands for the residential and commercial development on Parcels Q, W-1/W-2, and L/M-2 will generate revenues that will be designated for the construction of the open space improvements mentioned above. In order to generate the needed revenue, the project must be of a certain size, which limits the amount of open space that can be provided on-site. Furthermore, without the proposed project, these significant open spaces could not be realized.

- c. *That the variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of the special circumstances and practical difficulties or unnecessary hardships, is denied to the property in questions.*

Parking and Open Space

As previously mentioned, the Zoning Code requires more directly accessible residential parking spaces than there is available land, given the constraints and the topography of the parcels. The Zoning Code requirement for one accessible parking space per unit is based on the premise that residents would self-park and that tandem parking shared by residents of more than one dwelling unit would create practical difficulties and limit convenient and efficient self-parking. However, since this development proposes to use valet parking for residential units, as well as hotel guests, the necessity for one directly accessible space per unit and guest room is eliminated. The valet attendants will manage the movement of vehicles, and residents and guests will not have to shuffle cars in tandem parking spaces. Strict adherence to this directly accessible zoning requirement creates an unnecessary hardship on the property and fails to preserve a substantial property right. Relief from this requirement is necessary to facilitate the development of a project aimed at activating downtown Los Angeles, creating gathering places, enhancing pedestrian connections, and achieving redevelopment goals for the Bunker Hill area.

The Zoning Code requires more open space on the site than there is land area. The strict adherence to this requirement creates an unnecessary hardship on the property and fails to preserve a substantial property right. Relief from this requirement is necessary to preserve the right to develop a project aimed at activating downtown Los Angeles, creating gathering places, enhancing pedestrian connections, and achieving redevelopment goals for the Bunker Hill area.

- d. *That the granting of the variance will not be materially detrimental to the public welfare, or injurious to the property or improvements in the same zone or vicinity in which the property is located.*

Parking and Open Space

The proposed project will not be materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity. The applicant's intent is to create an architecturally distinguished project which meets the level of quality of neighboring buildings that brings many benefits to the neighborhood. In terms of parking, the project will provide commercial and residential parking in excess of Zoning Code standards on all five development parcels. The accessibility of the parking spaces, given the applicant's intent to provide valet parking at all times, should have no affect on neighboring properties. In terms of open space, the project provides an appropriate amount of common open space given its dense urban nature consistent with the office and residential developments in the area, as well as the contribution the project will make toward the creation of the Civic Park and improved streetscapes.

The Project will provide safe and attractive new housing, including a twenty percent affordable housing component. The Project will provide much needed neighborhood-serving retail. The addition of the newly-designed buildings on Parcel Q along with the other new buildings on Parcels W-1/W-2 and L/M-2 would, therefore, enhance property values of the surrounding neighborhood. Furthermore, the project will impact future development by setting new standards for mixed-use projects in the downtown area, thereby, adding value to surrounding properties and improvements in the vicinity. Granting the variance would significantly enhance the surrounding region and provide notable tangible benefits to the community (e.g., increased shopping, dining and entertainment opportunities, Civic Park, and enhanced streetscapes).

- e. *That the granting of the variance will not adversely affect any element of the General Plan.*

Parking

The proposed project is consistent with the Central City Community Plan. The Community Plan does not contain specific objectives or policies addressing residential parking. It does, however, contain policies promoting reduced commercial and office parking in order to encourage public transit use and limit traffic growth in the Central City area. The proposed variance would allow for a more efficient parking plan which is consistent with the general intent of the Community Plan to not overbuild parking in the Downtown area.

The purpose of the General Plan, in part, is to “promote an arrangement of land use, circulation and services which will encourage and contribute to the economic, social and physical health, safety, welfare, and convenience of the Community, within the larger framework of the City; guide the development, betterment, and change of the Community to meet existing and anticipated needs and conditions...reflect economic potentials and limits, land development and other trends; and protect investment to the extent reasonable and feasible.” The reduction in the required number of directly accessible residential and hotel guest parking spaces will not adversely affect the project’s ability to meet this purpose of the General Plan. In fact, circulation will be enhanced as residents and patrons will be able to get into and out of the development.

Open Space

The proposed project is consistent with the Central City Community Plan. The Community Plan designates the project site as “Regional Center Commercial”, which corresponds to the C2 Zone and permits residential uses allowed in the R5 Zone. The project meets the intent of Central City Community Plan Objectives 4-2 and 4-3 by enhancing the visual and physical linkage between the City’s public and private open spaces, and increasing the use of the Civic Park through the expansion of activities and areas specifically for programmed events.

The purpose of the General Plan, in part, is to “promote an arrangement of land use, circulation and services which will encourage and contribute to the economic, social and physical health, safety, welfare, and convenience of the Community, within the larger framework of the City; guide the development, betterment, and change of the Community to meet existing and anticipated

needs and conditions...reflect economic potentials and limits, land development and other trends; and protect investment to the extent reasonable and feasible.” The reduction in the required open space will not adversely affect the General Plan, particularly since, in addition to the open space provided in each of the three project sites, development of the Project will enable the creation of a new Civic Park as well as pedestrian-oriented improvements along Grand Avenue.

8. Conditional Use Findings (Sales of Alcoholic Beverages and Dance Hall Use).

Conditional Use Findings, pursuant to LAMC 12.24-W,1 and 12.24-W,18(a), to allow for on-site sales of alcoholic beverages at each of the development phases and to permit dancing and live entertainment use.

- a. *Describe briefly how the proposed project will be proper in relation to adjacent uses or the development in the community.*

The proposed mixed-use project is located within an area designated as Regional Center Commercial land use and is adjacent to other commercial uses, including restaurants and retail shops in office buildings south of the project site along Grand Avenue. The project is also located within the Bunker Hill Redevelopment Project Area, which is an established mixed-use community that provides a full range of residential and commercial options for businesses and households within walking distance of the Civic Center office towers on Bunker Hill. Other prominent land uses within the area include MOCA, the Walt Disney Concert Hall, California Plaza, the Music Center and other high-rise office building developments. Land uses within the Project's immediate vicinity include residential, entertainment, office, government, parking structures and surface parking lots. The sale of alcoholic beverages would likely be a suitable component within this environment. The development provides a setting wherein many patrons are likely to fulfill shopping, dining and entertainment needs in one visit. A review of other similar mixed-use projects indicates that the sale of alcohol is an integral part of such mixed-use settings.

As noted above, the applicant is requesting a total of 35 alcohol-selling establishments. This number may never be reached, but granting this request assures that a maximum cap is established. In order to allow for safeguards to be established on a case-by-case basis, the applicant will be required to submit a plan approval of each establishment requiring an alcohol license prior to the issuance of a tenant improvement building permit for such establishment.

- b. *Why does the Applicant believe the location of the project will be desirable to the public convenience and welfare?*

The project will provide up to 2,660 housing units in the downtown urban core where it is both appropriate and desirable. The project site will be conveniently located for downtown professionals who currently commute from neighboring communities and counties. Furthermore, the project has been carefully planned to create a unified development on the three sites, which will be linked by distinguished architecture and a unified and enhanced streetscape. Such improvements will add to the aesthetic appeal and functionality of the area. Many of the proposed restaurants will accommodate outdoor patio/terrace spaces, which will create an extension of the open space areas where people can relax and congregate in a safe, attractive, and enjoyable environment. The

enhanced streetscape will seamlessly connect the sites that compose the project to enable pedestrian-friendly use. The new buildings will present modern architectural features, and will complement the newly-designed Walt Disney Concert Hall. In addition to the residential uses, the project will include approximately 275 hotel rooms and 449,000 square feet of retail floor area on the three sites. These commercial and retail opportunities will enhance the livability of the area for the project's residents in particular, and welcome residents as well as visitors throughout the region. Furthermore, the project will generate approximately 1,200 new jobs within the Bunker Hill Redevelopment Project Area.

Since alcoholic beverage service is an expected amenity with a meal service, an approval of alcohol sales and dispensing will be convenient and enjoyable for patrons of these establishments. It is reasonable to expect a fully integrated mixed-use development to include restaurants that offer alcohol service incidental to the sale and service of food. Similarly, it is reasonable to expect that uses such as a grocery store will sell a full line of alcoholic beverages for off-site consumption.

- c. *Describe how the proposed project will not be detrimental to the character of development in the immediate neighborhood and will be in harmony with the various elements and objectives of the General Plan.*

The project will enhance the character of development in the surrounding neighborhood by providing up to 2,660 new units of much needed, high-quality housing. The construction of new high-rise residential and commercial buildings by a world-renowned architect will add to the cultural and architectural cache of Bunker Hill. Given the Bunker Hill Redevelopment Plan's intent is to bring a full range of residential and commercial options, the Project will further the mixed-use character of development in the immediate neighborhood. Furthermore, the Redevelopment Plan for Bunker Hill states that any area rehabilitation should aid in fostering visitors and a 24-hour environment. The proposed project unites cutting edge architecture and mixed-use in one unified development. The applicant is thereby in a unique position to significantly aid the City in its goal of restoring the prominence of the urban core, and more specifically, the Bunker Hill and Civic Center area. To ensure that the Project will not create any detrimental impacts on the surrounding area, the specific details of each establishment will be reviewed pursuant to the plan approval process. This process will allow for a very comprehensive review of each request with input from each prospective tenant, the Police Department, the Council office, and other interested parties. Security plans, floor plans, seating limitations, and other recommended conditions, as well as the mode and character of the operation, can be addressed and assured through the imposition of site-specific conditions.

The Central City Community Plan designates the property as Regional Center Commercial land use. The proposed uses of the property are consistent with this designation. The proposed restaurants and retail activities are also permitted by-right under the proposed C2 zone. Conditional use authorization for the sale of alcoholic beverages is only allowed subject to certain findings which have been made herein. The General Plan states that Regional Centers should become "mixed use centers that provide jobs, entertainment, culture, and serve the region." The project furthers this goal by providing residential, commercial, and

retail uses within the same sites. The new development will provide a cultural focal point for the Civic Center and Bunker Hill.

The proposed project is also consistent with the Housing Element of the General Plan. One Housing Element Objective is to "promote housing strategies which enhance neighborhood safety and sustainability and provide for adequate population, development, and infrastructure and service capacity within the City and each community plan area, or other pertinent service area." The project achieves this goal by providing up to 2,660 units of new, high-quality housing in close proximity to new commercial and retail offerings. The project will enhance neighborhood safety by increasing pedestrian traffic in the area and instilling vibrant commercial uses in the area.

The project also effectuates key goals of the Central City Community Plan. One key Objective of the Central City Community Plan is that new housing options should be provided in a setting that will encourage the creation of "an active, 24-hour downtown environment for current residents." The project's mixed-use nature, including the venues which propose to sell alcoholic beverages, is aimed at providing project residents, as well as non-resident community members, with dining, retail and other entertainment options.

- d. *Will the approval of the Conditional Use at this location adversely affect the economic welfare of the community? Why?*

The revitalization efforts proposed by the applicant are anticipated to serve as a catalyst for continued investment in the subject property and surrounding neighborhoods. The proposed conditional use supports the project's goal of serving as a focus for the neighborhood's revitalization efforts. The establishments within which the on- and off-site sales of alcoholic beverages will occur will not adversely affect the economic welfare of the community, but rather will contribute to the success of the development. The project will positively affect the economic welfare of the community by expanding retail uses available in the Bunker Hill and Civic Center areas, further integrating new residents in close proximity to the retail and entertainment options which will be available at the project, and enhancing the attractiveness of the Bunker Hill neighborhood as a center for commercial investment. It will also positively benefit the City through generation of additional sales tax revenue and business license and other fees, and by providing additional short-term and long-term employment opportunities to area residents.

- e. *Will the approval of the Conditional Use result in or contribute to an undue concentration of premises for the sale or dispensing of alcoholic beverages, including beer and wine, giving consideration to applicable State laws and the California Department of Alcoholic Beverage Control's guidelines for undue concentration and the number and proximity of such establishments within a one thousand foot radius of the site and area crime rate?*

According to the local California Department of Alcoholic Beverage Control (ABC) office, based on their licensing criteria, four on-site and three off-site licenses are allocated to Census Tract No. 2075 within which the project is located. There are currently 21 on-site and three off-site licenses in this census tract. These figures indicate that there is an over-concentration of on-site

licenses, but not of off-site licenses. The proposed conditional use permit, if approved and implemented, will result in a number of licenses which exceeds the allocation for the census tract area. Nonetheless, the project's objectives of enhancing the livability of the area and fostering a 24-hour environment in the City's the urban core require a development with a diversity of uses, including restaurants, stores, and other venues that serve and/or sell alcoholic beverages.

The requested conditional use will provide a limited number of establishments that serve and/or sell alcoholic beverages on each of the parcels. The restaurant establishments will offer a range of dining choices, including differing cuisines and atmospheres. The sale of alcoholic beverages is of critical to the successful operation of these facilities to attract and cater to a sophisticated clientele. Since the establishments will be part of a carefully controlled, first-class project, the service of alcoholic beverages will enhance the quality of the project site and the Bunker Hill neighborhood. The project also includes a grocery store and possible convenience store and wine shop, which will offer alcohol for off-site consumption. A grocery store is a much-needed land use in the area and the sale of alcohol at a grocery store will not unduly add to the concentration of alcohol sales outlets in the area. The project will also include a full service hotel which may offer alcohol sales for guests in a restaurant and lobby and/or poolside bar, as well as through room service and in-room mini bars. It is important to note that the vast majority of activities within the project will not involve the sale of alcoholic beverages and, for most of the establishments that will sell alcoholic beverages, the sale will generally be incidental to their primary operations. Accordingly, approval of the CUP will not result in an unreasonable concentration of such establishments, but will provide numerous public benefits including public convenience, entertainment opportunities, and aesthetic and economic improvements.

- f. *Will the approval of the Conditional Use detrimentally affect nearby residentially zoned properties? Why?*

The area surrounding the project currently includes a wide variety of office, commercial and residential uses, and the proposed project will provide a focal point for retail and dining options for the community. Alcoholic beverages will be served by responsible operators in a controlled environment. Accordingly, the inclusion of alcohol as an incidental use within the project's food service establishments, hotel, and at a grocery store, among other establishments, will not result in detrimental impacts to nearby residentially zoned properties.

- g. *The proposed use will not detrimentally effect nearby residentially zoned communities in the area of the City involved, after giving concentration to the distance of the proposed use from residential buildings, churches, schools, hospitals, public playgrounds, and other similar uses, and other establishments dispensing, for sale or other consideration, alcoholic beverages, including wine and beer.*

The proposed hours of operation for restaurant establishments with on-site sale and consumption are 6 a.m. to 2 a.m. Monday through Sunday. The sale of alcoholic beverages for on-site consumption will occur during these hours, or as required by the Department of Alcoholic Beverage Control. The proposed grocery store and possible convenience store may be open to the public 24-

hours a day, but the sale of alcohol will be limited to the hours approved by the Department of Alcohol Beverage Control. Special event facilities will generally be open during the day and into the night as dictated by the type of event.

9. Conditional Use Findings (Density).

Conditional Use Findings, pursuant to LAMC 12.24-U,26 to permit a density of one unit per 136 square feet of net lot area throughout the entire site.

- a. *The proposed project will be desirable to the public convenience or welfare.*

The project site is in the heart of downtown on Bunker Hill where there is history and precedent for housing as well as strong demand for housing to improve the jobs/housing balance in the city. Downtown Los Angeles has a jobs/housing ratio of approximately 16.4 jobs for every household (based on 1997 SCAG data). The proposed project will provide a jobs/housing ratio of approximately 0.45 jobs for every household, since the number of households created (up to 2,660) is greater than the number of jobs that will be created (1,206 under the Additional Residential Development Option). The Project will improve the jobs/housing balance in the City and the downtown area thereby reducing the negative traffic and environmental impacts on downtown caused by the large number of workers who have to commute to jobs downtown due to the lack of housing in the downtown area. The Project will further the public goal of developing a vibrant, new, mixed-use environment in downtown. Other mixed-use projects have been approved (i.e., LA Live, Metropolis) in the area that signal a resurgence in both residential development as envisioned in the Community Plan and neighborhood serving retail and entertainment uses as permitted by the C2 Zone. The density of the proposed project optimizes the use of the site for the betterment of the community.

In drafting proposed amendments to the Municipal Code, City Planning staff has acknowledged (City Planning Commission Staff Report dated March 31, 2005, case no. CPC-2005-0361-CA, PLUM recommendation date March 6, 2007) high density residential development is suitable for downtown and that the density limitations in the Municipal Code are not effective in incentivizing housing production in the Central City area. It is for this reason that City Planning staff has proposed eliminating density requirements for residential projects downtown and instead relying on floor area ratio to control building size. The proposed project is consistent with the proposals put forth by City Planning staff.

- b. *The proposed location is proper in relation to adjacent uses or the development of the community.*

The proposed project is located in the Bunker Hill and Civic Center areas of the Central City Community Plan. Objectives of the Central City Community Plan include increasing the range of housing choices downtown (Objective 1-2), fostering residential development which can accommodate a full range of incomes (Objective 1-3), and encouraging a mix of uses that creates a 24-hour downtown environment for current residents (Objective 2-4). Each of these objectives is met by the project. The project provides a mix of studio to three-bedroom market rate and affordable units for a range of housing choices (Objective 1-2 and 1-3) and provides retail, restaurants, and a hotel which will contribute to the 24-hour environment (Objective 1-3).

The project's location and scale provide a unique opportunity to further the objectives of the Community Plan and to serve as a mixed-use linkage between the high density financial district to the south and the slightly lower scale governmental and cultural uses in the Civic Center area. The location will also allow people to live closer to work and make fewer vehicle trips to retail destinations. Accordingly, the central location of the project makes it uniquely suited for an increase in the residential units permitted.

The project proposes residential, hotel, and commercial uses, all within an area connected by an enhanced streetscape. Public plazas will be provided for communal open space. The project will also enhance the Grand Avenue streetscape from Cesar Chavez Boulevard to Fifth Street and enable the development of the Civic Park adjacent to the site, providing an improved public right-of-way for the Bunker Hill community.

The project is also in a unique position to extend the architectural statement of the Disney Concert Hall. Parcel Q, in particular, will include new buildings of significant scale. The massing and building locations within the Parcel Q have been deliberately designed to complement the Disney Concert Hall and maintain appropriate viewsheds. The additional dwelling units requested can be accommodated in the proposed residential towers in a design that will enhance the architectural character of Bunker Hill and the Civic Center areas of the Central City Community Plan area.

The architecture proposed on Parcels W-1/W-2 and L and M-2 will also exhibit the same superior quality proposed on Parcel Q. The scale and massing of buildings and the public plazas will be similar to that of Parcel Q and result in an architecturally unified development.

While the project density exceeds the Zoning Code standard on Parcels W-1/W-2 and L/M-2 by a relatively significant amount, the project is also entitled to a 35 percent density bonus by virtue of inclusion of a 20 percent affordable housing component. Additionally, Parcel Q is proposed to include 500 units on a site that permits 658 units. Consequently the overall density of the project is 42 percent above Municipal Code standards, but only 5 percent above the 2,530 total units permitted with the 35 percent density bonus.

- c. *The proposed location will not be materially detrimental to the character of development in the immediate neighborhood.*

The proposed project is not materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity. The project will exhibit outstanding design qualities and features, such as landscaped plazas, numerous seating areas and pedestrian-oriented spaces, which will make it desirable and beneficial to the neighborhood. In terms of density, the building fits in with the surrounding building massing, and the transitions are sensitive to the surrounding uses. There are much taller office buildings adjacent to the south of the project site. The proposed high-rise and mid-rise residential towers, interspersed with low-rise buildings containing retail, restaurants and entertainment uses, will provide an effective transition between the high density office towers to the south on Grand Avenue and the less dense government buildings and cultural venues to the north and east. Outdoor and indoor spaces will be blended to take advantage of the Southern California climate.

The project will contribute to the public welfare by providing safe and attractive new housing, as well as desirable retail and enhanced streetscape with each phase. These improvements will enhance the property values of the surrounding neighborhood. The project will also set a new standard for mixed-use projects in the downtown area, thereby, adding value to surrounding properties and improvements in the vicinity.

The project seeks to facilitate an improvement in the housing shortage in the City of Los Angeles. The goal of the proposed project is to provide an appropriate number of dwelling units for the site and area. The granting of the conditional use permit is not detrimental to the public welfare or injurious to the property owners or improvements in the area. To the contrary, in granting the conditional use permit, the City would significantly enhance the surrounding region and provide notable tangible benefits to the community. Furthermore, residential growth in the Central City has the advantage of being well separated from single-family and other low density residential development, so as not to adversely impact existing communities.

As noted above, the applicant is proposing to redevelop the properties to provide between 2,060 and 2,660 residential units, including up to 532 affordable units. When the project is viewed as a whole, the maximum density permitted on the properties would be 1,874 by the Municipal Code and 2,530 with the permitted 35 percent density bonus for the provision of 20 percent affordable housing. The applicant is proposing to develop a total of between 2,060 and 2,660 across these properties depending on whether or not a County office building on Parcel W-1/W-2 is included in the project. This is a relatively minor increase over the permitted density.

- d. *The proposed location will be in harmony with the various elements and objectives of the General Plan.*

The proposed project is consistent with the land use designations in the Central City Community Plan. The Community Plan designates the project site as "Regional Center Commercial", which corresponds to the C2 Zone which permits residential uses allowed in the R5 Zone. Granting a density variance will not adversely affect the General Plan.

The purpose of the General Plan, in part, is to "promote an arrangement of land use, circulation and services which will encourage and contribute to the economic, social and physical health, safety, welfare, and convenience of the Community, within the larger framework of the City; guide the development, betterment, and change of the Community to meet existing and anticipated needs and conditions...reflect economic potentials and limits, land development and other trends; and protect investment to the extent reasonable and feasible."

The Framework Element of the General Plan further encourages the proposed type of development to: "[r]einforce existing and establish new neighborhood districts which accommodate a broad range of uses that serve the needs of adjacent residents, and are developed as desirable places to work and visit." It goes on in the Housing chapter to specify: that "Currently, the City of Los Angeles has insufficient vacant properties to accommodate the cumulative amount of population growth which has been forecasted. The supply of land

zoned for residential development is the most constrained in the context of population growth forecasts. This accentuates the need for additional density on commercial property in the downtown area. Thus, should growth and new development in the City occur, most likely it will require the recycling and/or intensification of existing developed properties or conversion of certain uses..." The proposed project addresses the need for residential housing and the necessity to intensify an existing use in order to accommodate the population growth in downtown, and greater Los Angeles area.

The project directly responds to §65041.1 of the Government Code of the State of California. It states that the planning priorities shall include the promotion of "infill development and equity by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources."

The project meets General Plan Land Use Objective 3.1 by providing a diversity of uses including residential uses available to a range of incomes, a variety of retail, entertainment, and hotel uses, commercial offices and expanded recreational uses in the Civic Park. The range of residential use types is made possible by the density provided in the project. The project consists of studio to three-bedroom market rate condominium and affordable apartment unit types. The project would contribute to meeting the housing goals of the City (Housing Element Objective 4.1) by providing up to a substantial number of residential units which will help accommodate the expected population growth in the Central City Community Plan area. The project's location also supports Housing Element Objective 4.2 by providing residential uses in close proximity to transit stations and the existing freeway infrastructure. The Central City area is the hub of the public transportation system in Southern California with the Red Line, Blue Line, Gold Line, and Metrolink serving the area. More specifically, there is a Metro Station on Parcel W-2, the 101 and 110 Freeway are conveniently located adjacent to the project site, and several bus lines also serve the project.

The granting of this variance will not adversely affect the General Plan as shown by the excerpts above. In fact, the project itself advances several goals of the General Plan as outlined by the Central City Community Plan and the Bunker Hill Redevelopment Plan by introducing high-density housing and adding an active pedestrian and residential element to downtown Los Angeles.

- e. *The development project is consistent with the Housing Element of the General Plan, which includes objectives to encourage affordable housing.*

The Housing Element of the General Plan, in regards to zoning capacity, states that, "it is necessary to remember that Los Angeles is a substantially built-out city. The only major areas remaining where new construction can take place tend to be in the Santa Monica and Santa Susana Mountains where land and construction costs preclude even moderate income housing. Because of that, nearly all housing development in the city is expected to be infill development involving the recycling of land."

Also, the zoning capacity of the Housing Element “analyzes the availability of parcels in the City of Los Angeles suitably zoned for the construction of single- and multiple- family dwellings, taking into consideration the effects on zoning capacity of certain regulatory constraints.” The project proposes high density housing in a part of the City with the infrastructure capacity to best support it and supports the goal of development downtown into a vibrant mixed-use environment.

Regarding the “Housing Potential on Commercially-Zoned Parcels”, the Housing Element states, “Current City Planning and Zoning Code regulations permit, and General Plan housing policies encourage, housing in commercially zoned parcels. The adopted General Plan Framework also encourages the development of mixed-use projects which would provide residents with the opportunity to walk between their home, job and/or neighborhood services.” The proposed project supports this goal.

The framework goes on to read: “Living in proximity to transit and within mixed-use developments can reduce the number of trips people take in their cars, providing some people with the opportunity to walk between their home, job, and or neighborhood services. Framework Element policies encourage future development in centers and in nodes along corridors that are served by transit and are already in physical or activity centers for surrounding neighborhoods, the community or the region.” The proposed project is in close proximity to transit and located along the Grand Avenue corridor, which is a growing activity center for the surrounding neighborhood, community and the region.

- f. *The development project contains the requisite number of affordable and/or senior units as set forth in California Government Code Section 65915(b).*

The project will provide 20 percent of the proposed units as very-low and low-income housing units. If the full 2,660 units are built, 532 affordable units will be provided. This 20 percent affordable unit component meets the set aside requirements of Government Code Section 65815(b) and City Municipal Code requirements to receive a 35 percent density bonus. The Grand Avenue Authority, which is an independent public agency established through a joint powers agreement between the Community Redevelopment Agency of the City of Los Angeles and the County of Los Angeles will require the implementation of the affordable housing component of the project.

- g. *The development project addresses the policies and standards contained in the Affordable Housing Incentives Guidelines approved by the City Planning Commission.*

Both the market rate units and affordable units will consist of a variety of studio, one-, two- and three-bedroom unit floor plans. Currently all of the market rate units are planned to be sold as condominiums and the affordable units retained as rental housing. The final mix of residential unit ownership types, however, may include some market rate apartments and some affordable condominiums, depending on demand. All units will have access to the public plaza spaces. All residents will have access to some common open space areas, as well as amenities, within their individual buildings. For instance, both market rate and affordable units in Tower No. 2 on Parcel Q share terrace and lounge areas.

10. Conditional Use Findings (Floor Area Ratio).

Conditional use findings, pursuant to LAMC 12.24-V,2 to permit a floor area ratio of 9.9:1 throughout the entire site.

- a. *That the proposed development is consistent with the purposes and intent of the Housing Element of the General Plan and will provide needed lower income housing units in keeping with the goals of the plan.*

The project encourages and supports public and private programs to increase the availability of affordable rental housing (Housing Element Policy 1.1.8) by providing up to 532 affordable rental units in a program to be required by the Grand Avenue Authority. The project encourages a broad range of services to residents in publicly assisted housing units (Housing Element Policy 1.1.9) by creating affordable units in the downtown area with nearby access to an extensive range of goods and services as well as public serving facilities in close proximity to cultural institutions, such as the Museum of Contemporary Art and the Music Center. The project's neighborhood-serving retail and Civic Park components would serve on-site and off-site populations that are residing in affordable units.

The project will also increase the range of housing choices available to downtown employees and residents (Central City Community Plan Objective 1-2) by adding up to 2,660 dwelling units to the existing supply of downtown housing. The project will provide both condominiums and rental units, and there will be a variety of unit sizes and price levels.

- b. *That the proposed development will further the City's goal of achieving an improved jobs-housing relationship which is needed to improve air quality in the city.*

The project would provide between 2,060 and 2,660 housing units inclusive of up to 532 affordable units in the downtown area. Downtown is a jobs rich/housing poor subregion. The Central City Community Plan area has an employment to housing ratio of 16.4:1, compared to the overall current SCAG region ratio of 1.35:1. Since the proposed project will achieve a jobs/housing ratio of approximately 0.45:1 with the Additional Residential Development option, it will improve the overall jobs/housing balance in the Community Plan area. It would add a substantial number of units in a jobs rich area, and enhance the connectivity between housing and employment opportunities within the Central City Community Plan area, thus serving the SCAG region and City of Los Angeles sub-region. SCAG policies encourage such opportunities as a means of reducing vehicle miles traveled and the air quality and noise impacts that result from vehicular traffic. The project will also offer employment opportunities to current residents of downtown, both short-term (construction) and long-term (hotel and commercial uses). Therefore, the project furthers the goal of improving the jobs-housing relationship in the City.

- c. *That approval of the development will be in substantial conformity with public necessity, convenience, general welfare and good zoning practice.*

The project will enhance the character of development in the surrounding neighborhood and contribute to the revitalization and resurgence of downtown. The project will provide up to 2,660 new units of much-needed housing in the region, as well as almost 450,000 square feet of superior commercial space near the Civic Center. The housing will be provided on the same sites as the commercial uses, and each site will have a united appearance as a consolidated site through the use of an integrated streetscape, including colors, materials, and landscaping. The architecture of Parcel Q will complement the architecture of the Walt Disney Concert Hall on its west side. The development of the project sites will enable entire the development to be a significant gateway to Bunker Hill from the north and will further serve as a catalyst for desirable development in the neighborhood.

The Project will also positively impact the economic welfare of the community by providing a hotel and high quality commercial uses near the Civic Center. According to the Economic and Revenue Impact Study prepared by the Los Angeles Economic Development Corporation on May 20, 2005, the proposed project will contribute ongoing annual rents and revenue of approximately \$222,000,000 upon build out (includes retail and restaurant sales, hotel receipts, residential and commercial rents) and \$95,200,000 in annual incremental federal, state, county and local government tax revenue.

- d. *That the developer has agreed, pursuant to Government Code Section 65915, to construct the development with 20 percent or more of the residential units reserved for occupancy by lower income households, as defined by Health and Safety Code Section 50079.5, including elderly persons and families, as defined by Health and Safety code Section 50067, who meet the criteria for lower income households.*

The proposed project will provide 20 percent of all housing units as affordable housing units for very-low and low-income families under either of the two development options analyzed in the Draft EIR. Units for very low income households will comprise of 10 percent of the total of housing units, while units for low income households will comprise of the other 10 percent of the total number of housing units. Under the County Office Building Option, 412 units of the 2,060 total units will be affordable units. Under the Additional Residential Development Option, 532 of the 2,660 units will be affordable units.

- e. *That the developer has further agreed to ensure the continued affordability of all reserved lower income units for a minimum of 30 years.*

Conditions of approval will ensure the applicant preserves the affordable housing component of the project in accordance with SB 1818. Additionally, through a Disposition and Development Agreement between the Grand Avenue Authority and the applicant, the affordable units will be required to be reserved as such for a minimum 99 years. Monitoring and enforcement will be conducted by the appropriate governmental agency.

- f. *That the developer has also agreed to ensure that the construction and amenities provided for any dwelling unit reserved pursuant to this subdivision shall be comparable to other dwelling units in the development including the average number of bedrooms and bathrooms per dwelling unit.*

The construction and amenities provided for any affordable units will be comparable to other dwelling units in the development including the average number of bedrooms and bathrooms per dwelling unit. Both the market rate units and affordable units will consist of a variety of one-, two- and three-bedroom units. Currently all of the market rate units are planned to be sold as condominiums and the affordable units retained as rental housing. All units will have access to the public plaza spaces. Although the amenities may vary by building, all residents will have access to some common open space areas. For instance, both market rate and affordable units in Tower No. 2 on Parcel Q share terrace and lounge areas.

- g. *That approval of the development, pursuant to this section, constitutes the additional incentive required by Government Code 65915.*

The applicant acknowledges that approval of additional floor area requested through this conditional use permit, pursuant to §12.24.V.2 of the LAMC, constitutes an additional development incentive offered in exchange for the provision of affordable housing, but the floor area concession associated with the number of units over that which would be authorized by SB 1818 is only an additional 5 percent increase in project floor area.

- h. *That the approval of a mixed use development on this site will reduce the cost per unit of the housing development.*

Additional floor area is required to offset the high cost of land and materials to construct modern high-rise residential projects in a dense urban setting. In the current economic climate, this offset is imperative to encourage development. Granting of the conditional use permit will reduce the cost per unit of housing development by allowing the construction costs to be spread out among more units, while at the same time allowing an adequate balance of floor area devoted to commercial uses that serve the project's residents and surrounding community, as well as provide valuable jobs.

Development Agreement Findings: Pursuant to Section 65867.5 of the Government Code, the City Planning Commission of the City of Los Angeles hereby recommends approval of that certain Development Agreement by and between The Related Companies, LLC, the Joint Powers Authority, and the City of Los Angeles and makes the following findings with regard to the Development Agreement and its approval by the City.

- a. That State Government Code Section 65864 through 65869.5 authorizes municipalities to enter into binding development agreements with the persons having legal or equitable interest in real property for the development of such property.
- b. A development agreement is a legislative act that shall be approved by ordinance and is subject to referendum.
- c. The City of Los Angeles has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3).

- d. The Development Agreement between the City of Los Angeles, The Related Companies, LLC, and the Joint Powers Authority was entered into on _____, 2007 and recorded on _____, 2007 in the Official Records of Los Angeles County, California as Instrument No. --- - - - - -.
- e. The Development Agreement complies with all applicable City and State regulations governing development agreements.
- f. Pursuant to Section 65867.5 of the Government Code, the Development Agreement is consistent with the objectives, policies and programs specified in the City of Los Angeles General Plan, including the Central City Community Plan.

Central City Community Plan

The proposed project is consistent with the land use designation in the Central City Community Plan. The Community Plan designates the site as "Regional Center Commercial," which corresponds to the existing R5-4D/C2-4D Zones and the proposed C2-4D Zone. These zones allow both commercial and residential uses.

The Community Plan states, a "primary objective of the Central City Plan is to facilitate the expansion of housing choices in order to attract new and economically and ethnically diverse households." The Project will increase the range of housing choices available to downtown employees and residents by adding up to 2,660 dwelling units to the existing supply of downtown housing, as well as provide for ownership and rental units that offer a variety of unit sizes and price levels.

The Project is also consistent with the commercial objectives, specifically, to promote land uses that serve downtown businesses, create a vibrant 24-hour downtown environment for residents, and foster increased tourism. The Project's entertainment, restaurant, and hotel uses will provide accommodation and destination activities for visitors. The Project's residential component will increase general activity during evenings and weekends, creating a safer environment and, in turn, fostering even greater activity.

The improved provision of public plazas within the development parcels, and improved landscaping, street furniture and retail/restaurant activities accessible from the sidewalk all further the Plan's objectives that are focused on improving open space and linkages. Proposed streetscape improvements and pedestrian activity will promote Grand Avenue as a "cultural corridor" that will enhance public focus on the Walt Disney Concert Hall, the Dorothy Chandler Pavilion, MOCA, and other notable cultural facilities in the downtown.

General Plan Housing Element

The Development Agreement will vest the development rights of a project that is also consistent with the purposes and intent of the Housing Element of the General Plan. The Project encourages and supports public and private programs to increase the availability of affordable rental housing (Housing Element Policy 1.1.8) by providing up to 532 affordable rental units in a program required by the Grand Avenue Authority. It also encourages a broad range of services to

residents in publicly assisted housing units (Housing Element Policy 1.1.9) by creating affordable units in the downtown area with nearby access to an extensive range of goods and services and in close proximity to cultural institutions. The project's neighborhood-serving retail and Civic Park components will serve on-site and off-site populations that are residing in affordable units.

The public benefits outlined in the Development Agreement further support the Housing Element by specifying affordable housing and affordable unit production requirements. These include the provision of 20 percent of the units on-site set aside as affordable for 99 years, half to Low Income (80 percent AMI) and half to Very Low Income (50 percent AMI) households. In Phase I, the applicant will exceed this requirement by providing 35 percent of affordable units for Extremely Low Income (35 percent AMI) households and the balance for Very Low income (50 percent AMI) households. Preference will also be given to those displaced from other CRA/LA projects and an affirmative marketing plan will be used. Also, the 20 percent set aside of affordable units meets the intent of Section 17.12-F,9 of the LAMC for deferral of Quimby Fees.

General Plan Framework

The Project meets Land Use of the General Plan Framework by providing not only residential uses, but a variety of retail, entertainment, and hotel uses, commercial offices, and expanded recreational uses in the Civic Park. The General Plan Framework objectives encourage mixed-use development in centers and in nodes along corridors that are served by transit and which can provide an opportunity to reduce vehicle trips. The proposed project is in close proximity to transit and is located along the Grand Avenue corridor, which is a growing activity center for the surrounding neighborhood, community, and region.

The Development Agreement includes, as a public benefit, the enhancement of sidewalks, streetscapes, and pedestrian connections along the project frontages of all development phases (Grand Avenue, Olive, 1st, 2nd, and Hill, and Hope Streets). The Project will incorporate streetscape amenities that enhance pedestrian activity, consistent with Land Use Objective 3.16, as well as integrate street-front retail uses and plazas into the streetscape, provide adequate sidewalk space, and provide an extensive pedestrian network, consistent with Urban Form and Neighborhood Design Objectives.

The Project will support the City's open space goals (Open Space Policy 6.2) through the renovation and expansion of the Civic Center Mall into the Civic Park to provide for greater public use and improved linkages to other points of interest in downtown Los Angeles. The Civic Park will also contribute positively to the stability and identity of the neighborhood by accommodating programs and activities reflective of diverse cultures of the surrounding community (Open Space Policy 6.4).

Bunker Hill Redevelopment Plan

The proposed project is substantially consistent with the overall intent of the Bunker Hill Redevelopment Plan to benefit the people of the City through the provision of convenient and efficient living accommodations for downtown

employees, and to revitalize existing underutilized land adjacent to the Civic Center. Similar to other General Plan policies and objectives discussed above, the policies of the Redevelopment Plan encourage a mix of uses, pedestrian linkages, and enhanced pedestrian activity, all of which are components of the project. The Bunker Hill Redevelopment Plan permits residential uses in commercial buildings in commercial areas with the approval of the City Planning Commission and the CRA/LA. Therefore, the Planning Commission's approval of the requested actions for the residential uses in the Project will constitute compliance pursuant to Section 803(2) of the Bunker Redevelopment Plan.

Other Regulations

The proposed Development Agreement also complies in form and substance with all applicable City and State regulations governing development agreements, including the following guidelines adopted by the City:

- 1) When to use. As a project with multiple phases to be constructed over a period of several years, the project could be exposed to substantial hardship if its implementation was to be governed by changing and different rules, ordinances, and policies.
 - 2) Term. The recommended 20-year term provides a reasonable time frame to permit the development of the project and accommodate potential changes in the construction schedule caused by market conditions.
 - 3) Processing. The proposed Development Agreement is being processed concurrently with other land use entitlement applications which will regulate the property.
 - 4) Public Benefits. The proposed Development Agreement sets forth public benefits to be provided.
- g. The Development Agreement will not be detrimental to the public health, safety and general welfare. The proposed Development Agreement will not be detrimental to the public health, safety, or general welfare. The Development Agreement will provide public benefits not otherwise obtainable under the project's environmental clearance that will benefit the Bunker Hill Redevelopment Area, the Downtown-Central City Area, and the City of Los Angeles as a whole. Approval of the Development Agreement will promote the general welfare by increasing the amount of available housing (up to 2,660 new residential dwelling units and up to 532 affordable housing units), providing neighborhood-serving retail uses, and advancing the goal of locating such uses in proximity to existing employment centers and mass-transit opportunities. The Project will exhibit architectural design qualities and features, such as landscaped plazas, numerous seating areas, and pedestrian-oriented spaces, which will make it highly beneficial to the neighborhood.

The Project also promotes the general welfare by providing new job opportunities. The public benefits outlined in the Development Agreement include job creation, both construction jobs and permanent jobs. Specifically, LAEDC estimates that Phase I of the project will create approximately 1,950 full time equivalent jobs and a peak workforce of about 650 construction workers. Phases II and III will create an additional 4,700 full time equivalent jobs. LAEDC also estimates the creation of 2,500 permanent jobs in Phase I and 2,800 additional jobs in Phases II and III.

The Development Agreement includes provisions which specifically permit the City's application of rules and regulations as necessary to protect public health and safety. In the Development Agreement, the City is granted sufficient "reserved powers" during the term of the Agreement in order to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of the Agreement.

Lastly, the Development Agreement will not be detrimental to the future residents or tenants of the project site, the surrounding community, or the City in general since it encourages the construction of a project which is desirable and appropriately designed for the site in relationship to surrounding uses and the City's vision for downtown. The proposed project will provide an increased tax base in terms of both property and sales taxes that, in turn, will assist in the support of the necessary City services that are required for the development. The revenues from the project will also fund the creation of the 16-acre Civic Park which builds and expands upon the existing Civic Center Mall connecting Grand Avenue to City Hall. As a public benefit, the applicant will manage the revitalization and deliver the park at-cost, with no profit or developer's fee. As part of the Development Agreement, the developer will be obligated to provide an on-site child-care center, install free wireless Internet throughout the Civic Park subject to a determination of feasibility by the Information of Technology Agency, and implement a share-car program that makes vehicles available to registered Project and non-Project members.

- h. The Development Agreement will promote the orderly development of the subject property in accordance with good land use practice. The Development Agreement will be in conformance with the General Plan. The proposed Development Agreement will ensure orderly development of the project in accordance with good land use practice. The Development Agreement vests the applicant's rights to develop the project as described in the Environmental Impact Report and in the discretionary approvals requested concurrently herewith. It provides assurances that the project will proceed in accordance with all existing applicable rules, regulations, and official policies, as well as any conditions of approval imposed on the project as a result of discretionary approvals. It also strengthens the public planning process by encouraging a comprehensive development plan and reducing the economic costs of development to the applicant and the public.

As discussed above, the project is consistent with the General Plan, including the Central City Community Plan. In addition, the project is consistent with the Community Redevelopment Agency's plan for the Bunker Hill Redevelopment Project Area. After giving effect to the requested discretionary approvals, the project will also comply with all applicable provisions of the Zoning Code. Thus, the proposed Development Agreement is consistent with good land use practice.

The Development Agreement also follows good land use practices in that will facilitate a project that will provide a range of housing choices, draw visitors to downtown, and encourage a mix of 24-hour uses, all in a manner that will enhance the character of development in the surrounding neighborhood and contribute to the resurgence of downtown. The project will promote a synergy between institutional uses to the north and east and the office and residential uses to the south and west of the property. Residential development will be

appropriately located in close proximity to significant employment centers such as the County Mall, City Civic Center, Bunker Hill, and other parts of downtown Los Angeles. This close proximity reduces commute times and allows use of surface streets as the principle access points, which in turn reduces air pollution. The project will provide neighborhood-oriented goods and services, such as restaurants, a grocery store, and retail spaces, which are within a floor area ratio comparable to the office developments that dominate Bunker Hill. Not only will the project promote community revitalization by creating a more vibrant and active mixed-use development, but it will be compatible with, and complementary to, the adjacent office, residential, governmental, and institutional uses in the area.

- i. The Development Agreement is necessary to strengthen the public planning process and to reduce the costs of development uncertainty. By further defining obligations of transferees and rights of lenders, the Development Agreement will provide greater certainty to protect developers and facilitate the transfer and financing of the properties subject to the Development Agreement, thereby spurring development.
 - j. A development agreement that includes a subdivision, as defined in section 66473.7, shall not be approved unless the agreement provides that any tentative map prepared for the subdivision will comply with the provisions of Section 66473.7. The Project's related tract maps include mitigation measures as conditions of approval that will comply with the provisions of Section 66473.7.
 - k. The Development Agreement is consistent with the concurrent requested approvals.
 - l. Based on the above findings, the Development Agreement is deemed consistent with public necessity, convenience, general welfare and good zoning practice.
- 18.** The approval of the requested zone change, zone variance, and conditional use has been made contingent upon compliance with the conditions of approval imposed herein. Such limitations are necessary to protect the best interests of and to assure a development more compatible with surrounding properties, to secure an appropriate development in harmony with the General Plan, and to prevent or mitigate the potential adverse environmental effects of the subject recommended action.

19. FINDINGS OF FACT (CEQA)

On November 20, 2006, the Los Angeles Grand Avenue Authority (Authority) adopted the Grand Avenue Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2005091041), dated November 2006, and also adopted the necessary Resolutions that made the findings required under California Public Resources Code Section 21081 and State CEQA Guideline 15091 (the "Authority's CEQA Findings"), stating the FEIR was completed in compliance with the California Environmental Quality Act Public Resources Code Section 21000 et seq., the CEQA Guidelines, all applicable local guidelines concerning the application and implementation of that statute, and all applicable case law concerning that statute and the CEQA Guidelines (collectively, "CEQA"). The Authority, which is an independent public agency established through a Joint Exercise of Powers Agreement (The "JPA Agreement") between the Community Redevelopment Agency of the City of Los Angeles ("CRA/LA") and the County of Los Angeles ("County"), was responsible for the preparation of the FEIR. The County and the CRA/LA have served as "Responsible Agencies" for the Project as that term is defined under

CEQA Guidelines 15096 and 15381. As Responsible Agencies, the County and CRA/LA have worked closely with the Authority in ensuring the FEIR has examined all potential environmental impacts. The City Planning Commission is a Responsible Agency, pursuant to State CEQA Guidelines Section 15096, and must make those findings with respect to the project required under Public Resources Code Section 21081 and State CEQA Guidelines Sections 15091. The recommended actions implement and further the purposes of CEQA. In making the decision to approve CPC 2006-9702-ZC-CU-CUB-CUX-ZV-DA, the City Planning Commission of the City of Los Angeles certifies that it has reviewed and considered the information contained in EIR No. SCH 2005091041. Further, the City Planning Commission hereby adopts the CEQA findings as set forth below.

These agencies, as well as the City of Los Angeles reviewed and approved the Grand Avenue Implementation Plan, which formulated the framework of the project description evaluated in the EIR prepared by the Authority for the mixed use development. That plan generally described the location of the Project, its proposed uses and other elements. The governing bodies for the Authority, County, the CRA/LA and the City of Los Angeles each approved the Implementation Plan in 2005.

Staff for the Authority and its member agencies, the County and the CRA/LA independently reviewed, analyzed and required changes to all of the documents comprising the Draft Environmental Impact (DEIR), dated June 2006, and the FEIR prior to the publication of those documents. The DEIR which was circulated for public comment as well as the Final EIR reflect the independent judgment of the Authority. Therefore, in accordance with the applicable provisions of CEQA, the Authority hereby made findings and certified that:

- (a) The FEIR has been completed in compliance with CEQA.
- (b) The FEIR has been presented to the governing body of the Authority ("Board"), and the Board has independently reviewed and analyzed the information contained in the FEIR prior to acting on the Project.
- (c) The FEIR reflects the Authority's independent judgment and analysis.

The FEIR for the proposed Grand Avenue Project concluded that certain significant effects may occur as a result of the proposed Project, or may occur on a cumulative basis in conjunction with the development of the Project and other past, present, or reasonably foreseeable future projects. In addition to reviewing the Project's potential environmental impacts for the five development parcels, these Findings also provide the Authority's analysis and conclusions regarding the applicability of possible alternatives and mitigation measures to reduce any significant environmental effects.

These Findings address the potentially significant environmental effects examined in the FEIR for the five development parcels. The FEIR analyzed the environmental impacts at a project-specific level and on a "cumulative" impact basis. A cumulative impact is defined by CEQA Guidelines 15130 and 15355 as an impact which is created as a result of the combination of impacts of the project evaluated in the EIR and closely related past, present and reasonable foreseeable probable future projects (commonly known as "related projects"). The FEIR identified 93 related projects in the relevant geographic area. The inclusion of those 93 related projects in the cumulative impact analysis resulted in a conservative analysis since it is not likely that all of those projects will be developed.

The Civic Park and Streetscape Program component of this project are under the jurisdiction of Joint Powers Authority. The entitlements pertaining to the five development parcels are under the jurisdiction of the City Planning Commission. The City Planning Commission does not have the authority to approve or carry out mitigation measures that are within the jurisdiction of another agency.

The following environmental impacts have been determined to be less than significant in light of, among other reasons, the imposition of mitigation measures, regulatory measure and/or project design features:

Light and glare impacts; visual quality; noise impacts during Project operations; impact on parks and other recreational uses during Project operations; library services (project-specific); population, housing and employment impacts; hazardous materials; fire protection services; school services; water supply; wastewater; solid waste; police services (project-specific impact); shade and shadow impacts (project-specific impact), and land use compatibility and consistency with land use plans and policies.

The following environmental impacts were determined to be significant and unavoidable even after the imposition of all feasible mitigation measures, regulatory measures and project design features:

Land use and zoning impacts; traffic impacts during Project construction and operation; parking impacts due to inability to comply with certain City residential parking policies; view impacts; air quality impacts during Project construction and operation; noise impacts during Project construction; police services (cumulative basis only); shade and shadow impacts (cumulative basis only); library services (cumulative basis only); and impact on parks and recreational uses during Project construction. The first seven identified impacts and the last impact are significant and unavoidable on a project-specific and cumulative basis.

Potential Environmental Impacts Studied in the Initial Study But Not Analyzed Further in the Draft Environmental Impact Report

In accordance with CEQA Guideline 15063, the Authority prepared an Initial Study, which is included as Appendix A to the DEIR. The Initial Study determined which potentially significant effects may be caused by the Project and needed to be further examined in the DEIR, and which environmental effects would not be caused by the Project and, therefore, required no analysis in the DEIR. Based on that Initial Study and other substantial evidence, the Authority determined that the Project would not have the potential to cause significant impacts in the following areas: (1) agricultural resources, (2) biological resources, (3) geology and soils, (4) hydrology and water quality, and (5) mineral resources, and that it was appropriate that no further analysis of those five impact issues was included in the DEIR. The Authority further determined that the rationale provided in the Initial Study that no significant impacts would occur respecting these five impact areas satisfies the requirement of CEQA Guideline 15128. Thus, the Authority has no evidence before it to indicate that the Project could have any potential for an adverse effect on fish and wildlife resources or the habitat upon which the fish and wildlife depends.

A comment was raised during the public review process concerning the potential impact to biological resources associated with the removal of mature landscaping, including trees. More specifically, the comment notes that the removal of mature trees and landscaping from the existing Civic Center Mall during construction activities may cause this impact. Although the impact to biological resources is still determined to be less than significant, a regulatory measure was included in the FEIR to ensure a less than significant impact to biological

resources pertaining to the Civic Park. Pursuant to Section 15091 of CEQA Guidelines, such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency. As such, mitigation measures pertaining solely to these components have not been included as part of these Findings. Also, the City Planning Commission does not have the authority to approve or carry out this measure since it is not applicable to the subject tract.

During the public review process, a comment was raised as to whether the DEIR should have undertaken an additional analysis of the Project's potential energy impacts. No such analysis is warranted for a number of reasons. First, the Initial Study identified the Project's specific amounts of electricity and natural gas consumption, and based on those amounts, concluded that the Project's energy demands would fall within the projected energy demands for the Los Angeles Department of Water and Power (LADWP) and the Southern California Gas Company (SCGC). Accordingly, the Initial Study determined that no further analysis of this issue in the DEIR was warranted.

Second, the Project's sustainability, energy conservation, and efficiency are reflected throughout the EIR and in the DDA. For example, a number of the Project objectives emphasize the pedestrian and public transit opportunities that will be created by the Project, as well as its linkages between pedestrian, public transit and other public roadways. The Project will also promote energy efficiency through reduced reliance on the automobiles, an improvement of jobs/housing balance, and the encouragement of the use of public transportation to and from the downtown area.

Third, the Project's energy demands were disclosed in the DEIR (in addition to the Initial Study attached to the DEIR). For example, the Project's air quality analysis addresses emissions from fuel consumption by motor vehicles as well as consumption of natural gas and electricity during Project operations. That analysis provided a quantification of the Project's energy consumption.

Fourth, the incorporation of "Title 24" (the State's Energy Code) requirements into the Project is reflected in Regulatory Measure F-2 of the FEIR, which states: "all residential and non-residential buildings shall, at minimum, meet the California Title 24 Energy Efficiency Standards for water heating, space heating and cooling." Thus, the Project will comply with all requirements of Title 24 applicable to the residential and commercial components. California's Title 24 is the most restrictive energy code in the nation, and imposes strict standards in order to achieve energy efficiency. With regard to comments suggesting the inclusion of Leadership in Energy and Environmental Design (LEED), as the Project's final building designs have not been developed as of this date, a commitment to specific LEED building design measures would be premature and, therefore, any further discussion of specific energy design features would be speculative.

Lastly, because the Project will be in compliance with the Title 24 requirements, the Project complies with CEQA and the CEQA Guidelines, including Appendix F thereto. Appendix F speaks to a discussion of energy impacts and applicable mitigation measures only when a project will be energy inefficient or wasteful. Through compliance with Title 24, the Project will not be energy inefficient or wasteful. For all these reasons, the Authority finds that no additional analysis of the potential energy impacts of the Project is required under CEQA.

Finally, certain comments were raised during the public review process as to whether the Project may exacerbate or not alleviate local labor issues, homelessness and other social issues. CEQA generally provides that an EIR is required to evaluate only the environmental

impacts of a project, and economic and social effects of a project are not treated as significant effects on the environment. Thus, economic or social effects of a Project need not be analyzed in an EIR unless they may directly cause a physical impact on the environment. While such matters are important, the Authority finds that the economic and social issues raised during the 50-day public review and comment process for the DEIR described in Section VI of these Findings will not cause any potentially significant "environmental" impacts that are not addressed in the FEIR.

1.1 PROJECT BACKGROUND AND THE ENVIRONMENTAL IMPACT REPORT PROCESS

Notice of Preparation (NOP): In accordance with the requirements of CEQA, the Authority circulated a Notice of Preparation (NOP) for the proposed project on September 6, 2005. The purpose of the NOP was to solicit comments on the proposed content of the Draft EIR. The NOP was circulated for a period of 35 days, until October 10, 2005. During the following 35-day comment period, 14 letters were received. An open house and public scoping meeting for the Draft EIR was held on Tuesday, September 20, 2005. All NOP responses relating to the EIR were reviewed and the issues raised in those comments were addressed in the Draft EIR. The NOP, letters received during the NOP comment period, and scoping meeting transcript are included in Appendix A of the Draft EIR.

Notice of Completion (NOC): On June 14, 2006, the Authority prepared and distributed the Notice of Completion and Availability of the Draft EIR to all interested agencies, parties, organization, and persons. The Draft EIR was circulated for a 50-day review period, between June 14, 2006 and August 3, 2006.

The Authority received 17 letters from agencies, organization, and individual parties commenting on the Draft EIR. The Notice of Completion provided information of an open house and public meeting as an additional means to obtain information on the Project and to receive public comments on the content of the Draft EIR. The public meeting was held on Tuesday, July 18, 2006, between 6:00 p.m. and 8 p.m. at the Cathedral of Our Lady of the Angels, which is adjacent to the Project site. At the public meeting, thirteen speakers presented oral comments with regard to the content of the Draft EIR. In addition, one written comment form was submitted to the Authority. The written comments and transcript of the public meeting and responses to the comments are included in this Final EIR in Section V, Response to Comments.

The Authority found that no "new significant information" (as that term is defined in CEQA Guideline 15088.5 (a)) was added to the Draft EIR since release of the Draft EIR would warrant recirculation as provided in CEQA Guideline 15088.5. Among other reasons, the information added to the FEIR has not deprived the public of a meaningful opportunity to comment upon any significant environmental effect of the Project or any feasible way to mitigate or avoid such an effect. Instead, new information that has been added to the FEIR merely clarifies information contained in the Draft EIR.

The FEIR consists of the DEIR, Responses to Comments, the Mitigation Monitoring Program sections entitled Preface, Introduction, Summary, and Corrections and Additions, and the appendices to these documents.

Location of Records: In accordance with CEQA Guideline 15091(e), the documents and materials that constitute the record of the proceedings concerning the Authority's decision to certify the FEIR and approve the Project and all associated agreements shall be kept and maintained by the Managing Director of the Grand Avenue Committee, whose offices are

located at 445 South Figueroa Street, Suite 3400, Los Angeles, CA 90071, telephone number (213) 413-4130. The Authority has the discretion to transfer or locate these records at the office of the County CAO Asset Management Division, located at 500 West Temple Street, 7th Floor, Los Angeles, CA 90012, and/or CRA/LA, located at 354 South Spring Street, Los Angeles, CA 90013.

1.2 PROJECT FINDINGS INTRODUCTION

The Findings made by the City Planning Commission, pursuant to PRC Section 21081, and CEQA Guidelines Section 15091 are presented below. All significant environmental effects of the project, particularly the five development parcels, identified in the FEIR are included herein and are organized according to the area of potential impact. The Findings in this document apply only to this tract and are supported by information and analysis from the Final EIR. Where applicable, these Findings note the documents that contain the substantiation for each Finding.

CEQA and the CEQA Guidelines provide that no public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out, unless, for each significant impact, the public agency makes one or more of the following findings, as appropriate in accordance with PRC Section 21081 and CEQA Guidelines Section 15091:

- i. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR;
- ii. Such changes or alternatives are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency;
- iii. Specific economic, legal, social, technological and/or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

A narrative of supporting facts follows the appropriate Finding. For many of the impacts, one or more of the Findings above have been made. Whenever Finding iii above is made, the City Planning Commission has determined that there will be, even after mitigation, an unavoidable significant level of impact due to the project and sufficient mitigation is not available to reduce the impact to a less than significant level. Such impacts are always specifically identified in the supporting discussions. The Statement of Overriding Considerations applies to all such unavoidable significant impacts, as required by Sections 15092 and 15093 of the CEQA Guidelines.

1.3 DESCRIPTION OF PROPOSED PROJECT

The Project consists of three major components: (1) the creation of the 16-acre Civic Park that builds upon and expands the Civic Mall, and when completed, will connect the Los Angeles City Hall to Grand Avenue; (2) streetscape improvements along Grand Avenue from Fifth Street to Cesar E. Chavez Avenue; and (3) the development of five parcels which are referred to as Parcels Q, W-1, W-2, L and M-2. Parcels Q and W-2 are currently owned by the County, Parcels L and M-2 are currently owned by CRA/LA, and Parcel W-1 is owned by a private third party. (While the developer is pursuing the acquisition of Parcel W-1, the development of the other parcels and components of the Project may proceed even if the developer does not

acquire Parcel W-1.) The Parcels are identified by these letters in the Redevelopment Plan for the Bunker Hill Redevelopment Project Area. The Project currently consists of two development options, referred to in the Findings and the FEIR, as the "Project with County Office Building Option," and the "Project with Additional Residential Development Option." Under the Project with County Office Building Option, development of the five parcels will consist of up to 2,060 residential units, 20 percent of which (up to 412 units) would be provided as affordable housing; up to 275 hotel rooms, up to 449,000 square feet of retail space and up to 681,000 square feet of County office space. Under the Project with Additional Residential Development Option, the 681,000 square feet of County office space would be replaced with up to 600 additional residential units, 20 percent (up to 120 units) would be provided as affordable housing. All other components of the Project would be the same under this option, and would include 275 hotel rooms, and 449,000 square feet of retail space. The proposed County office space under the Project with County Office Building Option would be constructed in the third phase of the Project when parcels W-1 and W-2 are developed. The proposed residential units under the Project with Additional Residential Development Option would be developed on parcel W-2 of the Project. Under that certain Disposition and Development Agreement between the Authority and Related (the "DDA"), recommended to be approved subsequent to consideration and certification of the FEIR, the County's option for development of a public office building during the third phase of development expires on a specific date in the future. If the County does not exercise this option, the developer may develop the Project consistent with the Additional Residential Development Option.

Parking for the Project would be provided in podium and subterranean parking structures. 5,035 parking spaces would be provided under the County Office Building Option, and 5,255 parking spaces would be provided under the Additional Residential Development Option.

In addition to the development of the five parcels, the Project will revitalize and expand the existing Civic Center Mall through a new design. The main purpose of this new design is to facilitate a program of ongoing and special civic events and activities to take place in the new Civic Park. The current conceptual plan for the Civic Park maintains the existing organization of space in the Park, with the intent that specified areas would accommodate particular programmed uses and also work in unison for larger events. Under this plan, different sections of the Park would be developed for cultural and entertainment uses, a garden space for smaller scale uses, and civic and community activities.

The Project will also entail streetscape improvements along Grand Avenue from Fifth Street to Cesar E. Chavez Avenue. Streetscape improvements are anticipated to include widened shaded sidewalks where feasible, landscaping, as well as a range of street furnishings, including benches and chairs.

In order to fully respond to the future needs and demands of the Southern California economy, the proposed Project includes an Equivalency Program that would allow the composition of on-site development to be modified to respond to future needs in a manner that would not increase the Project's impacts on the environment. The Equivalency Program would provide flexibility for modifications to land uses and square footages within the five development parcels. Within this framework, land uses can be exchanged for certain other permitted land uses so long as the limitations of the Equivalency Program are adhered to, which limitations were designed so no additional environmental impacts would occur. Thus, all permitted Project land use increases can be exchanged for corresponding decreases of other land uses under the proposed Equivalency Program without any further CEQA review.

This Equivalency Program was analyzed in the FEIR to confirm that exchange of Project uses set forth in the program can occur without the need for subsequent CEQA analysis. Proposed exchanges under the Equivalency Program would be implemented through the City of Los Angeles Planning Department procedures. While the above project description represents that described in the Final EIR, it should be noted that it is the five development parcels which are under the jurisdiction of the City (refer to the first paragraph at the top of page F-30).

1.4 FINDINGS OF FACT

After reviewing the Final EIR and the public record on the project, pursuant to Section 15091 of the CEQA Guidelines, the City Planning Commission hereby makes the Findings set forth below in this document regarding the significant effects of the five development parcels of the proposed project. Except to the extent they conflict with the findings and determinations set forth for project impacts significant environmental effects that cannot be reduced to a less than significant level below, the analysis and conclusions of the Final EIR, including but not limited to the responses to comments, are incorporated herein by reference and are hereby adopted as findings. The City Planning Commission certifies that the Final EIR reflects the independent judgment and analysis of the City of Los Angeles.

Cumulative Impacts

Except as expressly provided to the contrary for significant effects that cannot be reduced to a less than significant level, all effects of the Project on the environment are hereby found to be not significant. Cumulative impacts of the Project in conjunction with other past, present and reasonably foreseeable future projects have been addressed where applicable and will not be significant after mitigation.

1.5 POTENTIAL ENVIRONMENTAL EFFECTS ANALYZED IN FEIR

A. Land Use (Consistency With Land Use Plans and Compatibility With Surrounding Uses

- i. Potential Impacts – The Project may have a significant land use in the areas of consistency with land use plans and compatibility with surrounding uses impact if:
 - a. The Project development would be incompatible with surrounding land uses or land use patterns in relation to scale, use, or intensity.
 - b. The Project would not be consistent with any applicable land use plan or policy of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect.
- ii. Findings – The Project will not have a significant impact concerning consistency with land use plans or compatibility with surrounding uses. Therefore, no mitigation measures are required or were identified in the FEIR.
- iii. Supportive Evidence and Rationale – The Project's potential land use impacts concerning consistency with land use plans and compatibility with surrounding uses are analyzed in detail in Section IV.A. of the DEIR. The Project would be compatible with the adjacent and surrounding existing land uses and, as such, the Project would not create a division or disruption of an established community. Further, the Project's scale and mix of uses complement, and will be consistent

with, the surrounding commercial and residential uses in the downtown area. In addition, the Project would be consistent with adopted land use plans, including the City's General Plan Framework, the Central City Community Plan, the Bunker Hill Redevelopment Plan, and the Southern California Association of Governments' Regional Comprehensive Plan and Guide. Thus, the Project would result in less than significant impacts relative to land use compatibility and adopted land use plans.

- iv. Cumulative Impacts – The 93 related projects that are planned or are under construction in the Project's vicinity are anticipated to occur in accordance with adopted land use plans and regulations. It is reasonable to assume that the projects under consideration in the area surrounding the Project would implement and support important local and regional planning goals and policies. It is also anticipated that any new projects would be subject to an environmental review process and would incorporate any mitigation measures necessary to reduce potential land use impacts. Therefore, no significant impacts with regard to adopted land use plans would occur.

B. Land Use (Zoning)

- i. Potential Impacts – The Project may have a significant zoning impact if:
 - a. The Project is not consistent with any land use or zoning law or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect.
- ii. Findings – The Project will cause a significant and unavoidable land use impact relative to the zoning regulations of the City of Los Angeles on a project-specific and cumulative basis. In connection with its prior action on the Project, the Authority made the following finding for this impact:
 - a. This impact can be mitigated to a level of less than significant if the City approves certain land use entitlements that have been applied for by the developer, which application is still pending as of the date of these Findings. Accordingly, the Authority finds that measures, such as changes or alterations to the Project necessary to mitigate this impact are within the responsibility and jurisdiction of another public agency and not the Authority. The Authority further finds that such measures, changes or alterations should be adopted by such other agency.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section is acceptable in light of the Project's overall benefits.
- iii. Supportive Evidence and Rationale for the Authority's Findings: – The FEIR analyzed in detail the Project's land use impact relative to zoning in Section IV.A of the DEIR. The County Office Building Option and the Additional Residential Development Option would require zone changes and variances to permit the proposed development of five development parcels. With the granting of such zone changes and variances, which may be granted only after certification of the Final EIR by the Lead Agency and concurrently with action on the entitlements

requested from the City by the developer, there would be no significant zoning impact. However, since the Project, under both Project Options, would be acted on by the Lead Agency (the Authority) prior to the City's decision on such zoning requests, the Project would not be in compliance with the current zoning provisions at the time of the Authority's approval of the Project. Therefore, it is conservatively concluded that, for purposes of CEQA, there would be a significant impact relative to zoning. No mitigation within the jurisdiction of the Authority exists to address non-compliance with the City's existing zoning regulations. The necessary change required in order to avoid this significant impact lies not with the Authority, but rather with the City of Los Angeles.

- iv. Cumulative Impact – Since the Project would create a significant impact with respect to the City's zoning and regulations, and related projects may require a variety of variances and zone changes, the Authority conservatively concluded that cumulative zoning impacts would be significant and unavoidable.
- v. City's Finding – While the City Planning Commission is approving many of the land use entitlements necessary to eliminate the significant land use impact found by the Authority, the zone change requested for the Project cannot be approved except by City Council action. Thus, absent such an approval by the Council, the City Planning Commission finds that the Project would have a significant land use impact.

C. Traffic, Circulation and Parking (Traffic, Construction)

- i. Potential Impacts – The construction of the Project would cause a significant traffic impact due to (1) hauling activities; (2) temporary lane closures; (3) pedestrian access; (4) bus stop relocation; and (5) construction worker parking if:
 - a. The Project construction causes substantial delays and disruption of existing traffic and pedestrian flow.
 - b. The Project causes temporary relocation of existing bus stops to more than one-quarter mile from their existing stops.
- ii. Findings – The Project will not cause a significant traffic impact with respect to pedestrian access, bus stop relocation and construction worker parking due to, among other reasons, the adoption of the measures identified in this Section XI-B(a) of the Findings. The construction of the Project will cause a significant and unavoidable traffic impact with respect to hauling activities, and temporary lane closures on a project-specific and cumulative basis. With respect to those significant and unavoidable impacts, the Authority makes the following findings:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project, which will lessen such significant environmental effects.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-B(a) is acceptable in light of the Project's overall benefits.

Although the following mitigation measures aimed at reducing these significant and unavoidable traffic impacts during Project construction have been adopted, these mitigation measures will not reduce those impacts to a level of insignificance:

Mitigation Measure B-1: The developer with regard to the five development parcels, shall prepare, prior to the start of each construction work phase, a Construction Traffic Control/Management Plan ("Plan") to be approved by the City of Los Angeles Department of Transportation ("LADOT") and implemented by the responsible party. The Plan shall include, but not be limited to, Project scheduling, the location and timing of any temporary land closures, traffic detours, haul routes, temporary roadway striping, and signage for traffic flow, as necessary, as well as the identification and signage of alternative pedestrian routes in the immediate vicinity of the Project, if necessary. The Plan should also provide for the coordination of construction areas, and for safe pedestrian movement throughout the Project Area such that adequate and safe pedestrian movement access is maintained to adjacent uses including the Walt Disney Concert Hall, the Music Center, the County Courthouse, and the Metro Red Line station portals (on Parcel W-2 and on the Court of Flags).

Mitigation Measure B-2: After approval of the Construction Traffic Control/Management Plan(s) required under Mitigation Measure B-1 and prior to the start of each construction work phase, the developer with regard to the five development parcels, and the responsible parties for implementation of the Civic Park and Streetscape Program under the applicable agreements, shall submit a copy of the Plan(s) to the Authority or other appropriate agency, the City Chief Administrative Officer or designee, and the County of Los Angeles Chief Administrative Officer ("County CAO"). Following receipt of the Plan(s), the County CAO shall distribute that information to all County properties on Grand Avenue, including the Hall of Administration, County Courthouse, the Walt Disney Concert Hall, and the Music Center, for further distribution of information to employees and visitors on construction schedules, alternative travel routes, and land and sidewalk closure information, as appropriate, and the Authority or other appropriate agency, or the City, shall distribute to the appropriate City departments for the same purpose.

Mitigation Measure B-3: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall enter into one or more temporary arrangements with parking garages in the area of the Project, or with surface lot operators elsewhere in downtown or its periphery, to provide a sufficient supply of off-street spaces for the construction workers during Project construction, and will require all construction workers to use these designated parking spaces. These temporary arrangements shall be to the satisfaction of (i) CRA/LA or (ii) the County's CAO or its designee.

- iii. Supportive Evidence and Rationale – The EIR analyzed in detail the potential traffic impacts caused by Project construction in Section IV.B of the DEIR. No significant impacts on pedestrian circulation during construction would occur, and a less than significant impact will result to bus stop relocation. Although sidewalk closures may occur, one side of the street will continue to be available. Any potential increase in walking distance for pedestrians would not amount to a significant impact. Further, the temporary relocation of bus stops would be within two blocks of the Project site and within one-quarter mile of the original

stop location, which is a distance that will not cause a significant impact. Also, with the implementation of Mitigation Measure B-3, no significant impact will result due to construction worker parking. The FEIR also evaluated the impact of construction trucks on A.M. peak hour traffic on roadways. During more than half of the Project's construction period, construction would generate approximately 40 trips a day, which would have minimal effect on peak hour roadway conditions. The highest number of daily truck trips would occur during the Project's peak excavation phases, and would range from approximately 130 to 300 haul trucks a day. As these trips would also be distributed throughout the day, the actual number of haul truck trips that would occur during the A.M. peak hour period would be relatively low. In addition, consistent with standard industry practice, the hauling of over-weight or over-size equipment during construction would largely occur prior to the A.M. peak hour period. With respect to the probably low number of truck trips that would occur during the A.M. peak period, the Project shall comply with the requirements of the City of Los Angeles with regard to haul truck trips attributable to the construction of the Project, as will be established in connection with LADOT's review and approval of the Project's Construction Traffic Control/Management Plan and/or conditions of approval by the City in the various land use entitlements applied for by the Developer. However, it is conservatively concluded that because a portion of the construction truck trips could occur during peak hauling periods, including during the A.M. peak hour, a potentially significant and unavoidable short-term traffic impact may occur. Finally, complete closures of any streets are not expected during construction. However, such closures could occur due to unforeseen circumstances, in which case, they would cause temporary significant impacts. It is expected that, at most, one traffic or parking lane adjacent to the curb may need to be closed at certain locations for periods of up to 4 to 6 months, or up to approximately 18 to 24 months, depending on the stage of construction. Although temporary in nature, such closures would cause significant traffic impacts during such periods of time.

iv. Cumulative Impacts

- a. **Hauling.** The Project's highest periods of haul truck activity would be in the initial six to eight months of construction for each parcel, when trucks would carry excavated material from the site. During those periods a peak of 300 trucks a day are estimated. Because some of these trips could occur in the A.M. peak hour, haul truck trip periods could cause short-term, significant cumulative traffic impacts. Hauling required for the construction of some of the 93 related projects would potentially overlap with the initial six to eight months of construction for each of the Project's development parcels. Therefore, haul truck impacts would be cumulatively significant.
- b. **Temporary Lane Closures.** Complete closures of any streets are not expected during construction. However, such lane closures could occur due to unforeseen circumstances, in which case they would cause temporary cumulatively significant impacts. The construction of any of the related projects has the potential to require temporary lane closures. Therefore, the impact of the Project and related projects, particularly the 15 related projects located on Grand Avenue, Olive Street, and Hill Street, would cumulatively contribute to congestion impacts resulting from temporary lane closures and such impacts are found to be cumulatively significant.

- c. **Construction Workers.** The 93 related projects would draw upon a construction workforce from all parts of the Los Angeles region. However, since the majority of construction workers are anticipated to arrive and depart the individual construction sites during off peak hours, cumulative traffic impacts due to construction workers trips are concluded to be less than significant.

D. Traffic, Circulation and Parking (Traffic, Operations)

- i. Impacts – Operation of the Project may cause a significant traffic impact relative to (1) intersection capacity; (2) the County-wide Congestion Management Plan for Regional Highways (“CMP”); (3) driveway access; and (4) transit capacity.
 - a. An intersection would be significantly impacted with an increase in V/C ratio equal to or greater than 0.04 for intersections operating at LOS C; an increase in V/C ratio equal to or greater than 0.02 for intersections operating at LOS D; and V/C ratio equal to or greater than 0.01 for intersections operating at LOS E or F, after the addition of related projects, ambient growth, and Project traffic.
 - b. A significant driveway access impact would occur if:
 - (1) Intersections at the primary site access locations would operate at LOS F during the A.M. or P.M. peak hours; and
 - (2) The design features or physical configurations of the Project would affect the visibility of pedestrians and bicyclists to drivers entering and exiting the site, and the visibility of cars to pedestrians and bicyclists so as to create a hazardous condition.
 - c. Under the CMP, a significant traffic impact would occur if a project increases the demand to capacity ratio (D/C) of a freeway segment of 2 percent or more (D/C ratio increase greater than or equal to 0.02), which causes or worsens LOS F conditions.
 - d. A significant impact would occur if projected transit riders substantially exceed available transit capacity.
- ii. Findings – The Project will not cause a significant traffic impact relative to driveway access, transit capacity and certain intersections due to, among other reasons, the adoption of the measures identified in this Section XI-B(b) of the Findings. The Project will cause a significant and unavoidable traffic impact with respect to certain intersections and, under the County Office Building Option, the CMP, on a project – specific and cumulative basis. With respect to those significant and unavoidable impacts, the Authority makes the following findings for this impact:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project, which will lessen such significant environmental effects.

- b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-B(b) is acceptable in light of the Project's overall benefits.

Although the following mitigation measures are aimed at reducing these significant and unavoidable traffic impacts attributable to Project operations, these mitigation measures will not reduce those significant impacts:

Mitigation Measure B-4: If the Project proceeds with the County office building option, the County, on an on-going basis following initial occupancy, shall fund and implement a Transportation Demand Management (TDM) program for the proposed County office use in Parcel W-1/W-2. The County's Chief Administrative Officer shall ensure the County's review and approval of this TDM program. The TDM program could, for example, include an onsite transportation coordinator, post information on transit, and provide logistical support for the formation of carpools and vanpools, and other incentives to use transit and rideshare.

Mitigation Measure B-5: The developer, with regard to the five development parcels, shall implement ATCS in conjunction with the area-wide ATCS program, if not otherwise implemented, prior to the completion of the first phase of development at the intersections identified by LADOT, although the implementation of this measure will provide mitigation to all three Project phases. Implementation of ATCS shall occur in the northern part of downtown, north of Eighth Street, at the locations identified by LADOT. LADOT has determined that implementation of the ATCS mitigation improvements in the area surrounding the Project would comprise the following: (1) upgrades to Model 2070 traffic signal controllers at 35 intersections; (2) installation of 58 ATSAC/ATCS system vehicle detectors at 9 intersections; and (3) installation of CCTV cameras to provide video information to the ATSAC Center at eight locations. Subject to a final determination by LADOT of the improvements required for the Project, ATCS shall also include LADOT's Transit Priority System (TPS).

Mitigation Measure B-6: The following menu of mitigation measures have been developed to further reduce the Project's potential traffic and circulation impacts. The term "menu" refers to the various ways that each of the following measures can be implemented to achieve trip reduction. Selection shall be coordinated with the LADOT, who shall determine which of the mitigation measures are to be implemented.

1. Provide enhanced walking connections along the Project street frontages to transit service (to bus stops and to the Red Line station portals at First Street and Hill Street). These could comprise pedestrian amenities along the Project's street frontages, including landscaped sidewalks, wider crosswalks where feasible at key intersections, improved lighting for pedestrian safety at nighttime, and pedestrian wayfinding signage, to facilitate walking in the Project area. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.

2. The developer, as determined by LADOT and prior to initial building occupancy for each development phase, shall provide enhanced bus stops on the street frontages of the five development parcels. These enhanced bus stops may include bus shelters with passenger amenities such as benches, shaded areas, and transit information that could be integrated into the overall urban design/landscaping of the Project.
3. Provide transit information kiosks at various strategic locations on the Project site. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.
4. The developer, with regard to the five development parcels, shall participate, to the extent feasible, in an on-going basis during Project operations, in a Share-Car program (e.g., Flexcar) that makes cars available to registered members. It is anticipated that up to three on-street parking spaces, subject to a determination of feasibility by LADOT, could be provided at key locations adjacent to the Project frontage for up to three Share-Cars. The Share-Cars could be available to both Project and non-Project users as long as they were members of the Share-Car program. The Project shall support a Share-Car organization's application to the City, and following any implementation of such application shall promote the Share-Car concept and encourage its usage with Project residents and tenants.
5. Provide improved vehicular directional signage on surface streets approaching and within the Project area to direct vehicles to specific destinations and parking locations, as appropriate, to minimize vehicles circulating in the Project area. Such signage should be approved to the satisfaction of LADOT. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.

Mitigation Measure B-7: The Developer, with regard to the five development parcels, shall re-stripe the westbound approach of the Third Street and Hill Street intersection from the existing configuration of one left turn lane, one through lane, and one shared through/right-turn lane to a future configuration of one left turn lane, two through lanes, and one exclusive right-turn lane. This improvement would require a slight widening of Third Street west of Hill Street before the entrance to the tunnel within the public right-of-way. The final lane configuration of this intersection shall be to the satisfaction of the City of Los Angeles Department of Transportation. In addition, any street widening and construction activities shall be coordinated with the City of Los Angeles Department of Public Works, Bureau of Engineering.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the potential traffic impacts that may be caused by Project operation in Section IV.B of the DEIR. Specifically:

- a. Intersections: The Project with County Office Building Option would generate approximately 1,551 A.M. peak hour trips and 2,464 P.M. peak hour trips. This Option would result in significant traffic impacts at seven intersections in the A.M. peak hour and in significant traffic impacts at seventeen intersections in the P.M. peak hour. The Project with Additional Residential Development Option would generate approximately 1,019 trips in the A.M. peak hour and 2,003 trips in the P.M. peak hour. This Option would result in a significant traffic impact at six intersections in the A.M. peak hour and seventeen intersections in the P.M. peak hour. With the implementation of all the mitigation measures, including the ATCS and the intersection mitigation measures, one intersection in the A.M. peak hour and 12 intersections in the P.M. peak hour would be significantly and unavoidably impacted under the Project with County Office Building Option. With the implementation of all the mitigation measures, including ATCS and intersection mitigation measures, no intersections in the A.M. peak hour and 7 intersections in the P.M. peak hour would be significantly and unavoidably impacted under the Project with Additional Residential Development Option.
 - b. Access: No driveway intersection approach under either Project Option would exceed LOS D. Therefore, the Project would not cause any significant traffic impacts at proposed driveway locations.
 - c. Freeway/CMP Impacts. The Project with County Office Building Option would cause two significant traffic impacts on the freeway system, one of which would occur at a CMP monitoring location (US-101 Hollywood Freeway north of Vignes Street). However, the Project with Additional Residential Development Option would cause no significant freeway traffic impacts. The Project with County Office Building Option's significant impacts on the US-101 Hollywood Freeway between Grand Avenue and Hill Street, and on the US-101 Hollywood Freeway north of Vignes Street (a CMP location) would be reduced to a less than significant level through the implementation of the proposed mitigation measures. Freeway/CMP impacts under the Project with Additional Residential Development Option would be less than significant.
 - d. Transit: Because Project transit trips would represent a very small proportion of the overall transit system capacity, it is concluded that the Project will result in a less than significant impact to the existing transit systems serving the Project area and downtown.
- iv. Cumulative Impacts
- a. Intersections: The cumulative traffic impacts associated with the 93 related projects and ambient growth have been considered for the purpose of assessing the Project's traffic impacts. In conjunction with the significant Project impacts after mitigation, cumulative traffic impacts on certain intersections would be significant.

- b. Driveway Access: None of the 93 related projects share adjoining or adjacent access points. Therefore, no significant cumulative impacts relative to access would occur since none of the related projects could cause problems in accessing the Project site. Similarly, the Project would cause no problems in the accessibility of the related projects.
- c. Transit: The employees, visitors, and residents of the 93 related projects would use overlapping transit systems, as would be the case with the Project. Under the City of Los Angeles transportation and land use policies, this effect is positive (i.e., the concentration of new employment and housing projects in close proximity to transit services). Further, the increased usage of transit system by users at the related projects would not cause exceeding of the capacity of existing transit systems. Consequently, the cumulative impacts relative to transit systems are concluded to be less than significant.
- d. CMP: The Project with County Office Building Option would cause an incremental increase in the D/C ratio of 0.021 at the US-101 Hollywood Freeway between Grand Avenue and Hill Street, and an incremental increase of the D/C ratio of 0.020 at the US-101 Hollywood Freeway north of Vignes Street, both in the P.M. peak hour. Since that increase would be at or slightly above the threshold of significance, it is concluded that the Project with County Office Building Option would cause two significant traffic impacts on the freeway system, one of which would occur at a CMP monitoring location (US-101 Hollywood Freeway north of Vignes Street). Since related projects would also contribute to freeway traffic levels, the combination of the Project's traffic with the related projects' traffic is considered to be cumulatively significant. The Project with Additional Residential Development Option would not exceed D/C threshold ratios, and cumulative impacts are considered to be less than significant under this option.

E. Traffic, Circulation and Parking (Parking Impacts)

- i. Potential Impacts – The Project may create a significant parking impact if:
 - a. The Project would be inconsistent with adopted parking codes, parking plans, or policies.
- ii. Findings – The Project will not cause significant and unavoidable parking impacts, except for the one project-specific and cumulative impact discussed in subsection iii. and iv., below. With respect to that impact, the Authority makes the following findings:
 - a. This impact can be mitigated to a level of less than significant if the City approves a certain land use entitlement that has been applied for by the developer, which application is still pending as of the date of these Findings. Accordingly, the Authority finds that the measures, such changes or alterations to the Project necessary to mitigate this impact are within the responsibility and jurisdiction of another public agency and not the Authority. The Authority further finds that such measures, changes or alterations should be adopted by such other agency.

- b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-B(c) is acceptable in light of the Project's overall benefits.
- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential parking impacts in Section IV.B of the DEIR. Under both the Project with County Office Building Option and the Project with Additional Residential Development Option, commercial and residential parking would be consistent with the parking requirements of the LAMC. However, neither Option would meet the requirements of the Advisory Agency Residential Policy (AARP), which requires 2.5 parking spaces per dwelling unit. The developer proposes to deviate from the DAARP. The reasons for seeking a deviation from this policy are provided in Section IV.B, Traffic, Circulation and Parking, of the DEIR. If approved by the City, there would be no significant impact for this issue. However, using a worst-case perspective, a significant and unavoidable impact in regard to this policy is assumed. Should the deviation be permitted by the City, which would occur only after certification of the FEIR by the Lead Agency and concurrently with action on the entitlements requested from the City, there would be no significant residential parking impacts. However, until the exception is granted, it is conservatively concluded that, for purposes of CEQA, there would be a significant impact.

The Project's total parking supply will meet projected Project demand and also exceed many of the requirements of the City's parking requirements (except for the DAARP). For example, the first phase of development on the five development parcels will provide the approximately 1,129 parking spaces which exceed Code-required parking by 155 parking spaces. Further, an additional 381 spaces will be provided due to the use of mechanical lifts, valet operations and other parking strategies.

A minor change in the Project's parking arrangements for this first phase of development has been proposed by the developer since publication of the DEIR. This change would cause up to 227 parking spaces to be provided off-site up to two blocks from the Project site. However, there would be no significant parking impacts associated with this parking strategy. During evenings and weekends, there are sufficient spaces available in the Civic Center/Bunker Hill area as office buildings are closed. During the daytime, the most likely location sufficient spaces in the Walt Disney Hall Concert Hall garage would be available, even with the relocation of existing spaces from Parcel Q and Parcel W-1/W-2 due to the Project. Further, because these spaces would be provided within one or two blocks of Parcel Q, and because they would represent only 4 percent of the total Project parking supply, it is not expected that the distribution patterns of Project traffic would be significantly different from the patterns analyzed in the FEIR. Accordingly, the Authority finds that this minor potential change in the Project will not cause a significant new environmental impact.

Finally, the Project would eliminate 1,818 parking spaces (of which 1,604 are usable) in the lots existing on the five development parcels. Existing County facilities would absorb up to 1,074 of these spaces at such facilities as the Walt Disney Concert Hall garage and the Civic Center and in the Civic Center, where

excess parking spaces are now available. Further, under the proposed Civic Park conceptual design plan, the Court of Flags garage (Lot 10) would be repaired and would add 325 usable parking spaces this parking supply. In addition to those available spaces, the analysis in the FEIR concluded that excess space exists in the twenty-one other parking facilities in the general vicinity of the Project Area.

- iv. Cumulative Impacts – It is assumed that the related development projects would satisfy their demand for commercial and residential parking, as is the case with the Project. However, since the Project would not comply with the DAARP for residential uses, as may also be the case with one or more of the related projects, non-compliance with the DAARP is considered cumulatively significant.

F. Aesthetics and Visual Resources (Visual Quality, Construction)

- i. Potential Impacts – The Project may cause a significant visual quality impact if:
 - a. The Project would substantially alter, degrade or eliminate the existing visual character of the area, including visually prominent existing features or other valued resources.
 - b. The Project features would substantially contrast with the visual character of the surrounding area and its aesthetic image.
 - c. The implementation of the Project would preclude the attainment of existing aesthetics regulations or applicable plans.
- ii. Findings - A potentially significant visual quality impact due to construction of the Project is identified in the EIR. However, with the implementation of a mitigation measure, a regulatory measure, and project design features, this potentially significant impact will be reduced to a less than significant impact.

Mitigation Measure C-1: During Project construction, the Developer, with regard to the five development parcels, shall ensure, through appropriate postings and daily visual inspections, that no unauthorized materials remain posted on any temporary construction barriers or temporary pedestrian walkways, and that any such temporary barriers and walkways are maintained in a visually attractive manner throughout the construction period. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Regulatory Measure C-1: Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall prepare and implement a tree replacement plan should mature trees along Grand Avenue be impacted by Project construction. Existing mature trees shall be replaced at a ratio of not less than 1:1, to the extent consistent with the final streetscape design. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Project Design Feature C-2: Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall schedule and coordinate sidewalk construction with the development of the adjacent parcels to reduce the duration and visual impact of construction activities. Scheduling of construction activities for the five development parcels shall be reviewed and approved by the Authority and implemented by the responsible parties.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the potential visual quality impacts associated with the construction of the Project in Section IV.C of the DEIR. Construction activities may be detrimental to the aesthetic value of the Project area. However, construction activities that would contrast with the aesthetic image of the area would cease at the completion of the construction phases. Due to the short-term nature of these activities, construction impacts on aesthetic resources are concluded to be less than significant. Further, the visual quality impacts generated by construction activities would be reduced to a less than significant level through the implementation of Mitigation Measure C-1, Regulatory Measure C-1, and Project Design Features C-2.
- iv. Cumulative Impact – The related projects would not be located close enough to the Project's development parcels to be within the same field of view as the Project as to create any potentially significant visual quality impact attributable to cumulative construction activities. Further, the construction of such other related projects will likely comply with the mitigation measures described in this Section XI-C(a). Therefore, this cumulative impact will be less than significant.

G. Aesthetics and Visual Resources (Visual Quality, Operation)

- i. Impacts – The Project may cause a significant visual quality impact if:
 - a. The Project would substantially alter, degrade or eliminate the existing visual character of the area, including visually prominent existing features or other valued resources.
 - b. The Project features would substantially contrast with the visual character of the surrounding area and its aesthetic image.
 - c. The implementation of the Project would preclude the attainment of existing aesthetics regulations or applicable plans.
- ii. Findings - A less than significant visual quality impact due to operation of the Project is identified in the FEIR. However, the following regulatory measures, and a project design feature are identified in the FEIR to ensure a less than significant impact.

Regulatory Measure C-4: Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit to the Authority or other appropriate agency, for review and approval, building plans and specifications that demonstrate that all ventilation, heating and air conditioning ducts, tubes, and other such mechanical equipment shall be screened from the line-of-sight from the street. Approved building plans and specifications shall be implemented by the responsible parties.

Regulatory Measure C-5: Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit design plans that demonstrate that all utility lines and connections are constructed underground. Approved utility plans and connections with regard to the five development parcels shall be reviewed and approved by the Authority. Approved utility lines and connections shall be implemented by the responsible parties.

Regulatory Measure C-6: Prior to construction, the developer, with regard to the five development parcels, shall submit design plans for trash collection areas to the Authority for review and approval. Trash collection areas shall be screened from line of sight from the street. Approved design plans shall be implemented by the developer.

Project Design Feature C-3: Prior to the start of each construction work phase, the developer, with regard to the five development parcels shall prepare architectural plans that shall be reviewed and approved by the Authority such that all ground-level building fixtures, including, but not limited to, security gates, landscape light fixtures, pedestrian lights, air intake shafts, and other appurtenances are integrated into the architectural theme and/or design of the respective Project components. Approved architectural plans shall be implemented by the developer and the responsible parties.

- iii. Supportive Evidence and Rationale – The FEIR discusses the less than significant visual quality impact caused by Project operations in Section IV.C of the DEIR. The Project's towers would contribute to the visual continuity of the tall and varied structures comprising the City's skyline and would be consistent with the aesthetic components that represent downtown's aesthetic image. The Project is anticipated to be consistent with the urban design policies that call for the shaping of a skyline that parallels and accentuates the topography of Bunker Hill, the integration of street-front retail with the streetscape, and the addition of public art into the Grand Avenue right-of-way. As such, the Project's visual quality impacts would be less than significant.
- iv. Cumulative Impacts - The related development projects identified in the FEIR as Nos. 9, 27, 88, and 92 are located in close proximity to the Project site and, as such, have the potential to cumulatively contribute to the visual quality of the area. It is anticipated, however, that all of the related projects would be constructed with high-quality materials and architectural design and would be consistent in scale with the surrounding buildings. In addition, it is anticipated that the related projects would contribute to sidewalk and streetscape improvements and, therefore, would improve the visual quality of the downtown area. Therefore, cumulative impacts relative to the aesthetics and visual quality would be less than significant.

H. Aesthetics and Visual Resources (Views)

- i. Impacts – The Project may cause a significant impact if:
 - a. Project development would substantially obstruct an existing view of a visually prominent resource as viewed from a public street, sidewalk, park, community cultural center, trail, public vantage point, or residential use.

- ii. Findings – The Project would cause significant and unavoidable view impacts (1) to the residents' views from the Grand Promenade Tower residential building; (2) the view from Olive Street; and (3) to the residents' view from the Museum Tower residential building. These three view impacts are identified in the FEIR, and the Authority makes the following findings for these impacts:
 - a. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-C(c) is acceptable in light of the Project's overall benefits.
 - b. No feasible mitigation measures exist to mitigate these significant view impacts. The issue of project alternatives that may mitigate those view impacts is addressed in Section XI-C(c) of these Findings.
 - iii. Supportive Evidence and Rationale – The FEIR discusses the significant and unavoidable view impacts in Section IV.C. The Project would obstruct views of the Walt Disney Concert Hall and distant vistas to the north, possibly including the San Gabriel Mountains, from the Grand Promenade Tower, a 28-story residential building located immediately south of Parcel M-2. Development on Parcels W-1/W-2 would substantially block views of City Hall from Olive Street, a public street, under both Project Options. In addition, development on Parcel Q would block distant vistas to the north, possibly including the San Gabriel Mountains, from the upper stories of the Museum Tower residential building located south of Parcel Q and east of MOCA. Therefore, view impacts on the Grand Promenade Tower, Olive Street, and Museum Tower would be significant. There are no feasible mitigation measures to reduce the significant and unavoidable view impacts to the Promenade Tower, the view from Olive Street, and the view from the Museum Tower. As described in Section XII of these Findings, certain elements of Alternative No. 4 avoid the significant view impact to the residents' views from the Grand Promenade Tower.
 - iv. Cumulative Impacts - Related project No. 88 will be located to the east of Angelus Plaza and would potentially block some easterly views from the existing Angelus Plaza residential use toward Los Angeles City Hall. The blockage of views of City Hall would be considered potentially significant, and since the development in parcels W-1 and W-2 would also block views of City Hall from Olive Street, cumulative impacts relative to the views of City Hall are found to be significant.
- I. **Aesthetics and Visual Resources (Light and Glare)**
 - i. Potential Impacts – The Project may cause a significant impact if:
 - a. Lighting would alter the character of the off-site areas surrounding the Project; or
 - b. Lighting would substantially interfere with the performance of an off-site activity.

- ii. Findings – A potential significant glare impact from reflected light on building surfaces is identified in the EIR. However, this potential significant impact will be reduced to a level of less than significance with the implementation of two identified mitigation measures and one regulatory measure.

Mitigation Measure C-2: Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit a design plan and technical analysis prepared by the Project's architect as part of the building permit submission that demonstrates that the final selection of building materials for the five development parcels shall not create a significant glare impact on any offsite sensitive uses, including line-of-sight glare on any street or commercial, residential, or cultural use. The approved design plan shall be implemented by the developer with regard to the five development parcels. The design plan and technical study shall be reviewed and approved by the Authority.

Mitigation Measure C-3: Prior to each construction phase, the developer with regard to the five development parcels, shall prepare, and, thereafter, implement plans and specifications to ensure that architectural lighting is directed onto the building surfaces and have low reflectivity in accordance with Illuminating Engineers Society (IES) standards to minimize glare and limit light onto adjacent properties.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the potential glare impact from reflected light on building surfaces in Section IV.C of the DEIR. The Project would increase ambient light and artificial glare through the implementation street lighting, illuminated signs, architectural lighting, light spillage from the windows of high-rise buildings, special events lighting and security lighting. Since the Project's lighting would be similar to adjacent businesses (i.e., the nearby residential and office towers), it would not significantly impact the environment, which is currently characterized by high levels of ambient light. The increase in ambient light and artificial glare would not be great enough to interfere with activities at nearby residential, office and cultural uses. Natural sunlight reflected from building surfaces and windows have the potential to create glare. However, with the implementation of Mitigation Measures C-2 and C-3, the potential light and glare impacts associated with special events lighting and reflected sunlight would be reduced to less than significant levels.
- iv. Cumulative Impact – The Project and 93 related projects would increase ambient light in downtown Los Angeles. However, the context of the downtown environment, illuminated signage associated with street front retail uses and restaurants would not substantially alter the character of the surrounding area. The related projects Nos. 27 and 92, which are located in the same line-of-sight as the Project, as viewed from adjacent westbound and northbound streets, respectively, have the potential to contribute to glare impacts. With the implementation of the recommended mitigation measures, which require a technical glare analysis of, and, if necessary, modification to, the Project's building materials, the Project's potentially significant glare impact would be reduced to a less than significant level. Since it is assumed that the related projects would be subject to the same measure concerning their potential glare impacts, cumulative impacts would be less than significant.

J. Aesthetics and Visual Resources (Shade and Shadow)

- i. Potential Impacts – The Project may cause a significant shade/shadow impact if:
 - a. The Project would shade currently unshaded off-site, shadow-sensitive uses more than three hours between the hours of 9:00 A.M. and 3:00 P.M. PST, between late October and early April, or more than four hours between the hours of 9:00 A.M. and 5:00 P.M. PDT between early April and late October.
- ii. Findings – A less than significant shade/shadow impact is identified in the FEIR. No mitigation measures are identified for this impact.
- iii. Supportive Evidence and Rationale – The Project's potential shade/shadow impact is analyzed in detail in Section IV.C of the DEIR. During certain seasons, the Project's towers have the potential to shade sensitive offsite uses, including the future Central Los Angeles Performing Arts Senior High School (currently under construction), the Bunker Hill Towers open space, and Angelus Plaza, depending on the season and hour of the day. However, shading would not exceed three hours between the hours of 9:00 A.M. and 3:00 P.M. during the winter solstice or spring equinox, or four hours between the hours of 8:00 A.M. and 5:00 P.M. during the summer solstice or fall equinox. Accordingly, the Project would have a less than significant shade/shadow impact.
- iv. Cumulative Impact - The combined morning shading from the Project and related project Nos. 9 and 27, with shading later in the day from related project No. 88, would create a potentially significant shade/shadow impact on the Angelus Plaza site, during the summer solstice only. No feasible mitigation measures exist for this cumulative impact due to the proposed location of these related projects. Although related project No. 92 would generate considerable shading of the Angelus Plaza site, substantially shading from related project No. 92 is not anticipated during the summer solstice. No other related projects would contribute to cumulative shading impacts.

K. Population, Housing and Employment

- i. Potential Impact – The Project may cause a significant impact with regard to population, housing and employment if:
 - a. The Project would cause population or housing growth in Southern California Association of Governments ("SCAG") City of Los Angeles subregion to exceed SCAG's 2015 projections.
 - b. The Project would cause growth that is not compatible with adopted population and housing policies, including jobs/housing balance, as set forth in the Central City Community Plan, the City's General Plan Housing Element, the General Plan Framework, and SCAG's Regional Comprehensive Plan and Guide (RCPG).
- ii. Findings – The Project will not cause a significant impact with regard to population, housing and employment.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impacts associated with population, housing and employment in Section IV-E of the DEIR. Project development would not exceed SCAG's adopted projections for the City of Los Angeles Subregion. The Project would also be consistent with adopted policies, including jobs/housing balance, as set forth in the Central City Community Plan, the City's General Plan Housing Element, the General Plan Framework, and SCAG's Regional Comprehensive Plan and Guide. Therefore, the Project would result in less than significant environmental impacts to housing, employment and population. Thus, no mitigation measures are required.
- iv. Cumulative Impact – Additional growth from the 93 related projects would generate 28,952 estimated residents and 61,158 estimated employees. When combined with the Project with County Office Building Option, the estimated population growth would be 31,877 residents and 65,364 employees. Under the Project with Additional Residential Development Option, cumulative population growth would be 32,729 residents and 62,364 employees. According to SCAG forecasts for the City of Los Angeles Subregion, cumulative growth under both Project Options would represent approximately 18 percent of the forecasted residential growth and 29 percent of the forecasted employment growth. This level of cumulative growth would not exceed projections and would therefore be less than significant. The related projects are also anticipated to be consistent with SCAG and Los Angeles policies for development of the downtown area as a dense activity center and, as such, would not cause a significant cumulative impact in this area.

L. Air Quality (Project Construction)

- i. Impacts – The construction of the Project may cause a significant and unavoidable air quality impact if:
 - a. The Project's emission of "regional" air pollutants from both direct and indirect sources would exceed any of the following South Coast Air Quality Management District ("SCAQMD") prescribed threshold levels: (1) 75 pounds per day (lbs/day) for VOC; (2) 100 lbs/day for NOx; (3) 550 lbs/day for CO; and (4) 150 lbs/day for PM10 or SOx.
 - b. Project-related fugitive dust and construction equipment emissions cause an incremental increase in localized PM10 concentrations of 10.4 µg/m³ or cause a violation of NO₂ or CO ambient air quality standards.
- ii. Findings – A significant and unavoidable air quality impact caused by construction of the Project will occur on a project-specific and cumulative basis. The Authority makes the following findings for this impact:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project, which will lessen such significant environmental effects.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-F(a) is acceptable in light of the Project's overall benefits.

Although the following mitigation measures aimed at reducing these significant and unavoidable air quality impacts associated with Project construction have been adopted, these mitigation measures will not reduce those significant impacts to a level of insignificance:

Mitigation Measure F-1: During each construction phase, the developer, with regard to the five development parcels, shall implement a fugitive dust control program pursuant to the provisions of SCAQMD Rule 403. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with SCAQMD Rule 403 during construction with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance. Compliance with the applicable provisions of Rule 403 shall include, but not be limited to, using best available control measures listed in Table 1 of Rule 403 to minimize fugitive dust emissions from each fugitive dust source type within active operations, and will include at least the following specific best management practices (BMPs):

- Water soils daily and not more than 15 minutes prior to earth moving activities;
- Water surfaces two times per day or more in order to maintain a surface crust to prevent soil erosion;
- Apply soil conditioners or vegetative cover to areas that will be exposed for an extended duration;
- Apply chemical stabilizers within five working days of ceasing grading;
- Install approved trackout prevention devices and provide street sweeping within the Project area;
- Securely cover truck loads with a tarp;
- Cease grading activities when wind speeds exceed 25 miles per hour; and
- Permanently seal exposed surfaces as soon as possible after grading is finished; and
- Provide temporary wind fencing, consisting of wrapped chain link or solid fencing, around the sites that are being graded/excavated to reduce dirt/dust from being blown over to adjoining properties.

Mitigation Measure F-2: During each construction phase, the developer, with regard to the five development parcels, shall utilize coatings and solvents that are consistent with applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.

Mitigation Measure F-3: During each construction phase, the developer, with regard to the five development parcels, shall comply with SCAQMD Rule 402 to reduce potential nuisance impacts due to odors from construction activities. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.

Mitigation Measure F-4: During each construction phase, the developer, with regard to the five development parcels, shall ensure that all haul truck tires shall be cleaned at the time these vehicles exit the Project site. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.

Mitigation Measure F-5: During each construction phase, the developer, with regard to the five development parcels, shall ensure that all export material carried by haul trucks shall be covered by a tarp or other means. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.

Mitigation Measure F-6: During each construction phase, the developer, with regard to the five development parcels, shall ensure that all construction equipment shall be properly tuned and maintained in accordance with manufacturer's specifications. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Mitigation Measure F-7: During each construction phase, the developer, with regard to the five development parcels, shall ensure that construction equipment is maintained and operated so as to minimize exhaust emissions. During construction, trucks and vehicles in loading and unloading queues shall turn off their engines, when not in use, to reduce vehicle emissions. Construction emissions shall be phased and scheduled to avoid emissions peaks and discontinued during second-stage smog alerts. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction activities associated with the five development parcels.

Mitigation Measure F-8: During each construction phase, the developer, with regard to the five development parcels, shall ensure that electricity rather than temporary diesel- or gasoline-powered generators shall be used to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Mitigation Measure F-9: During each construction phase, the developer, with regard to the five development parcels, shall ensure that all construction vehicles shall be prohibited from idling in excess of five minutes, both on- and off-site. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Mitigation Measure F-10: During each construction phase, the developer, with regard to the five development parcels, shall ensure that heavy-duty construction equipment shall use alternative clean fuels, such as low sulfur diesel or compressed natural gas with oxidation catalysts or particulate traps, to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Mitigation Measure F-11: During each construction phase, the developer, with regard to the five development parcels shall ensure that shuttle service shall be provided to construction workers who are required to park in offsite parking lots if such lots are not within a walking distance of 1100 feet from the respective construction sites. CRA/LA shall determine compliance with this measure with regard to construction associated with the five development parcels.

Mitigation Measure F-12: During each construction phase, the developer, with regard to the five development parcels, shall equip major earth moving equipment, haul trucks, and excavation equipment with particulate filters and catalytic converters. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Project Design Feature F-2: During each construction phase, the developer with regard to the five development parcels, shall ensure that building materials, architectural coatings and cleaning solvents shall comply with all applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD shall be responsible for the enforcement of this measure for all Project components in the case of non-compliance.

Regulatory Measure F-2: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare and implement building plans and specifications that ensure that all residential and non-residential buildings shall, at a minimum, meet the California Title 24 Energy Efficiency standards for water heating, space heating and cooling. Approved building plans shall be implemented by the developer and the responsible parties. Building plans and specifications with regard to the five development parcels shall be reviewed and approved by the City's Department of Building and Safety, or other appropriate City agency or department.

Regulatory Measure F-3: During each construction phase, the Developer with regard to the five development parcels, shall ensure that building materials, architectural coatings and cleaning solvents shall comply with all applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains enforcement of this measure for all Project components in the case on non-compliance.

- iii. Supportive Evidence and Rationale – The FEIR discusses the Project's potentially significant air quality impacts in Section IV.F of the DEIR. With implementation of the above regulatory measures and mitigation measures, heavy-duty construction equipment emissions would be reduced by a minimum of 5 percent and fugitive dust emissions would be reduced by an additional 16 percent. However, regional construction activities would still exceed the SCAQMD daily emission thresholds for regional NO_x, CO and VOC after implementation of all feasible mitigation measures. Therefore, construction of the Project would have a significant and unavoidable impact on regional air quality. Construction activities would also still exceed the SCAQMD daily localized emission threshold for PM₁₀ and NO₂ after implementation of all feasible mitigation measures. Therefore, construction of the Project would also have a significant and unavoidable impact on localized emissions.
- iv. Cumulative Impact - Buildout of those related development projects identified in the FEIR that would be constructed within a similar time frame as the Project would increase short-term emissions for concurrent activities during the Project's construction period. Since emissions of criteria pollutants under peak construction activities are concluded to be significant, any additional construction activities as part of any related project occurring during this time and in the vicinity of the Project site would be adding additional air pollutant emissions to these significant levels. As a result, a significant and unavoidable cumulative impact with respect to construction emissions would occur.

M. Air Quality (Project Operation)

- i. Potential Impacts –Project operations may cause a significant air quality impact if:
 - a. Operation emissions exceed any of the daily thresholds presented below:

Pollutant	Significance (lbs/day)	Threshold
VOC	55	
NOx	55	
CO	550	
PM10	150	
SOx	150	

- ii. Findings – A significant and unavoidable air quality impact caused by Project operations will occur on a project-specific and cumulative basis. The Authority makes the following findings for this impact:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project, which will lessen such significant environmental effects.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-F(b) is acceptable in light of the Project's overall benefits.

Although the following mitigation measures aimed at reducing these significant and unavoidable air quality impacts during Project operations have been adopted, these mitigation measures will not reduce those significant impacts to a level of insignificance:

Mitigation Measure F-13: During Project operations, the developer, with regard to the five development parcels, shall, to the extent feasible, ensure that deliveries are scheduled during off-peak traffic periods to encourage the reduction of trips during the most congested periods. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure, with regard to construction associated with the five development parcels.

Mitigation Measure F-14: During Project operations, the developer, with regard to the five development parcels, shall coordinate with the MTA and the Los Angeles Department of Transportation to provide information to Project employees, residents and guests with regard to local bus and rail services. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.

Mitigation Measure F-15: The developer, with regard to the five development parcels, shall provide convenient pedestrian access throughout the Project site. The Developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each construction phase. Pedestrian access plans shall be submitted to the Authority, for review and approval. Approved pedestrian access plans shall be implemented by the responsible parties.

Mitigation Measure F-16: During on-going Project operations, the developer, with regard to the five development parcels, shall ensure that all fixtures used for lighting of exterior common areas shall be regulated by automatic devices to turn off lights when they are not needed, but a minimum level of lighting should be provided for safety. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this mitigation measure with regard to the five development parcels.

Regulatory Measure F-1: During Project operations, the developer, with regard to the five development parcels, shall ensure that all point source facilities shall obtain all required permits from the SCAQMD. The issuance of these permits by the SCAQMD shall require the operators of these facilities to implement Best Available Control Technology and other required measures that reduce emissions of criteria air pollutants. Proof of permit issuance by the SCAQMD shall be provided to the City's Department of Building and Safety, or other appropriate City agency or department, with regard to the five development parcels. Compliance with point source permits shall be enforced by the SCAQMD for all Project components.

Project Design Feature F-3: During Project operations, the developer, with regard to the five development parcels, shall ensure that commercial businesses located within the Project site shall be limited to those that do not emit high levels of potentially toxic air contaminants or odors (e.g., dry cleaners with on-site processing plants that handle toxic chemicals). The City's Department of Building and Safety, or other appropriate City agency or department, shall be responsible for the enforcement of this measure with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The FEIR discusses the Project's potentially significant air quality impacts in Section IV.F of the DEIR. As with the analysis of air quality impacts due to construction of the Project, the analysis used to determine the air quality impacts attributable to Project operations employed protocol established by the SCAQMD. Potential impacts associated with the CO hot spots, toxic air contaminants, and regional air pollutants were analyzed in the FEIR. The analysis conservatively assumed that if any "screening" threshold set by the SCAQMD is exceeded, then a significant impact would occur. Further, it was assumed that such an impact applied to the entire community surrounding the Project area, and, accordingly, no particular group of sensitive receptors was excluded. Under that analysis, operational emissions of "regional" air pollutants from the Project would exceed the SCAQMD daily emission threshold for regional CO, VOC, PM₁₀, and NO_x after implementation of all feasible mitigation measures. Therefore, operation of the Project would have a significant and unavoidable impact on regional air quality. In addition, regional operational emissions would still exceed SCAQMD daily thresholds for CO, VOC, PM₁₀, and NO_x after implementation of all feasible mitigation measures. Therefore, operation of the Project would have a significant and unavoidable impact on regional air quality.

During the public review process, a comment was raised regarding the inclusion of a mitigation measure that would encourage water-based coatings or coatings with a lower volatile organic compound (VOC) content than 100 grams per liter. In addition, the comment suggested the mitigation measure restrict the number of gallons of coatings used per day and mandate the use of materials that do not need to be painted, or that can be painted and, then, transported to the site. This mitigation measure, however is not necessary since Rule 1113 of the South Coast Air Quality Management District (SCAQMD) already applies to this issue. The SCAQMD imposes the strictest rules in the nation with regard to the application of architectural paints and coatings. District Rule 1113 restricts VOCs in virtually all types of paints and coatings, including but not limited to, wood finishes, lacquers, concrete-curing compounds, fire-proofing exterior coatings, paints, floor coatings, coatings for signs, mastic coatings, roof coatings, rust preventative coatings, stains, swimming pool coatings, wood preservatives, and water-proofing sealers. This rule reflects the most stringent industry-wide standards achievable in practice. Accordingly, and for the reasons stated in the FEIR, the Authority finds that such a mitigation measure is infeasible.

- iv. Cumulative Impact – Implementation of the Project would result in an increase in ongoing operational emissions, which would contribute to region-wide emissions on a cumulative basis. Accordingly, the Project's cumulative air quality impacts are also concluded to be significant. In such cases, the SCAQMD recommends that all projects employ all feasible mitigation measures, which has been done with regard to the Project.

O. Noise (Construction)

- i. Impacts – The construction of the Project may cause a significant noise impact if:
 - a. Construction activities lasting more than 10 days in a three-month period would exceed existing ambient exterior noise levels by 5 dBA or more at a noise sensitive use.
 - b. Construction activities would exceed the ambient noise level by 5 dBA at a noise sensitive use between the hours of 9:00 P.M. and 7:00 A.M. Monday through Friday, before 8:00 A.M. or after 6:00 P.M. on Saturday, or at anytime on Sunday.
- ii. Findings – The Project will cause a significant and unavoidable noise impact during construction of the Project on a project-specific and cumulative basis. The Authority makes the following findings for this impact:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project on a project-specific and cumulative basis, which will lessen such significant environmental effects.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-G(a) is acceptable in light of the Project's overall benefits.

Although the following mitigation measures aimed at reducing these significant and unavoidable noise impacts associated with Project construction have been adopted, these mitigation measures will not reduce those significant impacts to a level of insignificance:

Mitigation Measure G-1: To reduce any impact on nearby venues that may be noise sensitive receptors, such as the Music Center, Disney Concert Hall, and the County Courthouse, the following Measures G-1 and G-2 shall be implemented as follows: During each construction phase, the developer, with regard to the five development parcels, shall limit (i) construction activities utilizing heavy equipment to Monday through Friday from 7:00 a.m. to 8:00 p.m., and (ii) interior construction work inside building shells and construction activities not utilizing heavy equipment to 7:00 a.m. to 9:00 p.m. Monday through Friday. Saturday construction shall be limited to 8:00 a.m. to 6:00 p.m. No exterior construction activities shall be permitted on Sundays or holidays per applicable City regulations. Construction noise measures shall also be implemented, which may include the use of noise mufflers on construction equipment used within 100 feet of these buildings. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Mitigation Measure G-2: During each construction phase, the developer, with regard to the five development parcels shall not use heavy equipment within (to the maximum extent practicable) 100 feet of the County Courthouse building while Court is in session. Construction contracts must specify that all construction equipment shall be in proper operating condition and fitted with standard factory silencing features and other applicable attenuation devices such as mufflers. The City's Department of Building and Safety or other appropriate City agency or department shall determine compliance with this measure with regard to the five development parcels.

Mitigation Measure G-3: During the initial stage of each construction phase (site demolition and site preparation/excavation) for each Project parcel and when construction activities are within 200 feet of noise sensitive land uses, the developer, with regard to the five development parcels, shall erect a temporary, 8-foot, ½-inch-thick plywood fence along the boundaries or each construction site adjacent to noise sensitive uses such that the "line of sight" between on-site construction activities and the residential or other sensitive uses is blocked, where feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Mitigation Measure G-4: During each construction phase, the developer, with regard to the five development parcels, shall ensure that pile drivers within the individual activity/development site under construction at that time shall be equipped with noise control devices having a minimum quieting factor of 10 dBA. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction in the five development parcels.

Mitigation Measure G-5: During each construction phase, the developer, with regard to the five development parcels, shall, except as otherwise permitted by applicable agreements, ensure that construction loading and staging areas shall be located on the Project site within each respective construction site and away from noise-sensitive uses to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction in the five development parcels.

Mitigation Measure G-6: Prior to the issuance of grading permits for each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications that include a requirement to route pedestrians (to the maximum extent practicable) 50 feet away from the construction area when heavy equipment such as hydraulic excavators are in use. Such routing may include the posting of signs at adjacent intersections. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Mitigation Measure G-7: During each construction phase, the developer, with regard to the five development parcels, shall designate a construction relations officer to serve as a liaison with surrounding property owners who is responsible for responding to any concerns regarding construction noise. The liaison shall coordinate with the Project construction manager(s) to implement remedial measures in the shortest time feasible. The liaison's telephone number(s) shall be prominently displayed at multiple locations along the perimeter of each construction site. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The FEIR discusses the Project's potentially significant construction noise impacts in Section IV.G of the DEIR. The noise reduction measures prescribed in Mitigation Measure G-1 would achieve a minimum 5-dBA reduction along areas of sensitive receptors where the line-of-sight to ground-level construction activity that occurs on the Project site is broken. Regulatory Measure G-1 would preclude construction-period noise impacts from occurring during the noise-sensitive night time periods, or at any time on Sundays or holidays. In addition, the use of heavy construction equipment shall cease one hour earlier than otherwise allowed under City Code. Noise level reductions attributable to Mitigation Measures G-2 and G-3, and G-4, G-5, and G-6 (e.g., use of noise mufflers and on-site storage of construction equipment) are not easily quantifiable, but implementation of such measures would reduce the noise level impact associated with construction activities to the extent feasible. Further, construction noise from earthmoving equipment will be reduced since most of such equipment will sink below a surrounding soundwall as excavation proceeds during construction. Nevertheless, Project construction activities would intermittently increase the daytime noise levels at nearby sensitive land uses during construction activities by more than the 5-dBA significance threshold. As such, noise impacts during construction are concluded to be significant and unavoidable.
- iv. Cumulative Impact – Noise impacts during construction of the Project and each related development project (that has not already been built) would be limited to the duration of construction and would be localized. In addition, it is anticipated that each of the related projects would comply with the applicable provisions of the City's noise ordinance, as well as mitigation measures that may be prescribed by the City that require significant impacts be reduced to the extent feasible. However, since noise impacts due to construction of the proposed Project would be significant on its own, it is conservatively concluded that noise impacts due to construction of the Project in combination with any of the related projects would also be significant.

P. Noise (Operational)

- i. Potential Impacts – The Project's operations may cause a significant impact if:
 - a. The Project causes the ambient noise level measured at the property line of affected uses to increase by 3dBA in CNEL to or within the "normally unacceptable" or "clearly unacceptable" category or by 5dBA in CNEL within the "normally acceptable" or "conditionally acceptable" category.

- b. Project-related operational (i.e., non-roadway) noise sources increase ambient noise by 5 dBA, thus causes a violation of the City's Noise Ordinance.
- ii. Findings – The potentially significant noise impact attributable to Project operations will be mitigated to a level of less than significance with the implementation of Mitigation Measure G-8:

Mitigation Measure G-8: The developer, with regard to the five development parcels, shall prepare and implement building plans that ensure prior to the start of each construction phase which includes residential development, that all exterior walls, floor-ceiling assemblies (unless within a unit), and windows having a line of sight (30 degrees measured from the horizontal plane) of Grand Avenue, Hill Street, Hope Street, First Street, and Second Street of such residential development shall be constructed with double-paned glass or an equivalent and in a manner to provide an airborne sound insulation system achieving a lab-tested Sound Transmission Class of 30, subject to field testing, as defined in UBC Standard No. 35-1, 1982 edition. Sign off by the City's Department of Building and Safety, or other appropriate City agency or department, shall be required prior to obtaining a building permit. The developer, as an alternative, may retain an engineer registered in the State of California with expertise in acoustical engineering, who shall submit a signed report for an alternative means of sound simulation satisfactory to the City's Department of Building and Safety, or other appropriate City agency or department. Examples of alternative means may include, but are not limited to, the following: (1) acoustical seals for doors and windows opening to the exterior; (2) consideration of the type, location, and size of windows; and (3) sealing or baffling of openings and vents. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.

- iii. Supportive Evidence and Rationale – The FEIR discusses the Project's potential noise impact attributable to Project operations in Section IV.G of the DEIR. Project development would not result in any significant noise impacts to off-site receptors during long-term Project operations. With implementation of Mitigation Measure G-8, on-site residents would not be exposed to inappropriately high noise levels from off-site activities (e.g., vehicle traffic on adjacent roadways), and thus the potential noise impact caused during Project operations will be less than significant.
- iv. Cumulative Impact – Cumulative traffic volumes would result in a maximum increase of 2.5 dBA CNEL along Second Street, between Grand Avenue and Olive Street. As this noise level increase would be below the 3 dBA CNEL significance threshold, roadway noise impacts due to cumulative traffic volumes would be less than significant. Los Angeles Municipal Code limits stationary-source noise from items such as roof-top mechanical equipment and emergency generators, would maintain noise to less than significant levels at the property lines of the related projects. Therefore, on-site noise produced by any related project would not be additive to Project-related noise levels. Accordingly, cumulative stationary-source noise impacts attributable to cumulative development would also be less than significant.

Q. Hazards and Hazardous Materials

- i. Potential Impacts – The Project may a significant impact with regard to hazards and hazardous materials if:
 - a. Project activities would involve the disturbance, removal, storage, or disposal of hazardous materials; or
 - b. The Project would expose people or structures to substantial risk resulting from the release of a hazardous material, or from exposure to a health hazard, in excess of regulatory standards.
- ii. Findings – The Project will not cause a significant impact with regard to hazards and hazardous material. Notwithstanding, the following regulatory measures have been identified to ensure the Project's less than significant impact concerning this issue:

Regulatory Measure H-1: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall properly decommission all unused groundwater monitoring wells, per applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels. The Regional Water Quality Control Board shall enforce compliance with this measure.

Regulatory Measure H-2: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall test for the presence or absence of hydrogen sulfide and methane beneath the site by subsurface sampling. Should the sampling result in the discovery of hydrogen sulfide and/or methane, appropriate health and safety measures shall be implemented, in accordance with applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.

Regulatory Measure H-3: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall take fill samples from each of the five parcels, and shall analyze these samples for contaminants at elevated concentrations. Should elevated contaminant concentrations be discovered, appropriate measures shall be implemented, in accordance with applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.

Regulatory Measure H-6: Prior to the start of any demolition activities or renovation on any painted surfaces at the Project site, the developer, with regard to the five development parcels, shall conduct a survey of lead based paint (LBP) to determine the level of risk posed to maintenance personnel, construction workers, facility staff, and patrons from exposure to the paints present at the site. Any recommendations made in that survey related to the paints present at the Project site shall be implemented prior to the demolition or renovation of said painted surfaces. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The Project’s potential impacts attributable to hazards and hazardous materials were analyzed in detail in Section IV-H of the DEIR. According to the Phase I environmental assessments completed for the Project site, there are no potential recognized environmental conditions (RECs) within any of the five development parcels. In addition, there is no evidence at the Project site of asbestos, hazardous materials use, storage or waste, or hazardous air emissions. It is anticipated that hazardous materials, including fertilizers, herbicides and pesticides, would be used to maintain the landscaping within the five development parcels. In addition, hazardous materials associated with maintenance activity within the five development parcels would be present at the Project site. However, since the transport, use and storage of these materials would be managed in accordance with applicable federal, state, and local regulations, these materials would not be expected to pose significant risks to the public or the environment. Consequently, construction and operation under both Project Options would not expose people to substantial risk resulting from the release of a hazardous material, or from exposure to a health hazard in excess of regulatory standards. Accordingly, construction and operation under both Project Options would not result in a significant hazard to the public or the environment through the transport, use or disposal of hazardous materials, and impacts would be less than significant. Further, impacts associated with the potential discovery of hazardous and non-hazardous materials on the Project site would be reduced to a less than significant level with compliance with the above regulatory measures.
- iv. Cumulative Impact – In light of existing federal and state regulations, it is assumed that any potential hazardous materials located on any of the 93 related project sites would be identified and remediated prior to construction and operation of any habitable facility. As such, any groundwater or soil contamination occurring on the related project sites would be addressed in accordance with applicable regulations and mitigation measures during the permitting process by the applicable responsible agencies. Such remediation activities in accordance with federal, state, and local regulations would reduce any significant impacts associated with hazardous materials to less than significant levels. Therefore, with monitoring and compliance with federal, state and local regulations and procedures, the potential for cumulative impacts attributable to the Project’s and related projects’ transport, use or disposal of hazardous materials would be less than significant.

R. Fire Protection and Related Services

- i. Potential Impacts – The Project would cause a significant impact to Los Angeles Fire Department fire prevention and suppression services and/or emergency medical services if:
 - a. The Project would cause a substantial increase in emergency response times as a result of increased traffic congestion; or
 - b. The Project would exceed the capability of existing fire stations and emergency personnel to serve the Project site.

- ii. Findings – The Project will not cause a significant impact with regard to fire prevention or emergency medical services. Notwithstanding, the following regulatory measures and project design features have been identified to ensure the Project's less than significant impact concerning this issue:

Regulatory Measure I.1-1: During demolition activities occurring during each construction phase, the developer, with regard to the five development parcels, shall ensure sure that emergency access shall remain clear and unobstructed. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-2: Prior to each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications to ensure that the construction contractor is apprised of the requirement to maintain access to sub-surface parking structures associated with the Civic Center Mall, the Music Center, and the Colburn School for Performing Arts. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-3: During each construction phase, the developer, with regard to the five development parcels, shall maintain access for emergency response personnel to the Kenneth Hahn Hall of Administration, the Paseo de los Pobladores de Los Angeles, the County Courthouse, the Colburn School for Performing Arts, and the Walt Disney Concert Hal. The LAFD shall determine compliance with this measure with regard to construction in the five development parcels.

Regulatory Measure I.1-4: Prior to each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan to ensure that emergency evacuation from the northwest side of the County Mall and Colburn School for Performing Arts, the southeast side of the Music Center and the Walt Disney Concert Hall would not be impeded by construction of the individual Project elements. With respect to the plan for the Mall, it must be prepared to coordinate with emergency evacuation plans for the Courthouse and the Hall of Administration. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-5: During each construction phase, the developer, with regard to the five development parcels, shall ensure that sufficient fire hydrants shall remain accessible at all times during Project construction. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-6: Prior to the start of each construction phase and during Project operations, the developer, with regard to the five development parcels shall comply with all applicable State and local codes and ordinances, and the guidelines found in the Fire Protection and Fire Prevention Plan, and the Safety Plan, both of which are elements of the General Plan of the City of Los Angeles (C.P.C. 19708). The City of Los Angeles Fire Department (LAFD) shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-7: During Project operations, the developer, with regard to the five development parcels shall maintain all access roads, including fire lanes, in an unobstructed manner, and removal of obstructions shall be at the owner's expense. The entrance to all required fire lanes or required private driveways shall be posted with a sign no less than three square feet in area in accordance with Section 57.09.05 of the Los Angeles Municipal Code. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-8: Prior to the start of each construction phase, the Developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications in accordance with LAFD requirements, and requirements for necessary permits shall be satisfied prior to commencement of construction on any portion of the five development parcels. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-10: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that will assure that any required fire hydrants that are installed shall be fully operational and accepted by the Fire Department prior to any building construction. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-11: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall submit plot plans indicating access roads and turning areas to the LAFD for review and approval. The developer, with regard to the five development parcels shall implement the approved plot plans. The LAFD shall determine compliance with this measure.

Regulatory Measure I.1-12: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, engineering plans that show adequate fire flow and placement of adequate and required public and private fire hydrants. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-13: During each construction phase, the developer, with regard to the five development parcels, shall provide emergency access for Fire Department apparatus and personnel to and into all structures. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-14: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that will provide that any private roadways for general access use and fire lanes shall not be less than 20 feet wide and clear to the sky. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-15: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that will provide that any fire lanes and dead end streets shall terminate in a cul-de-sac or other approved turning area. No dead end street or fire lane shall be greater than 700 feet in length or secondary access shall be required. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-16: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that designs any proposed development utilizing cluster, group, or condominium design not more than 150 feet from the edge of the roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-17: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that designs fire lanes to be not less than 28 feet in width. When a fire lane must accommodate the operation of Fire Department aerial ladder apparatus or where fire hydrants are installed, those portions shall not be less than 28 feet in width. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-18: Prior to the start of each construction phase, the developer, with regard to the five development parcels, where above ground floors are used for residential purposes, shall prepare, and thereafter implement, a plan that interprets the access requirement as being the horizontal travel distance from the street, driveway, alley, or designated fire lane to the main entrance of the residential units. The LAFD shall determine compliance with this measure.

Regulatory Measure I.1-19: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs the entrance or exit of all ground level residential units to be no more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure.

Regulatory Measure I.1-20: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides access that requires the accommodation of Fire Department apparatus, shall design the minimum outside radius of the paved surface to be 35 feet. An additional six feet of clear space must be maintained beyond the outside radius to a vertical point 13 feet 6 inches above the paved surface of the roadway. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-21: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall not construct any building or portion of a building to be more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-22: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that provides for access that requires accommodation of Fire Department apparatus, a design for overhead clearances to be not less than 14 feet. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-23: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides for additional vehicular access required by the Fire Department, where buildings exceed 28 feet in height. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-24: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides, where fire apparatus shall be driven onto the road level surface of the subterranean parking structure, for the structure to be engineered to withstand a bearing pressure of 8,600 pounds per square foot. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-25: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall record any private streets as Private Streets and Fire Lanes. All private street plans shall show the words "Private Street and Fire Lane" within the private street easement. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-26: During operation of the Project, the developer, with regard to the five development parcels, shall provide that all electric gates approved by the Fire Department shall be tested by the Fire Department prior to Building and Safety, or other appropriate City agency or department, granting a Certificate of Occupancy. The LAFD shall determine compliance with this measure.

Regulatory Measure I.1-27. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that would not construct any building or portion of a building more than 300 feet from an approved fire hydrant. Distance shall be computed along path of travel with the exception that dwelling unit travel distance shall be computed to the front door of the unit. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.1-28. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall submit plans to the Fire Department for review and approval. Where rescue window access is required, the developer, with regard to the five development parcels, shall incorporate conditions and improvements necessary to meet accessibility standards as determined by the LAFD. The LAFD shall determine compliance with this measure.

Regulatory Measure I.1-29. During operations of the Project, the developer, with regard to the five development parcels shall have the curbs of all public street and fire lane cul-de-sacs painted red and/or be posted "No Parking at Any Time" prior to the issuance of a Certificate of Occupancy or Temporary Certificate of Occupancy for any structures adjacent to the cul-de-sac. The LAFD shall determine compliance with this measure with regard to the five development parcels.

Project Design Feature I.1-1: Prior to the start of each construction phase, the developer, with regard to the five development parcels shall submit building plans to the LAFD for review and approval that demonstrate that automatic fire sprinklers shall be installed in all structures. The LAFD shall determine compliance with this measure.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impacts on fire protection and related services in Section IV-I(1) of the DEIR. Construction may result in temporary lane closures that would potentially affect emergency access. Temporary lane closures could increase the time for fire protection vehicles and emergency medical vehicles responding to elderly or disabled residents in the downtown areas. However, the average response times for Fire Stations 3, 4, 9, and 10, which would serve the Project and currently serve the surrounding area are 5.3 minutes, 4.6 minutes, 4.8 minutes, and 4.9 minutes, respectively. Those response times are below the Citywide average response times of 5.5 minutes for EMS and 5.4 minutes for fire incidents, which indicates these existing services will be adequate to handle incidents during Project construction. To ensure adequate response times for these services, the LAFD would be notified of the scheduling of all Project construction in order to plan appropriate alternative response routes, if necessary. Public detour routes would be established where required to divert traffic from the affected street segments. In addition, emergency vehicle access to adjoining and nearby properties would be required to be maintained at all times. Thus, due to the better than City-wide response times, the large number of fire stations in the Project area, the temporary and limited nature of the closures along roadways and the wide selection of alternative routes to and through the Project site, construction of the Project will not significantly impact the ability of the LAFD to respond to emergency incidents, as confirmed by the FEIR. With respect to Project operations, automatic fire sprinkler systems in all structures, fire hydrants installed to LAFD specifications, and supplemental fire protection devices would be incorporated into new Project structures, as required by the Fire Code. As the Project site is within the service area of four Task Force truck and engine companies, Project operations are anticipated to result in less than significant impacts to LAFD staff and equipment capabilities. In addition, the Project will comply with all fire safety regulations and the incorporation of regulatory measures. No significant impacts will occur with respect to fire protection and related services.

- iv. Cumulative Impact – The LAFD has determined that development of the Project, in conjunction with other approved and planned projects, may result in the need for the following: (1) increased staffing at existing facilities; (2) additional fire protection facilities; and (3) relocation of existing fire protection facilities. However, as related project applicants would be required to coordinate with the LAFD to ensure that related project construction and operations would not significantly impact LAFD services and facilities, no significant cumulative impacts are anticipated.

S. Police Protection Services

- i. Potential Impacts – The Project may cause a significant impact on police protection services provided by the LAPD if:
 - a. The Project will generate demand for additional police protection services that substantially exceeds the capability of the LAPD to serve the Project site.
 - b. The Project would cause a substantial increase in emergency response times as a result of increased traffic congestion and/or limited emergency access, during either construction or operation of the Project.
- ii. Findings - The Project will not cause a significant impact with regard to police services. Notwithstanding, the following regulatory measures have been identified to ensure a less than significant impact concerning this issue.

Regulatory Measure I.2-1: During each construction phase, the developer, with regard to the five development parcels, shall provide clear and unobstructed LAPD access to the construction site. The LAPD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.2-2: During ongoing construction, the developer, with regard to the five development parcels shall provide security features on the construction site(s), such as guards, fencing, and locked entrances. The LAPD shall determine compliance with this measure.

Regulatory Measure I.2-3: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall submit plot plans for all proposed development to the Los Angeles Police Department's Crime Prevention Section for review and comment. Security features subsequently recommended by the LAPD shall be implemented by the developer to the extent feasible.

Regulatory Measure I.2-5: At the completion of each construction phase, the developer, with regard to the five development parcels shall file as-built building plans with the LAPD Central Area Commanding Officer. Plans shall include access routes, floor plans, and any additional information that might facilitate prompt and efficient police response. The LAPD shall determine compliance with this measure.

Regulatory Measure I.2-6: During Project operations, the developer, with regard to the five development parcels shall install alarms and/or locked gates on doorways providing public access to commercial facilities. The LAPD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.2-7: During Project operations, the developer, with regard to the five development parcels shall not plant landscaping in a way that could provide cover for persons tampering with doors or windows of commercial facilities, or for persons lying in wait for pedestrians or parking garage users. The LAPD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.2-8: Additional lighting shall be installed where appropriate, including on the Project site and in parking garages, as determined in consultation with the LAPD with regard to the five development parcels. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each construction phase.

Regulatory Measure I.2-9: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that incorporates safety features into the Project's design to assure pedestrian safety, assist in controlling pedestrian traffic flows, and avoid pedestrian/vehicular conflicts on-site. Safety measures may include the provision of security personnel; clearly designated, well-lighted pedestrian walkways on-site; special street and pedestrian-level lighting; physical barriers (e.g., low walls, landscaping), particularly around the perimeter of the parking garages, to direct pedestrians to specific exit locations that correspond to designated crosswalk locations on adjacent streets. The LAPD shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure I.2-10: Prior to the issuance of a certificate of occupancy for each construction phase and during Project operations, the developer, with regard to the five development parcels, shall develop, and thereafter implement, a new or modified Security Plan to minimize the potential for on-site crime and the need for LAPD services. The plan would outline the security services and features to be implemented, as determined in consultation with the LAPD. The LAPD shall determine compliance with this measure with regard to the five development parcels.

The following shall be included in the plan:

1. Provision of an on-site security force that would monitor and patrol the Project site. During operational hours, security officers shall perform pedestrian, vehicular, and/or bicycle patrols.
2. Implementation of a video camera surveillance system and/or a closed-circuit television system;
3. Additional security features shall be incorporated into the design of proposed parking facilities, including "spotters" for parking areas, and ensuring the availability of sufficient parking either on- or off-site for all building employees and anticipated patrons and visitors;

4. Security lighting incorporating good illumination and minimum dead space in the design of entryways, seating areas, lobbies, elevators, service areas, and parking areas to eliminate areas of concealment. Security lighting shall incorporate full cutoff fixtures which minimize glare from the light source and provide light downward and inward to structures to maximize visibility;
5. Provision of lockable doors at appropriate Project entryways, offices, retail stores, and restaurants;
6. Installation of alarms at appropriate Project entryways and ancillary commercial structures;
7. All businesses desiring to sell or allow consumption of alcoholic beverages are subject to the issuance of a Conditional Use Permit by the City;
8. Accessibility for emergency service personnel and vehicles into each structure, and detailed diagram(s) of the Project site, including access routes, unit numbers, and any information that would facilitate police response shall be provided to the Central Area Commanding Officer.
9. In addition, security procedures regarding initial response, investigation, detainment of crime suspects, LAPD notification, crowd and traffic control, and general public assistance shall be outlined in the Security Plan. The plan would be subject to review by the LAPD, and any provisions pertaining to access would be subject to approval by the Los Angeles Department of Transportation.

Regulatory Measure I.2-11: Prior to the issuance of a certificate of occupancy for each construction phase and on-going during operations, the developer, with regard to the five development parcels, shall develop, and thereafter implement, an Emergency Procedures Plan to address emergency concerns and practices. The plan shall be subject to review by the LAPD with regard to the five development parcels and any provisions pertaining to access would be subject to approval by LADOT.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impacts on police protection and related services in Section IV-I(2) of the DEIR. The Project's impacts on police protection services or response times would continue to be less than significant. Project construction may result in temporary lane closures that would potentially affect emergency access. Given notification to the LAPD of all construction scheduling, the temporary nature of any closures, and the availability of alternative routes, the Project would not significantly affect emergency access or response times. Furthermore, during construction, traffic management personnel (flag persons) would be trained to assist in emergency response, and on-site security measures would reduce theft and other demands on police services. Therefore, construction activities are not expected to significantly affect the capacity of the LAPD to adequately serve the Project site. The Project's combined residential and employment population would reduce the officer per resident ratio and, assuming the same number of officers in the LAPD Central Area station as under existing conditions, the ratio of crimes that are handled by each officer would increase from approximately 20 to 23.4. This level of increased demand in the context of occurring over an entire year would not substantially exceed LAPD's capacity. Accordingly, the Project's impact to police services would be less than significant.

- iv. Cumulative Impact – Although the operation of Project would have a less-than-significant impact on police services, because the list of related projects is extensive and, if all related projects were built, the combined Project and related projects would have a significant cumulative impact with regard to police protection services. This level of increased demand would substantially exceed the LAPD's capacity to provide services from the Central Area station. For example, under the County Office Building Option, if the current 337 officers in the area were to remain constant at 337 officers, the ratio of population to officers would increase from 130 persons for each officer to 382 persons for each officer. If the per capita crime rate were to remain constant at 154 crimes per 1,000 population, there would be 19,849 additional crimes, and the crimes that would need to be handled by each officer would increase from 20 to 59. However, if the City added police resources in response to such growth, then the cumulative impact to police services would be less than significant. Yet, it is conservatively assumed that the City may not be able to add such resources commensurate with such population growth, and, therefore, the cumulative impact to police services is determined to be significant.

T. School Services

- i. Potential Impacts – The Project may cause a significant impact on Los Angeles Unified School District (“LAUSD”) schools if:
 - a. The demand for school services anticipated at the time of Project build out exceeds the expected level of service available; or
 - b. The increased demand would require the construction of new facilities, a major reorganization of students or classrooms, major revisions to the school calendar (i.e., multi-track calendar), or other actions that would create a temporary or permanent impact on the school(s) serving the Project site.
- ii. Findings – Through compliance with Mitigation Measure I.3.1 and Government Code Section 65995, the Project will not cause a significant impact on schools, and no other mitigation measures are required.

Mitigation Measure I.3-1: Prior to the issuance of each building permit, the developer, with regard to the five development parcels, shall pay school mitigation fees pursuant to the provisions of California Government Code Section 65995. The City's Department of Building and Safety, or other appropriate City agency or department shall determine compliance with this measure.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impacts on schools in Section IV-I(3) of the DEIR. Pursuant to the provisions of Government Code Section 65995, a project's impact on school facilities is fully mitigated through the payment of the requisite school facility development fees current at the time building permits are issued. As the developer is required to pay school facility development fees, impacts under the Project are concluded to be less than significant.

- iv. Cumulative Impact – The middle and high school students that would be generated by the 93 related projects would when combined with the Project's students, be dispersed throughout the attendance boundaries of both the existing and the newly constructed schools. As a result, sufficient capacity would be available at the middle and high school level to accommodate the students generated by the Project in conjunction with all of the related projects and a less than significant cumulative impact would occur. In contrast, the students generated by the related projects combined with the Project's students could not be accommodated within the existing or future elementary school capacities. However, the Project and each related project would pay new school facility development fees and, under the provisions of Government Code Section 65995, the payment of these fees would constitute full mitigation. Thus, cumulative impacts on schools would be less than significant.

U. Parks and Recreation(Project Construction)

- i. Potential Impacts – The construction of the Project may cause a significant impact on parks and recreational facilities if:
 - a. The Project generates a demand for park or recreational facilities that cannot be adequately accommodated by existing or planned facilities and services.
- ii. Findings – The Project will not cause a significant impact to park and recreational facilities, except for a short-term significant and unavoidable impact during construction of the new Civic Park at the Civic Mall, which impact is a project-specific and cumulative impact. With respect to that latter impact, the Authority makes the following findings:
 - a. All feasible measures, changes and alterations have been required in, or incorporated into, the Project, which will lessen such significant environmental effects.
 - b. For the reasons set forth in the Statement of Overriding Considerations adopted concurrently by the Authority, the Authority finds that the significant impact identified in this Section XI-L(a) is acceptable in light of the Project's overall benefits.
- iii. Supportive Evidence and Rationale – The FEIR discusses the Project's potentially significant impact to park and recreational facilities in Section IV.I.4 of the DEIR. Construction of the proposed improvements in Civic Park would require closure of the existing Civic Mall to implement those improvements. This would limit park availability and usage. Impacts on park usage would likely occur within the immediate area of construction activity and adjacent park areas that might be sensitive to construction activities. It is not known if the entire Park area would be affected at a single time, or if Park improvements would be implemented on a smaller basis (e.g., block by block). As the construction activities could adversely affect park usage, the Project is considered to have a significant, short-term impact on parks during construction of the Civic Park. Upon completion of the Project, the affected park areas would return to operations with an enhanced level of operation due to improvements that were implemented during the construction phase. Construction of the remainder of the Project, namely, the five

development parcels and the Grand Avenue street improvements would not cause any significant impacts to parks and recreational facilities since those sites currently include no parks or recreational facilities.

- iv. Cumulative Impact – No related projects are known to affect the use or availability of those existing recreational resources that would be affected by the Project, either during their construction or operations phases. However, the Project would prohibit the recreational use of the existing Civic Center Mall during the construction of the Project's Civic Park, it is conservatively concluded that cumulative impacts on recreational resources are considered significant.

V. Parks and Recreation (Project Operation)

- i. Potential Impacts – The operation of the Project may cause a potentially significant impact to parks and recreational facilities if:

- a. The Project generates a demand for park or recreational facilities that cannot be adequately accommodated by existing or planned facilities and services.

- ii. Findings – The Project will not cause a significant impact to park and recreational services due to the implementation of Mitigation Measure I.4-1.

Mitigation Measure I.4-1: Prior to the issuance of a certificate of occupancy, the developer, with regard to the five development parcels, shall: (1) dedicate additional parkland such that the Project would provide a total of 3 acres per 1,000 Project residents; (2) pay in-lieu fees for any land dedication requirement shortfall; or (3) a combination of the above. The City's Department of Building and Safety, or other appropriate City agency or department shall determine compliance with this measure.

- iii. Supportive Evidence and Rationale – The EIR discusses the potential impact to park and recreation services caused by Project operations in Section IV.I.4 of the DEIR. Compliance with the mitigation measure for meeting park demand would reduce any impacts due to park dedication shortfalls to less than significant levels. The required dedication of parkland from a project is determined by the number of residents within the project. Under the Quimby Act, which is implemented through the City's Municipal Code, three acres per 1,000 residents are required. The Project with County Office Building Option is anticipated to generate approximately 2,925 residents and would be required to provide approximately 8.8 acres of park/recreation space. The Additional Residential Development Option is anticipated to generate approximately 3,777 residents and would be required to provide approximately 11.33 acres of park/recreation space. Since these requirements would not be fully achievable on-site, the developer would be required to either dedicate additional parkland or pay in-lieu fees per the Quimby Act. If in lieu fees are paid, such fees would be used by the City to enhance park and recreational facilities in the appropriate geographic areas. Compliance with the Quimby Act would offset the Project's park and recreational facility shortfall and would avoid a significant impact.

- iv. Cumulative Impact -- As with the Project, compliance by related projects with the Quimby Act to either dedicate additional parkland or pay in-lieu fees would offset the park/recreation demands of such related projects and, therefore, avoid a significant cumulative impact.

W. Library Services

- i. Potential Impacts – The Project may cause a significant impact on library services caused by the Project. A Project could have a significant impact on library services if:
 - a. The Project would generate a demand for library facilities or services that would cause an increase in the community population that would exceed Los Angeles Public Library (“LAPL”) defined target service population.
- ii. Findings – The Project will not cause significant impacts on library services, and no mitigation measures are required.
- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project’s potential impacts on libraries in Section IV-I(5) of the DEIR. The increase in residential population, employees and patrons associated under the Project would increase demand on LAPL facilities in this area, including the Central Library, the Little Tokyo and Chinatown Branch Libraries. However, the Project is not expected to cause an increase in the community population that would exceed the LAPL-defined service target population. The LAPL has indicated in comments to the NOP for the EIR that the Project should pay a fee of \$200 per capita to offset the increase in library service demand. However, the detailed analysis provided in the EIR demonstrates that the Project would not cause a significant impact on library services, and the LAPL did not provide any data in its NOP response letter to the contrary. In addition, the LAPL did not provide any comments on the DEIR. Further, it should be noted that the LAPL has not taken the necessary legal steps to impose a mitigation fee on all new development projects in its jurisdiction.
- iv. Cumulative Impacts – Population increases created by the 93 related projects in combination with the Project would increase the demand for LAPL services within the Project area. If a large number of these related projects are eventually developed and such future development causes a demand on library services beyond the capacity of the then existing libraries, then the LAPL may take the necessary steps to adopt an impact fee program that would adequately mitigate that cumulative impact on library services. However, since the LAPL has not adopted such a fee program, the Authority conservatively determines that the cumulative impact on library services will be significant.

X. Water Supply

- i. Potential Impacts – The Project may cause a significant impact on the water supply if:

- a. The public water system's total projected water supplies available during normal, single dry and multiple dry water years during the current 20-year projection would not meet the projected water demand associated with the proposed Project, as well as all other future uses, including agricultural and manufacturing uses.
 - b. The estimated water demand for the Project would exceed the available capacity within the distribution infrastructure that would serve the Project site.
 - c. The construction of a new or upgraded water distribution infrastructure would result in substantial obstruction of vehicle and/or pedestrian access.
- ii. Findings – With the implementation of Mitigation Measure J.1-1, the Project's potentially significant impact on water supply will be reduced to a less than significant level. In addition, a series of regulatory measures are identified that would result in reducing the water demand attributable to the Project.

Mitigation Measure J.1-1: Prior to initial occupancy of the buildings within Parcels L and W-1/W-2, the developer shall install new water lines along Second Street, from Olive Street to Hill Street to serve Parcels W-1/W-2, and from Hope Street to Lower Grand Avenue to serve Parcel L. The City's Department of Public Works shall review and approve all plans related to these new water lines. The developer shall be responsible for the implementation of these improvements.

Regulatory Measure J.1-1: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall call DIG-ALERT to identify and mark on the ground surface the locations of existing underground utilities. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.1-2: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall perform potholing of existing water and gas mains to verify the depth of cover. If the depth of cover over the lines is shallow and the total street pavement section is thick (around 24 inches), then the temporary cover over the lines during construction may be reduced to 12 inches or less. Under these circumstances, protective measures shall be implemented to prevent damage or breakage of the lines during the pavement sub-grade preparation process, notices of service interruption, if necessary, shall be provided to customers in accordance with DWP-Water and ACG requirements. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.1-3: Prior to issuance of building permits for each construction phase, the developer, with regard to the five development parcels, shall pay the appropriate fees as may be imposed by the City's Department of Building and Safety, or other appropriate City agency or department. A percentage of building permit fees is contributed to the fire hydrant fund, which provides for citywide fire protection improvements. Compliance with this measure shall be determined by the City's Department of Building and Safety, or other appropriate City agency or department.

Regulatory Measure J.1-4: Prior the issuance of building permits for each construction phase, the developer, with regard to the five development parcels shall coordinate with the Los Angeles Department of Water and Power to conduct a flow test to confirm that the existing water system meets fire flow requirements imposed by the LAFD for the Project. The developer, with regard to the five development parcels shall undertake and complete required improvements as identified by the LADWP, based on the findings of the flow test. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.1-5: During Project operations, the developer, with regard to the five development parcels, shall incorporate Phase I of the City of Los Angeles' Emergency Water Conservation Plan into all privately operated parcels. The Plan prohibits hose watering of driveways and associated walkways, mandates decorative fountains to use recycled water, mandates drinking water in restaurants to be served upon request only, and provides that water leaks are repaired in a timely manner. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure.

Regulatory Measure J.1-6: During Project operations, incorporate Los Angeles County water conservation policies into the County Office Building, if the Project proceeds with the County office building option. The County with regard to the County Office Building, if the Project proceeds with the County office building option, shall be responsible for implementing this measure. The implementation of this measure shall be subject to the review and approval of the County's CAO or its designee.

Regulatory Measure J.1-7: During Project operations, the developer, with regard to the five development parcels, and the County Office Building operator shall comply with any additional mandatory water use restrictions imposed as a result of drought conditions. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.1-8: During Project operations, the developer, with regard to the five development parcels, shall install automatic sprinkler systems to irrigate landscaping during morning hours or during the evening to reduce water losses from evaporation, and sprinklers shall be reset to water less often in cooler months and during the rainfall season so that water is not wasted by excessive landscape irrigation. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The Project's potentially significant impact on the water supply is analyzed in Section IV.J.1 of the DEIR. Based on a Water Supply Assessment certified by the Los Angeles Department of Water and Power ("LADWP"), the total estimated water demand for the Project at build-out is not expected to exceed available supplies during normal, single dry and multiple dry water years during the 20-year planning period projection. Further, the Project is not anticipated to exceed the available capacity within the distribution

infrastructure that would serve the Project site. Other than connections from the Project site to the water mains and the installation of new water lines along Second Street, the construction of a new or upgraded distribution and conveyance infrastructure would not be required. With regulatory compliance and incorporation of the mitigation measures discussed above, impacts to water supply associated with the Project would be less than significant.

- iv. Cumulative Impact – Development of the 93 related projects would cumulatively contribute, in conjunction with the Project to the water demand in the Project area. Related projects are anticipated to be developed in compliance with all applicable water conservation regulations and within the build-out scenario of the Community Plans and the City of Los Angeles General Plan elements. Further, the LADWP Water Supply Assessment concluded that there are adequate water supplies to meet all existing and future water demands for the next 20 years. As such, impacts associated with cumulative water demand would be less than significant.

Y. Wastewater

- i. Potential Impacts – The Project may cause a significant impact on wastewater conveyance and treatment facilities if:
 - a. The Project's additional wastewater flows would substantially or incrementally exceed the future scheduled capacity of the Hyperion Treatment Plant ("HTP").
 - b. The Project would cause a measurable increase in wastewater flows at a point where, and a time when, a sewer's capacity is already constrained or that would cause a sewer's capacity to become constrained.
 - c. The construction of new or upgraded wastewater distribution infrastructure would result in a substantial obstruction of vehicle and/or pedestrian access.
- ii. Findings – The Project will not cause a significant impact with regard to wastewater service. Notwithstanding, the following regulatory measures have been identified to ensure the Project's less than significant impact concerning this issue.

Regulatory Measure J.2-1: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall comply with City ordinances limiting connections to the City sewer system, in accordance with City Bureau of Sanitation procedures. The City's Department of Public Works, Sanitation Bureau or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.2-2: Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, building plan specifications for the installation of low-flow water fixtures and further encourage reduction of water consumption to minimize wastewater flow to the sewer system, in accordance with applicable water conservation requirements. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impact on wastewater facilities in Section IV-J(2) of the DEIR. The operation of the Project under the County Office Building Option would generate 631,650 gallons per day (gpd) of wastewater and a peak flow of 1,073,805 gpd. The Project under the Additional Residential Development Option would generate 592,070 gpd on average and a peak flow of 1,006,519 gpd. By complying with the provisions of the City's Sewer Allocation Ordinance, wastewater generation resulting from operation of the Project would not substantially exceed the future scheduled capacity of the HTP. Nor, would the Project cause a measurable increase in wastewater flows at a point where, and a time when, a sewer's capacity is already constrained or would cause a sewer's capacity to become constrained. Therefore, implementation of the Project would result in a less than significant impact to wastewater facilities.
- iv. Cumulative Impact – Development of the 93 related projects, in conjunction with the Project would cumulatively contribute to wastewater generation in the Project area. The Project with Additional Residential Option would generate nearly seven percent less wastewater than that of the proposed Project with County Office Building Option. The wastewater anticipated to be discharged by the related projects along with the Project with County Office Building Option is 7.3 million gpd, which represents approximately 1.6 percent of the HTP's full capacity of 450 million gpd. Each of the individual related projects would be subject to the LADWP's determination of whether there is allotted sewer capacity available prior to the formal acceptance of plans and specifications by the Department of Building and Safety. Therefore, cumulative impacts to the local and regional sewer system for the Project, in conjunction with the related projects, would be less than significant.

Z. Solid Waste

- i. Potential Impacts – The Project may cause a significant impact concerning solid waste if:
 - a. The Project generates solid waste at a level that exceeds the available capacity of the existing and/or planned landfills.
 - b. The Project conflicts with diversion and recycling goals set forth in the City of Los Angeles Solid Waste Management Policy Plan (CiSWMPP) and Source Reduction and Recycling Element (SRRE).

- ii. Findings - The Project will not cause a less than significant impact with regard to solid waste services. Notwithstanding, the following regulatory measures have been identified to ensure the Project's less than significant impact concerning this matter.

Regulatory Measure J.3-1: Prior to the issuance of a certificate of occupancy for each construction phase, and thereafter during Project operations, the developer, with regard to the five development parcels, shall comply with the provisions of City of Los Angeles Ordinance No. 171687 with regard to all new structures constructed as part of the five development parcels. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.

Regulatory Measure J.3-2: Prior to the issuance of each certificate of occupancy, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs all structures constructed or uses established within any part of the proposed Project site to be permanently equipped with clearly marked, durable, source sorted recyclable bins at all times to facilitate the separation and deposit of recyclable materials. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.3-3: Prior to the issuance of each certificate of occupancy, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs primary collection bins to facilitate mechanized collection of such recyclable wastes for transport to on- or off-site recycling facilities. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.3-4: During Project operations, the developer, with regard to the five development parcels, shall continuously maintain in good order for the convenience of businesses, patrons, employees and park visitors clearly marked, durable and separate bins on the same lot, or parcel to facilitate the commingled recyclables and deposit of recyclable or commingled waste metal, cardboard, paper, glass, and plastic therein; maintain accessibility to such bins at all times, for collection of such wastes for transport to on- or off-site recycling plants; and require waste haulers to utilize local or regional material recovery facilities as feasible and appropriate. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

Regulatory Measure J.3-5: During each construction phase, the developer, with regard to the five development parcels, shall implement a demolition and construction debris recycling plan, with the explicit intent of requiring recycling during all phases of site preparation and building construction. The City's Department of Building and Safety, or other appropriate City agency or department, shall review and approve the plan with regard to the five development parcels.

- iii. Supportive Evidence and Rationale – The FEIR analyzed in detail the Project's potential impact on solid waste facilities in Section IV-J(3) of the DEIR. The Project would not cause the available capacity of the existing and/or planned landfills to be exceeded, and impacts due to construction and operations would be less than significant. Nonetheless, regulatory mitigation measures have been identified concerning compliance with existing plans, programs and policies promoting recycling, waste reduction and waste diversion.
- iv. Cumulative Impact – Development of the 93 related projects would generate solid waste during their respective construction periods and on an on-going basis following the completion of construction. The total cumulative construction debris from the related projects and proposed Project would total 63,000 tons. This would comprise approximately 0.1 percent of the remaining inert landfill disposal capacity of 69.94 million tons and, as such, cumulative impacts on inert landfill capacity would be less than significant. During operation, the total cumulative solid waste generation is estimated to be 112,015 tons per year under the Project with County Office Building Option and 107,660 tons per year under the Project with Additional Residential Development Option. These levels of cumulative annual solid waste generation represent approximately 1.2 percent of the total solid waste generated in Los Angeles County in 2003. Based on these small percentages, and the County's forecast of 15 years of landfill availability, cumulative impacts on municipal landfill capacity are concluded to be less than significant.

1.6 FINDINGS REGARDING ALTERNATIVES TO THE PROPOSED PROJECT

CEQA Guideline 15126.6 requires an EIR to (1) describe a range of reasonable alternatives to the proposed 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 (2) evaluate the comparative merits of the alternatives. In analyzing the feasibility of an alternative, the CEQA Guidelines list the following factors: site suitability; economic viability; infrastructure viability; social, legal and technological issues; and jurisdictional boundaries. The purpose of the consideration and discussion of alternatives to the proposed project is to identify ways to mitigate or avoid the significant effects that a project may have on the environment. In doing so, CEQA Guideline 15126.6 directs that the analysis of alternatives be limited to alternatives to the project or its location which are capable of avoiding or substantially lessening any significant effects of the project, even if these alternatives would impede to some degree the attainment of project objectives, or would be more costly.

The selection and discussion of alternatives to the project is intended to foster meaningful public participation and informed decision-making. An EIR need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote or speculative. CEQA Guideline 15126.6 also requires the analysis of a "No Project" alternative and the identification of an "Environmentally Superior Alternative." If the environmentally superior alternative is the No Project Alternative, then the EIR is required to identify an environmentally superior alternative among the remaining alternatives.

Finally, CEQA Guideline 15126.6 requires an EIR to identify any alternatives that were considered by the lead agency but were rejected as infeasible during the scoping process and briefly explain the reasons underlying the lead agency's determination of such infeasibility.

Alternatives Considered But Rejected

Two alternatives were identified but subsequently rejected from further analysis in the FEIR. The first such rejected alternative was the Alternative Location Alternative. With respect to alternative sites for any proposed project, CEQA Guideline 15126.6(f)(2)(A) provides that: "The key question and first step in analysis is whether any of the significant effects of the project would be avoided or substantially lessened by putting the project in another location. Only locations that would avoid or substantially lessen any of the significant effects of the project need be considered for inclusion in the EIR."

Based on substantial evidence, the Authority determined that the relocation of the Project to another location would not substantially reduce the Project's primary significant impacts relative to traffic, air quality, and noise, and would likely have a greater impact regarding land use compatibility, visual context and scale since it is specific to a highly urbanized environment. Although an alternative location may eliminate potentially significant historical and specific view impacts, it would likely cause view impacts in an alternative location due to the size of the proposed buildings. Further, since the Project location is specific to the Civic Center Mall, Grand Avenue, and the Bunker Hill Redevelopment Project parcels, it would not be feasible to expand and renovate of the Civic Center Mall or develop the Grand Avenue streetscape improvements between Fifth Street and Cesar E. Chavez Avenue in another location. For all these reasons, the Alternative Location Analysis was properly rejected.

The second rejected alternative was the development of institutional uses, such schools and hospitals, in the remaining Bunker Hill Redevelopment Project parcels, Parcels Q, W-1/W-2, L and M-2. This alternative was rejected since it would have a significant land use impact in relation to the implementation of the policies of adopted plans and policies, including housing policies of the General Plan Framework; policies of the Central City Community Plan to encourage a mix of uses which create a 24-hour downtown environment; policies of the Bunker Hill Redevelopment Plan to provide convenient and efficient living accommodations for downtown employees and a range of housing types, including affordable housing; the policies of the existing Bunker Hill Design for Development which call for a mix of commercial and residential uses in these parcels; and policies of the Downtown Strategic Plan, which recognize the need to substantially increase the residential presence in the downtown community. Such an alternative would also not implement the jobs/housing balance goals of SCAG's Regional Comprehensive Plan and Guide or the goals of that plan to place high-density multi-family uses within urban centers in close proximity to transit and other multi-modal transportation opportunities. This alternative would also not meet the basic objectives of the Project to provide a mixed-use development with a mix of uses that are economically viable. For all these reasons, this alternative was properly rejected.

Finally, a commentator during the public review process suggested that the Project should be modified to include a higher percentage of affordable housing units. However, the developer has committed to 20 percent of the overall housing units in the Project being affordable units, and substantial evidence supports the conclusion that additional subsidies from the LA/CRA or others for an even greater number of

affordable housing units in the Project are not available or feasible, and that key Project objectives would not be achieved if more financial resources of the Project are devoted to additional affordable housing units, including the use of funds to improve and extend the existing County Mall into a Civic Park that can serve as a public gathering place for the entire region. Accordingly, the Authority finds that such an alternative to the Project is not feasible within the meaning of CEQA.

The Five Alternatives Evaluated in the FEIR

The following alternatives were analyzed in detail in the FEIR since they could (i) meet some of the Project Objectives and avoid or lessen some impacts or (ii) were required to be analyzed by the applicable provisions of CEQA (namely, the No Project Alternative):

- Alternative 1: No Project "A" – The Project site remains in its existing conditions.
- Alternative 2: No Project "B" – Development on Parcels Q and W-2 would occur per the provisions of the 1991 Owner Participation Agreement applicable to those parcels, while development on Parcels W-1, L, and M-2 would occur per current City zoning. Under the No Project "B" Alternative, the Grand Avenue streetscape program would be limited to only improvements along the frontage of Parcel Q, while no improvements to the existing Civic Center Mall would occur.
- Alternative 3: Reduced Density Alternative – Development on the five parcels would be reduced by 25 percent, as would proposed building heights. Improvements within the Civic Park as well as along the Grand Avenue streetscape program would be reduced commensurate with the reduced funding for Phase 1 that would be available from prepaid lease revenues.
- Alternative 4: Alternative Design Alternative – Two unrelated components of the Project would be changed under this Alternative – the Civic Park and the location of the towers on Parcels L and M-2. Under this Alternative, the existing Civic Center Mall's four character-defining features would remain as they exist today and in their current locations, or they would be retained and reused within the Civic Park in accordance with the Secretary of the Interior's Standards for the Rehabilitation of Historic Buildings. Also under this Alternative, the towers proposed for development on Parcels L and M-2 would be reversed, such that the tower proposed for the southeast corner of Parcels L and M-2 would be moved to the southwest corner, and the tower proposed for the northwest corner would be moved to the northeast corner.
- Alternative 5: Alternative land Use Alternative – development on all five development parcels would be residential supported by a limited amount of retail development. The Civic Park and Grand Avenue streetscape program under this Alternative would be the same as the Project.

As described in this Section XII, the FEIR analyzed the issues of whether each of these alternatives (i) could achieve most of the Project Objectives and (ii) could reduce the Project's potentially significant impacts.

Alternative 1 - No Project "A"

a. Ability to Achieve Most of the Project Objectives

The No Project "A" Alternative would not meet the ultimate goal of the Project to provide an economically viable, architecturally distinguished community-oriented, mixed-use development with welcoming public open spaces or create, define, and celebrate the Civic and Cultural Center as a regional destination in downtown Los Angeles. In addition, the No Project "A" Alternative would also not meet any of the Project's priority objectives. This alternative would not meet the priority objective to create a vibrant 24-hour development that activates the Civic and Cultural Center through a mix of uses that complement each other, and that add to those that already exist on Bunker Hill; or meet the priority objective to implement the redevelopment plan objectives to permit a maximum density of development commensurate with the highest standards of architecture and landscape design. This alternative would also not meet the priority objective to generate at least \$50 million in funds from the Project itself, and at least \$45 million from Phase 1 by the lease of public land, and use these funds to improve and extend the existing Civic Center Mall into a Civic Park that can serve the entire region. This alternative would also not meet the priority objective of providing affordable units and it would not meet the priority objective to create a long-term stream of additional tax revenues for the City, the CRA/LA and the County. The No Project "A" Alternative would also not meet the additional objectives of the Project in that it would not generate specific public benefits; activate downtown Los Angeles, create a civic gathering place, enhance pedestrian connections, create distinguished architectural design, or facilitate achievement of redevelopment goals for the Bunker Hill District and the Central Business District.

b. Ability to Reduce the Project's Residual Significant Impacts

The No Project "A" Alternative would avoid the Project's significant and unavoidable impacts associated with compliance with existing zoning designations, construction hauling, periodic closures of the Grand Avenue and Hill Street ramps to the garage beneath the existing Civic Center Mall during their relocation, any temporary lane closures, intersection service thresholds, occasional traffic congestion during evening and large-scale events in the Civic Park, DAARP residential parking requirements, view obstruction, character-defining features in the Civic Center Mall, air quality (constructions and operation), noise (construction), and parks and recreation (during construction of Civic Park), but would be less beneficial in relation to the implementation of existing land use plans and visual quality. The No Project "A" Alternative, however, would not eliminate significant, unavoidable traffic impacts that would occur under future baseline traffic conditions due to ambient growth and the development of other projects.

c. Determination of Infeasibility

Based on the findings set forth in this subsection, the analysis contained in the FEIR, and other substantial evidence in the record of the proceedings concerning the Project, the Authority finds that this alternative is not feasible within the meaning of CEQA.

Alternative 2 - No Project "B"

a. Ability to Achieve Most of the Project's Objectives

The No Project "B" Alternative would not meet the ultimate goal of the Project to provide an economically viable, community-oriented, mixed-use development. In addition, the No Project "B" Alternative would not meet any of the Project's priority objectives. The No Project "B"

Alternative would not meet the Project's priority objective to establish Grand Avenue as a vibrant 24-hour urban place that activates the Civic and Cultural Center through a mix of uses and complement each other due to the substantial reduction of the Grand Avenue Streetscape Program, and no development of street front retail uses along Parcels L and M-2. This Alternative would not meet the Project's priority objective to generate at least \$50 million in funds from the Project itself, and at least \$45 million from Phase 1 by the lease of public land, and then using these funds to create the proposed Civic Park, nor implement the Grand Avenue Streetscape Program as envisioned. As such, it would not meet the Project objectives to create a civic gathering place and to enhance pedestrian connections. This Alternative would also not meet the priority objective of the Project to implement redevelopment plan objectives to permit a maximum density of development, since this Alternative would not maximize density on Parcels W-1/W-2, L and M.

Although the No Project "A" Alternative would meet the Project's priority objective to create a long-term stream of additional tax revenues for the City, the CRA/LA and the County, the magnitude of revenue generation would be substantially reduced under this Alternative as compared to the Project, since Parcels W-2/W-2, L and M-2 would not be developed to their full potential. Furthermore, this Alternative would meet the priority objective to ensure that 20 percent of all residential units are affordable, since it would contain only a fraction of the number of affordable units that would be generated by the proposed Project's residential units.

b. Ability to Reduce the Project's Residual Significant Impact

The No Project "B" Alternative would reduce, but not completely avoid, the Project's significant and unavoidable impacts associated with construction hauling, lane closures, intersection service levels (although it would incrementally reduce peak hour traffic), DAARP residential parking requirements, view obstruction, air quality (construction and operation), and noise (construction). This alternative would be less beneficial than the Project in relation to the implementation of existing land use plans, which call for a greater mix of residential uses in the urban center and revitalization of the downtown. The No Project "B" Alternative would, however, avoid the Project's potential significant impacts associated with zoning compliance, periodic closures of the Grand Avenue and Hill Street ramps to the Civic Center mall during the reconstruction of the ramps, occasional traffic congestion during evening and large-scale events in the Civic Park, possible removal of historically significant character-defining features in the existing Civic Center Mall, and short-term recreational impacts associated with the closure of the existing Civic Center Mall during the construction of the Civic Park.

c. Determination of Infeasibility

Based on the findings set forth in this subsection, the analysis contained in the FEIR, and other substantial evidence in the record of the proceedings concerning the Project, the Authority finds that this alternative is not feasible within the meaning of CEQA.

Alternative 3 - Reduced Density Alternative

a. Ability to Achieve Most of Project's Objectives

The reduced Density Alternative may not meet the ultimate goal of the Project to provide an economically viable development since, with the reduction in scale, the Reduced Density Alternative would not be as economically viable as the Project. In addition, the Reduce Density Alternative would not meet the majority of the Project's priority objectives to create a vibrant, 24-hour development that activates the Civic and Cultural Center to the same extent as the Project.

Furthermore, since the Alternative has less development than the Project, it would not meet the priority objective to implement redevelopment plan objectives to permit a maximum density of development. The Reduced density Alternative also would not implement the Project's priority objective to generate at least \$50 million in funds from the Project itself, and at least \$45 million from Phase 1 by the lease of public land, and then to use these funds to improve and extend the existing Civic Center Mall into the proposed Civic Park. In addition, this Alternative would not implement the Grand Avenue Streetscape Program (except adjacent to Parcel Q), further reducing the ability of this Alternative to meet the objectives of the Project to create a civic gathering place and to enhance pedestrian connections.

The Reduce Density Alternative would meet the priority objectives to ensure that 20 percent of all residential units in the Project are affordable units; however, due to the reduction in residential units, this would provide 25 percent fewer affordable units than the Project. This Alternative would also meet the priority objective to create a long-term stream of additional tax revenues for the City, the CRA/LA and the County. However, since it would represent a reduction in scale, the stream of additional tax revenues would be incrementally less than under the Project.

The Reduced Density Alternative would meet the Project's objective to encourage public transit opportunities through the development of high-density residences in close proximity to existing transit systems. The Reduced Density Alternative would also meet the Project objective to provide residential densities in the Bunker Hill Redevelopment Project area as well as improve the jobs/housing balance downtown and establish a variety of housing types, although it would not maximize residential densities as well as the Project. The Reduced Density Alternative would also implement the redevelopment plan objectives to provide housing for workers who seek housing near their employment, but to a lesser degree than would occur under the Project.

b. Ability to Reduce the Project's Residual Significant Impacts

The Reduced Density Alternative would reduce, but not completely avoid, the Project's significant and unavoidable impacts associated with zoning compliance construction hauling, lane closures, periodic closures of the Grand Avenue and Hill Street ramps to the garage beneath the Civic Center Mall during their reconstruction, operation traffic, occasional traffic congestion during evening and large-scale events in the Civic Park, DAARP residential parking requirements, view obstruction, air quality (construction and operation), and noise (construction). Additionally, this Alternative may possibly reduce impacts associated with the possible removal of the historically significant character-defining features in the Civic Center Mall, and short-term recreational impacts associated with the closure of Civic Center Mall during the Civic Park's construction phase, if the scope of the development in the Civic Park were reduced.

c. Determination of Infeasibility

Based on the findings set forth in this subsection, the analysis contained in the FEIR, and other substantial evidence in the record of the proceedings concerning the Project, the Authority finds that this alternative is not feasible within the meaning of CEQA.

Alternative 4 – Alternative Design Alternative**a. Ability to Achieve Most of Project Objectives**

As with the Project, the Alternative Design Alternative would meet the ultimate goal of the Project to provide an economically viable, architecturally distinguished, community-oriented, mixed-use development with notable public open spaces that would create, define, and celebrate the Civic and Cultural Center as a regional destination. In addition, the Alternative Design Alternative would meet all the Project's priority objectives. This Alternative would meet all of the Project's specific objectives that are intended to ensure that the proposed development would generate specific public benefits, activate downtown Los Angeles, create a civic gathering place, enhance pedestrian connections, create distinguished architectural design, facilitate achievement of redevelopment goals for the Bunker Hill District and the amended Central Business District Redevelopment Plans.

b. Ability to Reduce the Project's Residual Significant Impacts

Through the retention of historically significant character-defining features, the Alternative Design Alternative would avoid the Project's potential significant impact on the historic resources present within the existing Civic Center Mall. However, the feasibility of retaining those elements of Civic Center Mall is not known at this time since the final design of Civic Park has not been completed. Due to, among other considerations, that final design may call for not retaining all of those features because of economic factors or planning objectives inherent in the Civic Park program.

This alternative would also reduce the Project's significant view impact for the residents of the Grand Promenade Tower building that have northerly views to a less than significant level. However, the Alternative Design Alternative would not avoid the Project's significant and unavoidable impacts associated with zoning compliance, construction hauling, lane closures, periodic closures of the Civic Mall Garage's Grand Avenue and Hill Street ramps to the garage beneath the existing Civic Center Mall during their reconstruction, intersection service levels, DAARP residential parking requirements, views from locations other than the Grand Promenade Tower apartments, air quality (construction and operation), noise (construction). This Alternative would avoid the Project's potentially significant impacts on character-defining features in the existing Civic Center Mall.

c. Determination of Infeasibility

Based on the findings set forth in this subsection, the analysis contained in the FEIR, and other substantial evidence in the record of the proceedings concerning the Project, the Authority finds that (i) the component of this alternative concerning mandatory retention of the character-defining features of the Civic Center Mall is not feasible within the meaning of CEQA since the final design of the Civic Park is not known at this time, and (ii) the component of this alternative that concerns the reversal of the location of the two towers on Parcels L and M-2 is feasible.

Alternative 5 - Alternative Land Use Alternative**a. Ability to Achieve Most of Project Objectives**

The Alternative Land Use Alternative, which would not provide a mixture of hotel and retail uses with the proposed residential uses, would not meet the ultimate goal of the Project to provide an economically viable, community-oriented, mixed-use development. Additionally, since this

Alternative would not provide a hotel and would provide a limited amount of street-front retail uses and restaurants, this Alternative would not meet the priority objective of the Project to the same extent as the Project to create a vibrant, 24-hour development that activates the Civic and Cultural Center by attracting both residents and visitors through a mix of uses that complement each other. Although this Alternative anticipates implementation of the Grand Avenue Streetscape Program, with the absence of street-front retail uses and restaurants, this Alternative would not meet the priority objective to create a pleasant living and working environment to the same degree as the Project. This Alternative would meet the priority objective to generate at least \$50 million in funds from the Project itself, and at least \$45 million from Phase 1 by the lease of public land, and use these funds to improve and extend the existing Civic Center Mall into the proposed Civic Park. This Alternative would also meet the priority objective to ensure that 20 percent of all residential units in the Project are affordable units for low-income residents. This objective would also meet the priority objective to create a long-term stream of additional tax revenues for the City, the CRA/LA and the County. However, since taxes on residences are less than on commercial uses, this Alternative would not meet this objective to the same extent as the Project.

b. Ability to Reduce the Project's Residual Impacts

The Alternative Land Use Alternative would not avoid the Project's significant and unavoidable impacts associated with zoning compliance (due to residential uses in existing C2 zones), construction hauling, lane closures, periodic closures of the Grand Avenue and Hill Street ramps to the garage beneath the existing Civic Center Garage's during their reconstruction, intersection service levels, occasional traffic congestion during evening and large-scale events in the Civic Park, and DAARP residential parking requirements. However, the Alternative Land Use Alternative would incrementally reduce peak hour traffic. This Alternative would also not avoid the Project's potential significant impacts associated with air quality (construction and operation), noise (construction), and short-term recreational impacts associated with the closure of the existing Civic Center Mall during the construction of the proposed Civic Park.

c. Determination of Infeasibility

Based on the findings set forth in this subsection, the analysis contained in the FEIR, and other substantial evidence in the record of the proceedings concerning the Project, the Authority finds that this alternative is not feasible within the meaning of CEQA.

The Environmentally Superior Alternative

CEQA Guideline 15126.6 requires the identification of an environmentally superior alternative to the proposed Project and, if the environmentally superior alternative is the "No Project Alternative," the identification of an environmentally superior alternative from among the remaining alternatives. An environmentally superior alternative is an alternative that would reduce and/or eliminate the significant, unavoidable environmental impacts associated with a project without creating other significant impacts and without substantially reducing and/or eliminating the environmental benefits attributable to the Project. Accordingly, selection of an environmentally superior alternative is based on an evaluation of the extent to which the alternatives reduce or eliminate the significant impacts associated with the Project, and on a comparison of the remaining environmental impacts of each alternative. The determination of the environmentally superior alternative is not based on any assessment of the Alternative's ability to meet the Project objectives.

In this matter, the No Project "A" Alternative (Alternative 1) would be the environmentally superior alternative as this alternative would have less impact relative to the Project than the other evaluated alternatives. CEQA requires that when the No Project Alternative is the environmentally superior alternative, another alternative needs to be selected as environmentally superior. Based on the findings set forth in this section XII and the analysis contained in the FEIR, the Authority determines that the Reduced Density Alternative would be the environmentally superior alternative, since it may reduce the Project's impacts more broadly than the other Project alternatives.

1.7 STATEMENT OF OVERRIDING CONSIDERATIONS

CEQA Guideline 15093(a) and (b) provides that:

- "(a) CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered 'acceptable.'
- (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record."

The Authority adopts and makes this Statement of Overriding Considerations ("SOC") concerning the Project's unavoidable significant impacts to explain why the Project's benefits override and outweigh its unavoidable environmental impacts. Based on substantial evidence in the record, the Authority finds that each benefit of the Project set forth in this SOC constitutes an overriding consideration warranting approval of the Project, despite the unavoidable impacts.

1. The Project will create a vibrant, 24-hour development that activates the Civic and Cultural Center by attracting both residents and visitors, day and night, through a mix of uses that are economically viable, that complement each other, and that add to those that already exist on Bunker Hill.
2. The Project will provide substantial economic benefits for the entire region, generating an estimated \$252 million annually in direct business revenues and over \$362 million in indirect (off-site) business revenues throughout the County, for a total of \$615 million in direct and indirect revenues generated by the Project each year.
3. The business activity generated by the Project is estimated to create up to 5,900 permanent jobs, both on-site and throughout the region. These workers will earn an estimated \$165 million in pre-tax wages and salaries. All jobs generated on the Project site will comply with the CRA/LA's Living Wage Policy.
4. The Project will also create a significant number of construction jobs. Over the life of the construction of the Project, approximately 29,000 direct and indirect construction jobs will be created. These workers will earn over \$1 billion in wages and salaries. All on-site construction jobs will comply with the Prevailing Wage law.

5. Significant tax revenues, an estimated \$105 million, will be generated annually by the Project. These tax revenues will be shared by all levels of government. Approximately \$74 million will go to the federal government, \$21 million to the State government, \$5.7 million to the County government, and approximately \$4.1 million to local governments, all on an on-going, annual basis.
6. The Project will generate at least \$50 million in funds from the earlier phases of the Project itself, and at least \$45 million from Phase 1 of the overall development, through the lease of public land. These funds will be used to improve and extend the existing Los Angeles County Mall into a Civic Park that can serve as a public gathering place for the entire region. The ground lease of the development parcels was structured in a manner to ensure completion of the new Civic Park by the time Phase 1 of the development is completed.
7. The Project will revitalize, expand upon and activate the existing Los Angeles County Mall by developing it into a Civic Park stretching from the Music Center to City Hall. The new Civic Park will be operated to serve as an active, welcoming setting for daily activity as well as a gathering place for community celebrations, cultural and ethnic celebrations, festivals, holiday events, political gatherings and the like. The new Civic Park will be designed to accommodate a variety of sizes of community events and to encourage use of the Metro Red Line, which passes underground through the park at Hill Street.
8. The Project will provide a substantial amount of affordable housing units for low-income and very low income residents. The number of affordable units will equal 20 percent of the total number of housing units developed in the Project, which could yield up to 532 affordable units under the Additional Residential Development Option at full build-out. Long-term affordability covenants to guarantee the availability of such units to such qualified residents will be imposed.
9. The Project will develop a substantial number of housing units in the downtown, up to a total number of 2,660 units under the Additional Residential Development Option. This mix of additional housing units will greatly expand the diversity of downtown living options.
10. The Project will encourage and accommodate pedestrian activity by improving the streetscape along Grand Avenue between Fifth Street and Cesar Chavez Avenue. Streetscape improvements will include the strategic use of landscaping, benches and lighting, improved paving, and wider sidewalks where feasible. Such improvements will create an urban street that will foster pedestrian activity without comprising the functional requirements of vehicular circulation.
11. The Project will create new public spaces on the development parcels that are open and accessible to the public, including plaza areas, outdoor terraces and other gathering places, all with seating areas and landscaping.
12. The Project will increase the value of the four publicly owned, underutilized development parcels, while minimizing public investment in the Project. The value of these uniquely located public parcels will be further increased by the synergistic combination of the parcels into a unified development.
13. The Project will maintain the potential for a new County office building within the later phases of the Project.

14. The Project will create a northern anchor for the downtown area, complementing the southern anchor at "LA Live" to create a more diverse and vibrant downtown core.
15. The Project will enhance the use of public transit by creating easy access to the Metro Red Line at its Civic Center station, and easy access to the many local and commuter bus lines that surround the Project site.
16. The Project will improve pedestrian access from transit stops to the many regional attractions on Grand Avenue, including the Music Center, the Walt Disney Concert Hall, the Colburn School, and the Museum of Contemporary Art. Public access through the Project site will be facilitated by escalators, elevators, and a bridge over Olive Street, all assisting the pedestrian in transitioning the steep slope of Bunker Hill from Hill Street (where the Metro Red Line/Purple station exists) to Grand Avenue.
17. The Project will improve the jobs/housing balance in downtown, an area considered to be a "jobs rich" environment. By increasing the amount of housing available in a jobs rich area, there is a greater likelihood that people will work and live in areas in close proximity, thereby reducing traffic congestion and improving air quality when compared to traditional commuting patterns where the residence and job locations are separated by great distances.
18. The Project will comply with the CRA/LA's public art policy, which will facilitate the placement and maintenance of more public art in the downtown area.
19. The Project will create a job outreach and training program that will provide opportunities for local and low-income residents to secure jobs generated by the construction and operation of the Project through, among other ways, hiring and apprentice goals, coordination with the applicable unions, and on-the-job training requirements for such resident workers.
20. The Project will implement and satisfy numerous objectives of the Bunker Hill Redevelopment Plan (as listed in greater detail in Section V of the Findings and hereby incorporated into this SOC), including, but not limited to, the development of a project with a maximum density commensurate with the highest standards of architecture and landscape design aimed at creating a pleasant living and working environment.

1.9 MITIGATION MONITORING AND REPORTING PROGRAM

In accordance with CEQA Guideline 15091(d), the Authority adopts the Mitigation Monitoring Program that is included as part of the FEIR (the "MMP"). The MMP describes each of the mitigation measures identified in the FEIR, the entities responsible for implementing and monitoring each of those measures, and anticipated schedules for completion of those measures. Those measures and implementing program set forth in the MMP have been made enforceable through conditions in the DDA.

2.0 GENERAL CONSIDERATIONS

Each and all of the findings and determinations contained herein are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the FEIR. All of the language included in these Findings constitutes findings by the Authority, whether or not any particular sentence or clause includes a statement to that effect. All summaries of information in these Findings are based on the entire record of the proceedings, and the absence of any particular fact from any such summary herein is not an indication that a particular finding is not based, in part, on that fact.

The Authority's analysis and evaluation of the FEIR and the Project is based on the best information currently available. This practical limitation is acknowledged in CEQA Guideline 15151, which provides that "the sufficiency of an EIR is to be reviewed in light of what is feasible."

CONDITIONS FOR EFFECTUATING [T] TENTATIVE CLASSIFICATION REMOVAL

Pursuant to Los Angeles Municipal Code Section 12.32 G, the "T" Tentative Classification shall be removed by the recordation of a final parcel map or tract map or by posting of guarantees through the B-permit process of the City Engineer to secure the following without expense to the City of Los Angeles, with copies of any approvals or guarantees provided to the Department of City Planning for attachment to the subject City Plan Case file.

1. **Dedication(s) and Improvements.** Prior to the issuance of any building permits, public improvements and dedications for streets and other rights-of-way adjoining the subject property shall be guaranteed to the satisfaction of the Bureau of Engineering, Department of Transportation, Fire Department (and other responsible City, regional, and Federal government agencies, as may be necessary).

A. Responsibilities/Guarantees

- 1) As part of early consultation, plan review, and/or project permit review, the applicant/ developer shall contact the responsible agencies to ensure that any necessary dedications and improvements are specifically acknowledged by the applicant/developer.
- 2) Prior to the issuance of sign-offs for final site plan approval and/or project permits by the Department of City Planning, the applicant/developer shall provide written verification to the Department of City Planning from the responsible agency acknowledging the agency's consultation with the applicant/developer. The required dedications and improvements may necessitate redesign of the project. Any changes to the project design required by a public agency shall be documented in writing and submitted for review by the Department of City Planning.

B. Street Dedications for Parcel Q.

- 1) That a 7-foot wide strip of land be dedicated along 1st Street adjoining the subdivision to complete a 57-foot wide half right-of-way dedication in accordance with Major Highway Standards, including a 20-foot radius property line return at the intersections with both Grand Avenue and Olive Street all satisfactory to the City Engineer. Said dedication shall be a limited dedication excluding those portions within the elevations of a height of 14 feet above the finished sidewalk to 5 feet below the finished sidewalk elevations.
- 2) That an approximate 21-foot wide and variable width strip of land be dedicated along Grand Avenue adjoining the subdivision to incorporate the existing sidewalk all satisfactory to the City Engineer.

Those portions of the street dedication lying within the first 5 feet inside of the ultimate curb location can be dedicated as a limited street dedication excluding those portions 8 feet below the sidewalk elevation.

Those portions of the street dedication lying further inside of the first 5 feet inside of the ultimate curb location can be dedicated as a limited street dedication excluding those portions above the elevations of a height of 14 feet above the sidewalk and the elevation of a depth of 1 foot below the sidewalk elevations. A survey of the actual sidewalk areas shall be submitted to establish the actual limit of the dedication.

- 3) That the existing subsurface street easements and limited street easement along 2nd Street adjoining the tract area be correctly shown on the final map.
- 4) Dedicate any limited street dedication along 2nd Street in addition to the existing limited street easement, if necessary, to serve this development.
- 5) That arrangement be made with the Los Angeles County Department of Public Works prior to recordation of the final map for any necessary permits with respect to discharge into their existing storm drain in the easement along the southerly subdivision boundary.
- 6) That a Covenant and Agreement be recorded advising all future owners and builders that prior to issuance of a building permit, a Notice of Acknowledgment of Easement must be recorded and an application to do work in any slope easements and to construct over the existing slope facilities must be submitted to the City Engineer for approval.
- 7) That a set of drawings be submitted to the City Engineer showing the following (for airspace subdivision only):
 - a) Plan view at different elevations.
 - b) Isometric views.
 - c) Elevation views.
 - d) Section cuts at all locations where air space lot boundaries change.
- 8) That the owners of the property record an agreement satisfactory to the City Engineer stating that they will grant the necessary easements for ingress and egress purposes to serve proposed airspace lots to use upon the sale of the respective lots and they will maintain the private easements free and clear of obstructions and in a safe condition for use at all times.
- 9) That a Covenant and Agreement be recorded satisfactory to the City Engineer binding the subdivider and all successors to the following:
 - a) That the owners shall be required to maintain all elements of the structure above and below the limited street rights-of-way of adjoining the subdivision in a safe and usable condition to the satisfaction of the City Engineer. The City shall be given reasonable access to the structure and adjacent to the limited

street rights-of-way areas for any necessary inspection, upon request during normal business hours. The City may request the owners to repair or replace damaged, defective or unsafe structural elements or to correct unacceptable conditions at the owner's expense if owner elects not to do so. Owner shall grant reasonable access to City's contractor to make said repairs.

- b) The owners shall be required to limit use and occupancy the structures below the limited street rights-of-way for parking use only. No combustible material shall be stored in the merger area.
 - c) The owners shall obtain a B-Permit from the City Engineer for any substantial structural modification below the street right-of-way area and for any structural modification areas and for any structural element outside said areas which provides lateral or vertical support to structures within the areas.
- 10) That the subdivider execute and record an agreement satisfactory to the City Engineer to waive any right to make or prosecute any claims or demands against the City for any damage that may occur to the structures underneath the limited easements of public street (2nd Street, 1st Street and Grand Avenue) in connection with the use and maintenance operations within said street easement. This waiver of damage shall also be shown on the final tract map.
 - 11) That a revised map be submitted for information purposes satisfactory to the City Engineer and Advisory Agency showing the exact locations, including upper and lower elevations, of limited dedicated areas. This revised map will be used for the final map checking process and should show only one master lot.
 - 12) If a full dedication is provided along Grand Avenue prior to the recordation of the final map pursuant to VAC-E1400906, then that portion of Grand Avenue lying 5 feet inside of the ultimate curb location below 8 feet below the sidewalk elevation, and that portion lying further inside of the first 5 feet inside of the ultimate curb location above 14 feet above the sidewalk elevation and below 1 foot below the sidewalk elevation, shall be permitted to be merged with the remainder of the subdivision pursuant to Section 66499.20-1/2 of the State Government Code.

C. Street Dedications for Parcels L and M-2

- 1) That a 33-foot wide and variable width strip of land be dedicated for the existing upper 2nd Street improvements adjoining the subdivision to align with the lower 2nd Street underground easement line and also the back of the existing sidewalk along the subdivision, together with suitable corner cut or property line radius at the intersections with Grand Avenue and Hope Street all satisfactory to the City Engineer.
- 2) That all the existing public streets and subsurface street easements within the subdivision be delineated on the final map satisfactory to the City Engineer.

- 3) That two copies of a parking area and driveway plan be submitted to the Central District Office of the Bureau of Engineering for review and approval or that a Covenant and Agreement be recorded agreeing to do the same prior to the issuance of a building permit.
- 4) That a Covenant and Agreement be recorded advising all future owners and builders that prior to issuance of a building permit, a Notice of Acknowledgment of Easement be recorded, and an application to do work in any sanitary sewer and drainage easements and to construct over the existing sanitary sewer and drainage facilities shall be submitted to the City Engineer for approval.
- 5) That a portion of General Thaddeus Kosciuszko Way, a public street between Grand Avenue and Hope Street, proposed for airspace merger above the height of 20 feet measured from the top of the curb of the street pavement and below 14 feet below the finished street grade, as determined by the City Engineer, be permitted to be merged with the remainder of the subdivision pursuant to Section 66499.20-1/2 of the State Government Code, and in addition, the following conditions be executed by the applicant and administered by the City Engineer:
 - a) That consents to the airspace area being merged and waivers of any damages that may accrue as a result of such mergers be obtained from all property owners who might have certain rights in the area being merged.
 - b) That satisfactory arrangements be made with all public utility agencies maintaining existing facilities within the area being merged.

Note: The Advisory Agency hereby finds that the airspace area to be merged is unnecessary for present or prospective public purposes and all owners of the interest in the real property within the subdivision have or will have consented to the merger prior to the recordation of the final map.
- 6) That confirmations be obtained and submitted to the Central Engineering District of the Bureau of Engineering from all public utility agencies that might have certain rights in the area being merged below General Thaddeus Kosciuszko Way that there are not planned uses in the area that will conflict with such merger. The proposed subsurface merger may not be approved if substantial utility needs are identified.
- 7) That a complete set of detailed drawings of the airspace parcel map be submitted to the City Engineer for review showing the following:
 - a) Plan view at different elevations.
 - b) Isometric views.
 - c) Elevation views.

- d) Section cuts at all locations where air space lot boundaries change.
- 8) That the owners of the property record an agreement satisfactory to the City Engineer stating that they will grant the necessary easements for ingress and egress purposes to serve proposed airspace lots to use upon the sale of the respective lots and they will maintain the private easements free and clear of obstructions and in a safe condition for use at all times.
 - 9) That a Covenant and Agreement be recorded satisfactory to the City Engineer binding the subdivider and all successors to the followings:
 - a) That the owners shall be required to maintain all elements of the structure above and below the limited General Thaddeus Kosciuszko Way rights-of-way being provided in a safe and usable condition to the satisfaction of the City Engineer. The City shall be given reasonable access to the structure within and adjacent to the limited General Thaddeus Kosciuszko Way right-of-way area for any necessary inspection, upon request during normal business hours. The City may request the owners to repair or replace damaged, defective or unsafe structural elements or to correct unacceptable conditions at the owner's expense if owner elects not to do so. Owner shall grant reasonable access to City's contractor to make said repairs.
 - b) The owners shall obtain a B-Permit from the City Engineer for any substantial structural modification above or below the General Thaddeus Kosciuszko Way right-of-way area and for any structural elements outside said areas which provide lateral or vertical support to structures within the areas.
 - 10) That the subdivider execute and record an agreement satisfactory to the City Engineer to waive any right to make or prosecute any claims or demands against the City for any damage that may occur to the proposed structures adjacent to the public right-of-way dedication area being provided in connection with the use, construction and maintenance operations within said General Thaddeus Kosciuszko Way right-of-way.
 - 11) That a Waiver of Damages Agreement and an Indemnification Agreement Covenant to run with the land, be executed by the owners and submitted to the Bureau of Engineering for approval, and subsequently be recorded relieving the City of any liability arising from the construction, maintenance and use of the proposed airspace subdivision areas being proposed. This waiver and indemnity statement shall be also included in the final map.
 - 12) That proper excavation permits be obtained from the City Engineer and shoring and/or lateral support plans be submitted for review and approval all satisfactory to the City Engineer.

- 13) That plans for new structural design crossing General Thaddeus Kosciuszko Way between Hope Street and Grand Avenue be reviewed and approved satisfactory to the City Engineer.
- 14) That the subdivider make a request to the Central District Office of the Bureau of Engineering to determine the capacity of the existing sewers in this area.
- 15) That a soil and geology report be submitted to the Geotechnical Engineering Group of the Bureau of Engineering for their review and approval which may add additional relevant conditions.
- 16) That a revised map be submitted for information purposes satisfactory to the City Engineer and Advisory Agency showing the exact locations, including upper and lower elevations, of merger areas. This revised map will be used for the final map checking process and should show only one master lot.

D. Street Dedications for Parcels W-1 and W-2

- 1) That a 7-foot wide strip of land be dedicated along 1st Street adjoining the subdivision to complete a 57-foot wide half right-of-way dedication in accordance with Major Highway Standards, including 20-foot radius property line returns at the intersection with Hill Street and with Olive Street all satisfactory to the City Engineer.
- 2) That a portion of Olive Street between elevations of 390 feet and 408 feet as shown on the tentative map be permitted to be merged with the remainder of the subdivision pursuant to Section 66499.20-1/2 of the State Government Code. The exact limits of the merger area shall be determined during the revised map process. In addition, the following be done and be administered by the City Engineer:
 - a) That consents to the street being merged and waivers of any damages that may accrue as a result of such mergers be obtained from all property owners who might have certain rights in the area being merged.
 - b) That satisfactory arrangements be made with all public utility agencies maintaining existing facilities within the area being merged.

Note: The Advisory Agency hereby finds that the dedications to be merged are unnecessary for present or prospective public purposes and all owners of the interest in the real property within the subdivision have or will have consented to the merger prior to the recordation of the final map.

- 3) That a set of drawings be submitted to the City Engineer showing the followings:
 - a) Plan view at different elevations.
 - b) Isometric views.
 - c) Elevations views.
 - d) Section cuts at all locations where air space lot boundaries change.
- 4) That the owners of the property record an agreement satisfactory to the City Engineer stating that they will grant the necessary easements for ingress and egress purposes to serve proposed airspace lots to use upon the sale of the respective lots and they will maintain the private easements free and clear of obstructions and in a safe condition for use at all times.
- 5) That the subdivider make a request to the Central District Office of the Bureau of Engineering to determine the capacity of the existing sewers in this area.
- 6) That the petitioners record a covenant and agreement to run with the land pertaining to the pedestrian bridge over Olive Street to include the following:
 - a) That the owners be required to maintain and support all elements of the pedestrian bridge within the proposed airspace merger area as well as structures in the private property that support the pedestrian bridge for safety and usability to the satisfaction of the City Engineer. An annual fee of \$0.10 per plan square foot (with automatic annual escalation proportioned to the cost of Living index) shall be paid to the City Engineer for the purposes of City inspection of the facilities. The City shall be given reasonable access to the structure within and adjacent to the vacation area for this purpose upon request during normal business hours. The City may request the owners to repair or replace damaged, defective or unsafe structural elements or to correct unacceptable conditions at the owners' expense. The City may make such repairs at the owner's expense if the owner elects not to do so or does not respond within a reasonable time. Owners shall grant reasonable access to the City's contractor to make said repairs.
 - b) That the owners be required to limit use and occupancy of the structure within the merged airspace area to pedestrian bridges and retail space. No storage of combustibles will be allowed, nor will any other use or occupancy be allowed except as approved in writing by the Department of Building and Safety and the Department of Public Works.

- 7) That the following conditions regarding the pedestrian bridge within the merged airspace area above Olive Street be complied with satisfactory to the City Engineer:
 - a) That the owners obtain approval of the City Engineer for any substantial structural modification within the area and for any structural element outside the merged area which provides lateral or vertical support to the structures within the merged area.
 - b) That plans of structural details shown on standard size City sheets and structural calculations of the bridge structures, both signed by a Civil or Structural Engineer registered in the State of California, be submitted to the City Engineer for review and approval.
 - c) That a Class "B" permit be obtained from the Bureau of Engineering and that a deposit be made with said Bureau sufficient to cover the City's cost for plan checking, construction inspection, and incidental costs relative thereto.
 - d) That a building permit from the Department of Building and Safety be obtained for the construction of the portion of the structure located within the private property.
 - e) That the owners provide and maintain a policy of general liability insurance in an amount not less than \$2,000,000.00 combined single limit per occurrence. Evidence of such insurance shall be on the City's General Liability Special Endorsement form or other form acceptable to the City Attorney and shall provide coverage for premises/operations and contractual liability.
 - f) That a Waiver of Damages agreement and an Indemnification Agreement and Right of Ingress and Egress - Covenant to run with the land be executed by the owners and submitted to the Bureau of Engineering for approval, and subsequently be recorded relieving the City of any liability arising from the construction, maintenance and use of the proposed pedestrian bridge structure, unless such damage is primarily caused by the City's willful misconduct or gross negligence. The forms to be used for these agreements shall be obtained from the Bureau of Engineering, Central District office, 201 N. Figueroa Street, Revocable Permit Section, Los Angeles, California 90012.
 - g) That a minimum clearance of 20 feet under the bridge to the roadway of Olive Street be provided at all points of the bridge from curb to curb in the vehicular lanes.
- 8) That a soil and geology report be submitted to the Geotechnical Engineering Group of the Bureau of Engineering for their review and approval which may add additional relevant conditions.

- 9) That a revised map be submitted for information purposes satisfactory to the City Engineer and Advisory Agency showing the exact locations, including upper and lower elevations, of merger areas. This revised map will be used for the final map checking process and should only show one master lot.
- E. That the following improvements for Parcel Q be either constructed prior to recordation of the final map or that the construction be suitably guaranteed:
- 1) Improve 1st Street being dedicated and adjoining the subdivision by the construction of a 17-foot full-width concrete sidewalk with tree wells, including any necessary removal and reconstruction of existing improvements all satisfactory to the City Engineer.
 - 2) Improve upper 2nd Street adjoining the subdivision by the construction of the following:
 - a) A concrete curb, a concrete gutter, and a minimum 10-foot full-width concrete sidewalk with tree wells.
 - b) Suitable surfacing to join the existing pavement and to complete a minimum 40-foot roadway or as constructed by other entities.
 - c) Any necessary removal and reconstruction of existing improvements.
 - d) The necessary transitions to join the existing improvement.
 - e) The improvement requirements may be deleted if the improvements have been suitably guaranteed by others in a manner satisfactory to the City Engineer.
- F. That the following improvements for Parcels L and M-2 be either constructed prior to recordation of the final map or that the construction be suitably guaranteed:
- 1) Improve General Thaddeus Kosciuszko Way adjoining the subdivision by:
 - a) Constructing an integral concrete curb and gutter, a 12-foot wide concrete sidewalk.
 - b) Constructing suitable surfacing to join the existing pavement and to complete a 56-foot complete roadway.
 - c) Removing and reconstructing the existing improvements as necessary.
 - d) Constructing the necessary transitions to join the existing improvements all satisfactory to the City Engineer.

- 2) Construct the necessary off-site and on-site mainline sewers satisfactory to the City Engineer.
- G. That the following improvements for Parcels W-1 and W-2 be either constructed prior to recordation of the final map or that the construction be suitably guaranteed:
- 1) Improve Olive Street adjoining the tract by the construction of an integral concrete curb and gutter, and a 12-foot full-width concrete sidewalk with tree wells including the curb return and bus pad at the intersection with 1st Street together with any necessary removal and reconstruction of the existing improvements all satisfactory to the City Engineer.
 - 2) Improve 1st Street being dedicated and adjoining the subdivision by the construction of a 17-foot full-width concrete sidewalk with tree wells, including any necessary removal and reconstruction of existing improvements all satisfactory to the City Engineer.
 - 3) Construct the necessary off-site and on-site mainline sewers satisfactory to the City Engineer.

2. **Street Lighting.**

- a. Remove four (4) lights on Thaddeus Kosciuszko Way; install tunnel / wall lighting on Thaddeus Kosciuszko Way and Lower Grand Avenue to satisfy the Bureau of Street Lighting.
- b. If street widening, relocate and upgrade eleven (11) on Grand Avenue, seven (7) on 1st Street, eleven (11) on Olive Street, six (6) on Hill Street, eight (8) on 2nd Street, and five (5) on Hope Street.
- c. Specific Condition: Satisfactory arrangements shall be made with the Bureau of Street Lighting to assure the property be formed or annexed into a Street Lighting Maintenance Assessment District.

3. **Street Trees.** Construct tree wells and plant street trees to the satisfaction of the Street Tree Division of the Bureau of Street Maintenance.
4. **Sewers.** Construct sewers to the satisfaction of the City Engineer.
5. **Drainage.** Construct drainage facilities to the satisfaction of the City Engineer.
6. **Parking and Driveway Plan.** Prior to the issuance of a building permit, the applicant shall submit a parking and driveway plan to the Bureau of Engineering and the Department of Transportation (Citywide Planning Coordination Section) for approval.
7. **Recreation and Parks Dedication/Fee.** Per Section 12.33 of the Municipal Code, the applicant shall dedicate land for park or recreational purposes or pay the applicable Quimby fee.

8. **Schools.** The applicant shall make payment to the Los Angeles Unified School District to offset the impact of additional student enrollment at schools serving the project area.
9. **Cable Television.** The applicant shall make necessary arrangements with the appropriate cable television franchise holder to assure that cable television facilities will be installed in City rights-of-way in the same manner as is required of other facilities, pursuant to Municipal Code Section 17.05.N, to the satisfaction of the Information Technology Agency.
10. **Police.** The building plans shall incorporate design guidelines relative to security, semi-public and private spaces (which may include but not be limited to access control to building), secured parking facilities, walls/fences with key systems, well-illuminated public and semipublic space designed with a minimum of dead space to eliminate areas of concealment, location of toilet facilities and building entrances in high-foot traffic areas, and provision of security guard patrol throughout the project site if needed. Refer to Design out Crime Guidelines: Crime Prevention Through Environmental Design published by the Los Angeles Police Department's Crime Prevention Section (located at Parker Center, 150 N. Los Angeles Street, Room 818, Los Angeles, Phone: 213-485-3134). These measures shall be approved by the Police Department prior to the issuance of building permits.
11. The requirements of the Fire Department relative to fire safety shall be incorporated into the building plans, which includes the submittal of a plot plan for approval by the Fire Department either prior to the recordation of a final map or the approval of a building permit. The plot plan shall include the following minimum design features:
 - a. Fire lanes, where required, shall be a minimum of 20 feet in width.
 - b. All structures shall be within 300 feet of an approved fire hydrant.
 - c. Entrances to any dwelling unit or guest room shall not be more than 150 feet in distance in horizontal travel from the edge of the roadway of an improved street or approved fire lane.
 - d. Access for Fire Department apparatus and personnel to and into all structures shall be required.
 - e. Fire lanes, where required and dead ending streets shall terminate in a cul-de-sac or other approved turning area. No dead ending street or fire lane shall be greater than 700 feet in length or secondary access shall be required.

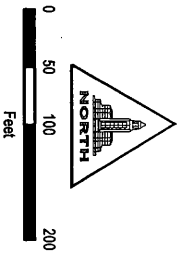
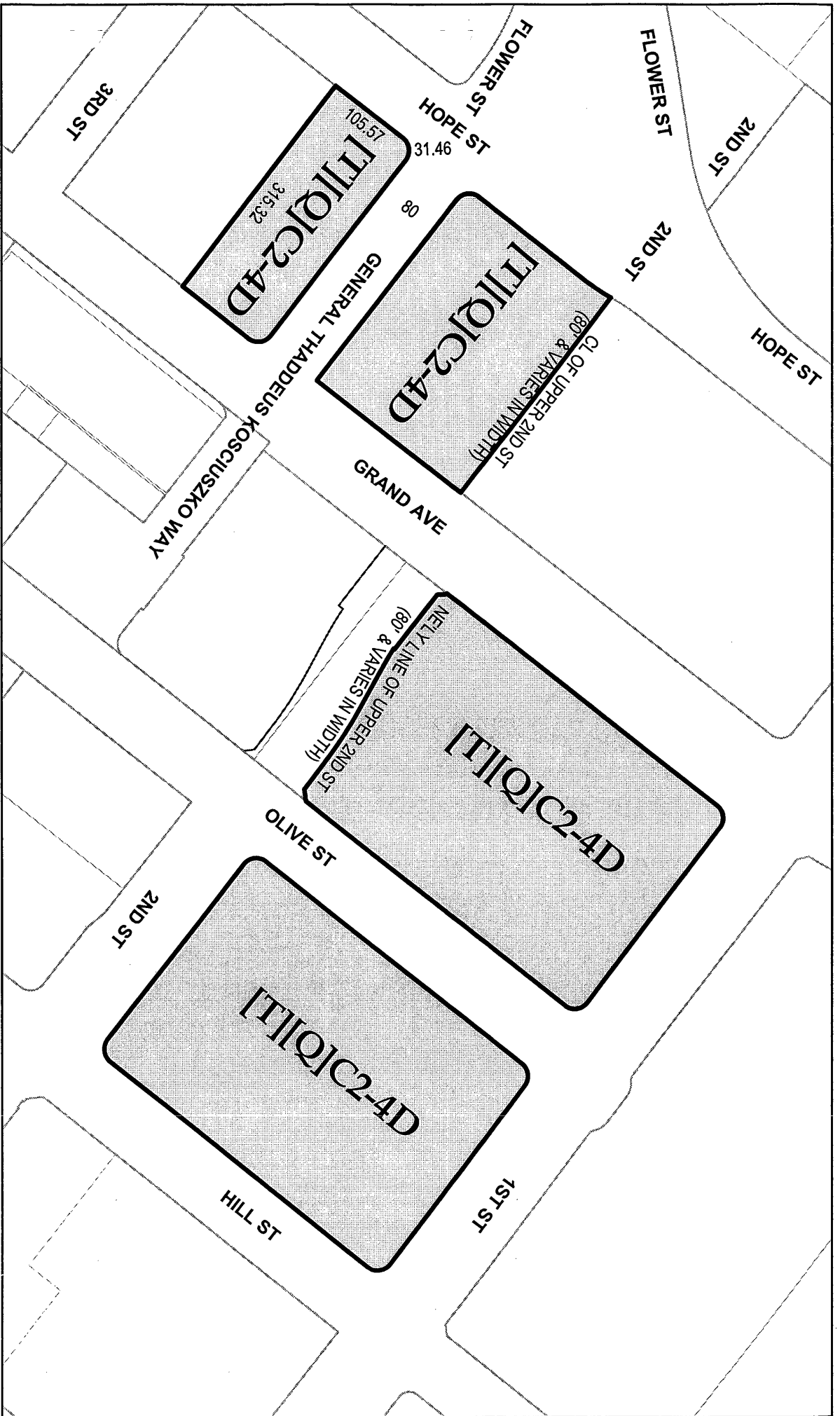
Notice. If conditions dictate, connections to the public sewer system may be postponed until adequate capacity is available. Certificates of Occupancies for the subject property will not be issued by the City until the construction of all the public improvements (streets, sewers, storm drains, etc.), as required herein, are completed to the satisfaction of the City Engineer.

ORDINANCE NO. _____

An ordinance amending Section .12.04 of the Los Angeles Municipal Code by amending the zoning map.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. Section 12.04 of the Los Angeles Municipal Code is hereby amended by changing the zones and zone boundaries shown upon a portion of the zone map attached thereto and made a part of Article 2, Chapter 1 of the Los Angeles Municipal Code, so that such portion of the zoning map shall be as follows:



Legend
 ZONE CHANGE AREA

CM 130.5A211, 130.5A213 132A211 & 132A213	CPC 2006 - 99702 ZC CU CUB ZV DA
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DG / *42*

06/26/07

[Q] QUALIFIED CONDITIONS OF APPROVAL

Pursuant to Section 12.32-G of the Municipal Code, the following limitations are hereby imposed upon the use of the subject property, subject to the "Q" Qualified classification.

A. Entitlement Conditions

1. **Use.** The use of the subject property shall be limited to those uses permitted in the C2 Zone as defined in Section 12.16-A of the L.A.M.C and as may be allowed under Section 12.22-A, 18 of the L.A.M.C.
2. **Site Plan.** Prior to the issuance of any building permits for any development parcels/phase, the applicant shall submit detailed development plans, including a landscape plan, for those development parcels/phase to the Department of City Planning for review and approval, and verification of substantial conformance with the conditions herein, and with the Design Guidelines outlined in the Scope of Development of the Grand Avenue Disposition and Development Agreement. Such review shall address Phases II and III with the intent of meeting the urban design and architectural qualities of Phase I, including through-block pedestrian circulation, street-level plazas or other spaces intended to link the three phases as a recognizable urban neighborhood with consistent connections and public spaces. Such review shall be conducted by the Department of City Planning concurrently with, and in collaboration with, CRA's design review.
3. **Height.** No building or structure located on the subject property shall exceed a height of 750 feet on Parcel Q as measured from Grand Avenue, up to 600 feet on Parcels L/M-2 as measured from Grand Avenue, and up to 640 feet on Parcels W-1/W-2 as measured from Hill Street.
4. **Floor Area.** The total floor area of non-residential uses on the subject property shall not exceed 449,000 square feet of commercial retail space. The total floor area shall also not exceed 681,000 square feet of commercial office space, as defined by Sections 12.03, 12.21.1-A,5, and 12.21.1-B,4 of the Municipal Code, except as may be allowed pursuant to the Equivalency Program contained in the Final EIR (State Clearinghouse No. 2005091041), which allows a maximum development of up to 3.6 million square feet.
5. **Density.** Not more than 2,660 dwelling units under the Project with Additional Residential Development Option. Or alternatively, not more than 2,060 dwelling units under the Project with County Office Building Option may be constructed on the subject site, except as may be allowed pursuant to the Equivalency Program contained in the Final EIR (State Clearinghouse No. 2005091041).
6. **Parking.** All project related parking shall be provided in compliance with Section 12.21-A,4 of the Municipal Code and the following:
 - a. Separate parking areas shall be maintained for the residential tenants of the building and the commercial/guest parking areas. Signs shall be clearly posted at building entrances in large, easy to read lettering and shall indicate the general location of guest parking, if any. Sign wording shall be to the satisfaction of the Department of City Planning and shall indicate the number of reserved guest parking spaces.

- b. Parking for non-residential uses shall be provided in accordance with applicable provisions of Section 12.21-A,4 of the Municipal Code.

7. **Covenant and Agreement (Affordable Housing).** Prior to the issuance of any building permits for each development parcel/phase, in accordance with the Section 12.22-A,25(b) of the Municipal Code, the owner shall record a Covenant and Agreement with the City of Los Angeles Community Redevelopment Agency for the affordable units in the applicable development parcel/phase to preserve the affordability as follows: seven percent of the residential units for extremely low income households and 13 percent of the residential units for very low income households for Parcel Q; 10 percent of the residential units for very low income households and 10 percent of the residential units for low income households for Parcels L and M-2; and 10 percent of the residential units for very low income households and 10 percent of the residential units for low income households for Parcels W-1 and W-2 under the County Office Building Option; or 10 percent of the residential units for very low income households and 10 percent of the residential units for low income households for Parcels W-1 and W-2 under the Additional Residential Development Option, for a minimum of 99 years from issuance of a Certificate of Occupancy. The Covenant and Agreement shall prohibit any Tenant Improvement (TI) that would eliminate accessibility.
8. **Signs.** Any and all signs that do not conform to the City's sign standards shall require a Supplemental Use District (Sign District) or other appropriate entitlement approved by the City Planning Commission.
- B. **Other Conditions**
 9. **Construction Related Parking.** No employees or subcontractors shall be allowed to park on surrounding residential streets for the duration of all construction activities. Staging or parking of heavy construction vehicles along First Street, Second Street, Olive Avenue, Hill Street, Hope Street, General Thaddeus Kosciuszko Way, and Grand Avenue and all storage of construction vehicles shall be in compliance with a Construction Traffic/Management Plan to be approved by the Department of Transportation.
 10. **Truck Traffic Restricted Hours.** Truck traffic directed to the project site for the purpose of delivering materials or construction-machinery, truck deliveries, and truck queuing related to such deliveries to the project site shall be in compliance with a Construction Traffic/Management Plan to be approved by the Department of Transportation.
 11. **Loading.** Loading and unloading activities shall not interfere with traffic on any public street. Public sidewalks, alleys and/or other public ways shall not be used for the parking or loading or unloading of vehicles. The location of loading areas shall be clearly identified on the site plan to the satisfaction of the Department of City Planning.
 12. **Maintenance.** The subject property including associated parking facilities, sidewalks, outdoor pool areas, and landscaped planters adjacent to the exterior walls along the property lines shall be maintained in an attractive condition and shall be kept free of trash and debris. Trash receptacles shall be located throughout the site.

C. Environmental Impact Report Conditions (Five Development Parcels)**13. Aesthetics and Visual Resources.**

- a. During Project construction, the Developer, with regard to the five development parcels, shall ensure, through appropriate postings and daily visual inspections that no unauthorized materials remain posted on any temporary construction barriers or temporary pedestrian walkways, and that any such temporary barriers and walkways are maintained in a visually attractive manner throughout the construction period. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- b. Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall prepare and implement a tree replacement plan should mature trees along Grand Avenue be impacted by Project construction. Existing mature trees shall be replaced at a ratio of not less than 1:1, to the extent consistent with the final streetscape design. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- c. Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall schedule and coordinate sidewalk construction with the development of the adjacent parcels to reduce the duration and visual impact of construction activities. Scheduling of construction activities for the five development parcels shall be reviewed and approved by the Authority and implemented by the responsible parties.
- d. Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit a design plan and technical analysis prepared by the Project's architect as part of the building permit submission that demonstrates that the final selection of building materials for the five development parcels shall not create a significant glare impact on any offsite sensitive uses, including line-of-sight glare on any street or commercial, residential, or cultural use. The approved design plan shall be implemented by the developer with regard to the five development parcels. The design plan and technical study shall be reviewed and approved by the Authority.
- e. Prior to each construction phase, the developer with regard to the five development parcels, shall prepare, and, thereafter, implement plans and specifications to ensure that architectural lighting is directed onto the building surfaces and have low reflectivity in accordance with Illuminating Engineers Society (IES) standards to minimize glare and limit light onto adjacent properties.
- f. Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit to the Authority or other appropriate agency, for review and approval, building plans and specifications that demonstrate that all ventilation, heating and air conditioning ducts, tubes, and other such mechanical equipment shall be screened from the line-of-sight from the street. Approved building plans and specifications shall be implemented by the responsible parties.

- g. Prior to the start of each construction work phase, the developer, with regard to the five development parcels, shall submit design plans that demonstrate that all utility lines and connections are constructed underground. Approved utility plans and connections with regard to the five development parcels shall be reviewed and approved by the Authority. Approved utility lines and connections shall be implemented by the responsible parties.
- h. Prior to construction, the developer, with regard to the five development parcels, shall submit design plans for trash collection areas to the Authority for review and approval. Trash collection areas shall be screened from line of sight from the street. Approved design plans shall be implemented by the developer.
- i. Prior to the start of each construction work phase, the developer, with regard to the five development parcels shall prepare architectural plans that shall be reviewed and approved by the Authority such that all ground-level building fixtures, including, but not limited to, security gates, landscape light fixtures, pedestrian lights, air intake shafts, and other appurtenances are integrated into the architectural theme and/or design of the respective Project components. Approved architectural plans shall be implemented by the developer and the responsible parties.

14. Air Quality (Construction and Operation).

- a. During each construction phase, the developer, with regard to the five development parcels, shall implement a fugitive dust control program pursuant to the provisions of SCAQMD Rule 403. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with SCAQMD Rule 403 during construction with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance. Compliance with the applicable provisions of Rule 403 shall include, but not be limited to, using best available control measures listed in Table 1 of Rule 403 to minimize fugitive dust emissions from each fugitive dust source type within active operations, and will include at least the following specific best management practices (BMPs):
 - Water soils daily and not more than 15 minutes prior to earth moving activities;
 - Water surfaces two times per day or more in order to maintain a surface crust to prevent soil erosion;
 - Apply soil conditioners or vegetative cover to areas that will be exposed for an extended duration;
 - Apply chemical stabilizers within five working days of ceasing grading;
 - Install approved trackout prevention devices and provide street sweeping within the Project area;
 - Securely cover truck loads with a tarp;
 - Cease grading activities when wind speeds exceed 25 miles per hour;
 - Permanently seal exposed surfaces as soon as possible after grading is finished; and
 - Provide temporary wind fencing, consisting of wrapped chain link or solid fencing, around the sites that are being graded/excavated to reduce dirt/dust from being blown over to adjoining properties.

- b. During each construction phase, the developer, with regard to the five development parcels, shall utilize coatings and solvents that are consistent with applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.
- c. During each construction phase, the developer, with regard to the five development parcels, shall comply with SCAQMD Rule 402 to reduce potential nuisance impacts due to odors from construction activities. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.
- d. During each construction phase, the developer, with regard to the five development parcels, shall ensure that all haul truck tires shall be cleaned at the time these vehicles exit the Project site. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.
- e. During each construction phase, the developer, with regard to the five development parcels, shall ensure that all export material carried by haul trucks shall be covered by a tarp or other means. The City's Department of Building and Safety, or other appropriate City agency or department, shall provide oversight with regard to compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains jurisdiction to enforce this measure in the case of non-compliance.
- f. During each construction phase, the developer, with regard to the five development parcels, shall ensure that all construction equipment shall be properly tuned and maintained in accordance with manufacturer's specifications. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- g. During each construction phase, the developer, with regard to the five development parcels, shall ensure that construction equipment is maintained and operated so as to minimize exhaust emissions. During construction, trucks and vehicles in loading and unloading queues shall turn off their engines, when not in use, to reduce vehicle emissions. Construction emissions shall be phased and scheduled to avoid emissions peaks and discontinued during second-stage smog alerts. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction activities associated with the five development parcels.

- h. During each construction phase, the developer, with regard to the five development parcels, shall ensure that electricity rather than temporary diesel- or gasoline-powered generators shall be used to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- i. During each construction phase, the developer, with regard to the five development parcels, shall ensure that all construction vehicles shall be prohibited from idling in excess of five minutes, both on- and off-site. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- j. During each construction phase, the developer, with regard to the five development parcels, shall ensure that heavy-duty construction equipment shall use alternative clean fuels, such as low sulfur diesel or compressed natural gas with oxidation catalysts or particulate traps, to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- k. During each construction phase, the developer, with regard to the five development parcels shall ensure that shuttle service shall be provided to construction workers who are required to park in offsite parking lots if such lots are not within a walking distance of 1100 feet from the respective construction sites. CRA/LA shall determine compliance with this measure with regard to construction associated with the five development parcels.
- l. During each construction phase, the developer, with regard to the five development parcels, shall equip major earth moving equipment, haul trucks, and excavation equipment with particulate filters and catalytic converters. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- m. During each construction phase, the developer with regard to the five development parcels, shall ensure that building materials, architectural coatings and cleaning solvents shall comply with all applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD shall be responsible for the enforcement of this measure for all Project components in the case of non-compliance.
- n. During Project operations, the developer, with regard to the five development parcels, shall, to the extent feasible, ensure that deliveries are scheduled during off-peak traffic periods to encourage the reduction of trips during the most congested periods. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure, with regard to construction associated with the five development parcels.

- o. During Project operations, the developer, with regard to the five development parcels, shall coordinate with the MTA and the Los Angeles Department of Transportation to provide information to Project employees, residents and guests with regard to local bus and rail services. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels.
- p. Provide the appropriate number of bicycle racks located at convenient locations in the Project site. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each construction phase. The City's Department of Safety shall review and approve the number and location of the bicycle racks with regard to the five development parcels.
- q. During on-going Project operations, the developer, with regard to the five development parcels, shall ensure that all fixtures used for lighting of exterior common areas shall be regulated by automatic devices to turn off lights when they are not needed, but a minimum level of lighting should be provided for safety. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this mitigation measure with regard to the five development parcels.
- r. The developer, with regard to the five development parcels, shall provide convenient pedestrian access throughout the Project site. The Developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each construction phase. Pedestrian access plans shall be submitted to the Authority, for review and approval. Approved pedestrian access plans shall be implemented by the responsible parties.
- s. During Project operations, the developer, with regard to the five development parcels, shall ensure that all point source facilities shall obtain all required permits from the SCAQMD. The issuance of these permits by the SCAQMD shall require the operators of these facilities to implement Best Available Control Technology and other required measures that reduce emissions of criteria air pollutants. Proof of permit issuance by the SCAQMD shall be provided to the City's Department of Building and Safety, or other appropriate City agency or department, with regard to the five development parcels. Compliance with point source permits shall be enforced by the SCAQMD for all Project components.
- t. During Project operations, the developer, with regard to the five development parcels, shall ensure that commercial businesses located within the Project site shall be limited to those that do not emit high levels of potentially toxic air contaminants or odors (e.g., dry cleaners with on-site processing plants that handle toxic chemicals). The City's Department of Building and Safety, or other appropriate City agency or department, shall be responsible for the enforcement of this measure with regard to the five development parcels.
- u. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare and implement building plans and specifications that ensure that all residential and non-residential buildings shall, at a minimum, meet the California Title 24 Energy Efficiency standards for water heating, space heating and cooling. Approved building plans shall be

implemented by the developer and the responsible parties. Building plans and specifications with regard to the five development parcels shall be reviewed and approved by the City's Department of Building and Safety, or other appropriate City agency or department.

- v. During each construction phase, the Developer with regard to the five development parcels, shall ensure that building materials, architectural coatings and cleaning solvents shall comply with all applicable SCAQMD rules and regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction associated with the five development parcels. The SCAQMD retains enforcement of this measure for all Project components in the case on non-compliance.

15. Fire Protection and Related Services.

- a. During demolition activities occurring during each construction phase, the developer, with regard to the five development parcels, shall ensure sure that emergency access shall remain clear and unobstructed. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- b. Prior to each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications to ensure that the construction contractor is apprised of the requirement to maintain access to sub-surface parking structures associated with the Civic Center Mall, the Music Center, and the Colburn School for Performing Arts. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- c. During each construction phase, the developer, with regard to the five development parcels, shall maintain access for emergency response personnel to the Kenneth Hahn Hall of Administration, the Paseo de los Pobladores de Los Angeles, the County Courthouse, the Colburn School for Performing Arts, and the Walt Disney Concert Hall. The LAFD shall determine compliance with this measure with regard to construction in the five development parcels.
- d. Prior to each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan to ensure that emergency evacuation from the northwest side of the County Mall and Colburn School for Performing Arts, the southeast side of the Music Center and the Walt Disney Concert Hall would not be impeded by construction of the individual Project elements. With respect to the plan for the Mall, it must be prepared to coordinate with emergency evacuation plans for the Courthouse and the Hall of Administration. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- e. During each construction phase, the developer, with regard to the five development parcels, shall ensure that sufficient fire hydrants shall remain accessible at all times during Project construction. The LAFD shall determine compliance with this measure with regard to the five development parcels.

- f. Prior to the start of each construction phase and during Project operations, the developer, with regard to the five development parcels shall comply with all applicable State and local codes and ordinances, and the guidelines found in the Fire Protection and Fire Prevention Plan, and the Safety Plan, both of which are elements of the General Plan of the City of Los Angeles (C.P.C. 19708). The City of Los Angeles Fire Department (LAFD) shall determine compliance with this measure with regard to the five development parcels.
- g. During Project operations, the developer, with regard to the five development parcels shall maintain all access roads, including fire lanes, in an unobstructed manner, and removal of obstructions shall be at the owner's expense. The entrance to all required fire lanes or required private driveways shall be posted with a sign no less than three square feet in area in accordance with Section 57.09.05 of the Los Angeles Municipal Code. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- h. Prior to the start of each construction phase, the Developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications in accordance with LAFD requirements, and requirements for necessary permits shall be satisfied prior to commencement of construction on any portion of the five development parcels. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- i. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that will assure that any required fire hydrants that are installed shall be fully operational and accepted by the Fire Department prior to any building construction. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- j. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall submit plot plans indicating access roads and turning areas to the LAFD for review and approval. The developer, with regard to the five development parcels shall implement the approved plot plans. The LAFD shall determine compliance with this measure.
- k. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, engineering plans that show adequate fire flow and placement of adequate and required public and private fire hydrants. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- l. During each construction phase, the developer, with regard to the five development parcels, shall provide emergency access for Fire Department apparatus and personnel to and into all structures. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- m. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that will provide that any private roadways for general access use and fire lanes shall not be less than 20 feet wide and clear to the sky. The LAFD shall determine compliance with this measure with regard to the five development parcels.

- n. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that will provide that any fire lanes and dead end streets shall terminate in a cul-de-sac or other approved turning area. No dead end street or fire lane shall be greater than 700 feet in length or secondary access shall be required. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- o. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that designs any proposed development utilizing cluster, group, or condominium design not more than 150 feet from the edge of the roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- p. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that designs fire lanes to be not less than 28 feet in width. When a fire lane must accommodate the operation of Fire Department aerial ladder apparatus or where fire hydrants are installed, those portions shall not be less than 28 feet in width. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- q. Prior to the start of each construction phase, the developer, with regard to the five development parcels, where above ground floors are used for residential purposes, shall prepare, and thereafter implement, a plan that interprets the access requirement as being the horizontal travel distance from the street, driveway, alley, or designated fire lane to the main entrance of the residential units. The LAFD shall determine compliance with this measure.
- r. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs the entrance or exit of all ground level residential units to be no more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure.
- s. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides access that requires the accommodation of Fire Department apparatus, shall design the minimum outside radius of the paved surface to be 35 feet. An additional six feet of clear space must be maintained beyond the outside radius to a vertical point 13 feet 6 inches above the paved surface of the roadway. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- t. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall not construct any building or portion of a building to be more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane. The LAFD shall determine compliance with this measure with regard to the five development parcels.

- u. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that provides for access that requires accommodation of Fire Department apparatus, a design for overhead clearances to be not less than 14 feet. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- v. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides for additional vehicular access required by the Fire Department, where buildings exceed 28 feet in height. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- w. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall prepare, and thereafter implement, a plan that provides, where fire apparatus shall be driven onto the road level surface of the subterranean parking structure, for the structure to be engineered to withstand a bearing pressure of 8,600 pounds per square foot. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- x. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall record any private streets as Private Streets and Fire Lanes. All private street plans shall show the words "Private Street and Fire Lane" within the private street easement. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- y. During operation of the Project, the developer, with regard to the five development parcels, shall provide that all electric gates approved by the Fire Department shall be tested by the Fire Department prior to Building and Safety, or other appropriate City agency or department, granting a Certificate of Occupancy. The LAFD shall determine compliance with this measure.
- z. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that would not construct any building or portion of a building more than 300 feet from an approved fire hydrant. Distance shall be computed along path of travel with the exception that dwelling unit travel distance shall be computed to the front door of the unit. The LAFD shall determine compliance with this measure with regard to the five development parcels.
- aa. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall submit plans to the Fire Department for review and approval. Where rescue window access is required, the developer, with regard to the five development parcels, shall incorporate conditions and improvements necessary to meet accessibility standards as determined by the LAFD. The LAFD shall determine compliance with this measure.
- bb. During operations of the Project, the developer, with regard to the five development parcels shall have the curbs of all public street and fire lane cul-de-sacs painted red and/or be posted "No Parking at Any Time" prior to the issuance of a Certificate of Occupancy or Temporary Certificate of Occupancy for any structures adjacent to the cul-de-sac. The LAFD shall determine compliance with this measure with regard to the five development parcels.

- cc. Prior to the start of each construction phase, the developer, with regard to the five development parcels shall submit building plans to the LAFD for review and approval that demonstrate that automatic fire sprinklers shall be installed in all structures. The LAFD shall determine compliance with this measure.

16. Hazards and Hazardous Materials.

- a. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall properly decommission all unused groundwater monitoring wells, per applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels. The Regional Water Quality Control Board shall enforce compliance with this measure.
- b. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall test for the presence or absence of hydrogen sulfide and methane beneath the site by subsurface sampling. Should the sampling result in the discovery of hydrogen sulfide and/or methane, appropriate health and safety measures shall be implemented, in accordance with applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.
- c. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall take fill samples from each of the five parcels, and shall analyze these samples for contaminants at elevated concentrations. Should elevated contaminant concentrations be discovered, appropriate measures shall be implemented, in accordance with applicable regulations. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.
- d. Prior to the start of any demolition activities or renovation on any painted surfaces at the Project site, the developer, with regard to the five development parcels, shall conduct a survey of lead based paint (LBP) to determine the level of risk posed to maintenance personnel, construction workers, facility staff, and patrons from exposure to the paints present at the site. Any recommendations made in that survey related to the paints present at the Project site shall be implemented prior to the demolition or renovation of said painted surfaces. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

17. Noise.

- a. To reduce any impact on nearby venues that may be noise sensitive receptors, such as the Music Center, Disney Concert Hall, and the County Courthouse, the following Measures G-1 and G-2 shall be implemented as follows: During each construction phase, the developer, with regard to the five development parcels, shall limit (i) construction activities utilizing heavy equipment to Monday through Friday from 7:00 a.m. to 8:00 p.m., and (ii) interior construction work inside building shells and construction activities not utilizing heavy equipment to 7:00 a.m. to 9:00 p.m. Monday through Friday. Saturday construction shall be limited to 8:00 a.m. to 6 p.m. No exterior construction

activities shall be permitted on Sundays or holidays per applicable City regulations. Construction noise measures shall also be implemented, which may include the use of noise mufflers on construction equipment used within 100 feet of these buildings. The City's Department of Building and Safety or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- b. During each construction phase, the developer, with regard to the five development parcels shall not use heavy equipment within (to the maximum extent practicable) 100 feet of the County Courthouse building while Court is in session. Construction contracts must specify that all construction equipment shall be in proper operating condition and fitted with standard factory silencing features and other applicable attenuation devices such as mufflers. The City's Department of Building and Safety or other appropriate City agency or department shall determine compliance with this measure with regard to the five development parcels.
- c. During the initial stage of each construction phase (site demolition and site preparation/excavation) for each Project parcel and when construction activities are within 200 feet of noise sensitive land uses, the developer, with regard to the five development parcels, shall erect a temporary, 8-foot, ½-inch-thick plywood fence along the boundaries of each construction site adjacent to noise sensitive uses such that the "line of sight" between on-site construction activities and the residential or other sensitive uses is blocked, where feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- d. During each construction phase, the developer, with regard to the five development parcels, shall ensure that pile drivers within the individual activity/development site under construction at that time shall be equipped with noise control devices having a minimum quieting factor of 10 dBA. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction in the five development parcels.
- e. During each construction phase, the developer, with regard to the five development parcels, shall, except as otherwise permitted by applicable agreements, ensure that construction loading and staging areas shall be located on the Project site within each respective construction site and away from noise-sensitive uses to the extent feasible. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to construction in the five development parcels.
- f. Prior to the issuance of grading permits for each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, plans and specifications that include a requirement to route pedestrians (to the maximum extent practicable) 50 feet away from the construction area when heavy equipment such as hydraulic excavators are in use. Such routing may include the posting of signs at adjacent intersections. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

- g. During each construction phase, the developer, with regard to the five development parcels, shall designate a construction relations officer to serve as a liaison with surrounding property owners who is responsible for responding to any concerns regarding construction noise. The liaison shall coordinate with the Project construction manager(s) to implement remedial measures in the shortest time feasible. The liaison's telephone number(s) shall be prominently displayed at multiple locations along the perimeter of each construction site. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- h. The developer, with regard to the five development parcels, shall prepare and implement building plans that ensure prior to the start of each construction phase which includes residential development, that all exterior walls, floor-ceiling assemblies (unless within a unit), and windows having a line of sight (30 degrees measured from the horizontal plane) of Grand Avenue, Hill Street, Hope Street, First Street, and Second Street of such residential development shall be constructed with double-paned glass or an equivalent and in a manner to provide an airborne sound insulation system achieving a lab-tested Sound Transmission Class of 30, subject to field testing, as defined in UBC Standard No. 35-1, 1982 edition. Sign off by the City's Department of Building and Safety, or other appropriate City agency or department, shall be required prior to obtaining a building permit. The developer, as an alternative, may retain an engineer registered in the State of California with expertise in acoustical engineering, who shall submit a signed report for an alternative means of sound simulation satisfactory to the City's Department of Building and Safety, or other appropriate City agency or department. Examples of alternative means may include, but are not limited to, the following: (1) acoustical seals for doors and windows opening to the exterior; (2) consideration of the type, location, and size of windows; and (3) sealing or baffling of openings and vents. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.

18. Police Protection Services.

- a. During each construction phase, the developer, with regard to the five development parcels, shall provide clear and unobstructed LAPD access to the construction site. The LAPD shall determine compliance with this measure with regard to the five development parcels.
- b. During ongoing construction, the developer, with regard to the five development parcels shall provide security features on the construction site(s), such as guards, fencing, and locked entrances. The LAPD shall determine compliance with this measure.
- c. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall submit plot plans for all proposed development to the Los Angeles Police Department's Crime Prevention Section for review and comment. Security features subsequently recommended by the LAPD shall be implemented by the developer to the extent feasible.

- d. At the completion of each construction phase, the developer, with regard to the five development parcels shall file as-built building plans with the LAPD Central Area Commanding Officer. Plans shall include access routes, floor plans, and any additional information that might facilitate prompt and efficient police response. The LAPD shall determine compliance with this measure.
- e. During Project operations, the developer, with regard to the five development parcels shall install alarms and/or locked gates on doorways providing public access to commercial facilities. The LAPD shall determine compliance with this measure with regard to the five development parcels.
- f. During Project operations, the developer, with regard to the five development parcels shall not plant landscaping in a way that could provide cover for persons tampering with doors or windows of commercial facilities, or for persons lying in wait for pedestrians or parking garage users. The LAPD shall determine compliance with this measure with regard to the five development parcels.
- g. Additional lighting shall be installed where appropriate, including on the Project site and in parking garages, as determined in consultation with the LAPD with regard to the five development parcels. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each construction phase.
- h. Prior to the issuance of a certificate of occupancy for each construction phase and during Project operations, the developer, with regard to the five development parcels, shall develop, and thereafter implement, a new or modified Security Plan to minimize the potential for on-site crime and the need for LAPD services. The plan would outline the security services and features to be implemented, as determined in consultation with the LAPD. The LAPD shall determine compliance with this measure with regard to the five development parcels.

The following shall be included in the plan:

1. Provision of an on-site security force that would monitor and patrol the Project site. During operational hours, security officers shall perform pedestrian, vehicular, and/or bicycle patrols;
2. Implementation of a video camera surveillance system and/or a closed-circuit television system;
3. Additional security features shall be incorporated into the design of proposed parking facilities, including "spotters" for parking areas, and ensuring the availability of sufficient parking either on- or off-site for all building employees and anticipated patrons and visitors;
4. Security lighting incorporating good illumination and minimum dead space in the design of entryways, seating areas, lobbies, elevators, service areas, and parking areas to eliminate areas of concealment. Security lighting shall incorporate full cutoff fixtures which minimize glare from the light source and provide light downward and inward to structures to maximize visibility;
5. Provision of lockable doors at appropriate Project entryways, offices, retail stores, and restaurants;
6. Installation of alarms at appropriate Project entryways and ancillary commercial structures;

7. All businesses desiring to sell or allow consumption of alcoholic beverages are subject to the issuance of a Conditional Use Permit by the City;
 8. Accessibility for emergency service personnel and vehicles into each structure, and detailed diagram(s) of the Project site, including access routes, unit numbers, and any information that would facilitate police response shall be provided to the Central Area Commanding Officer;
 9. In addition, security procedures regarding initial response, investigation, detainment of crime suspects, LAPD notification, crowd and traffic control, and general public assistance shall be outlined in the Security Plan. The plan would be subject to review by the LAPD, and any provisions pertaining to access would be subject to approval by the Los Angeles Department of Transportation.
- i. Prior to the issuance of a certificate of occupancy for each construction phase and on-going during operations, the developer, with regard to the five development parcels, shall develop, and thereafter implement, an Emergency Procedures Plan to address emergency concerns and practices. The plan shall be subject to review by the LAPD with regard to the five development parcels and any provisions pertaining to access would be subject to approval by LADOT.
- 19. Parks.** Prior to the issuance of a certificate of occupancy, the developer, with regard to the five development parcels, shall: (1) dedicate additional parkland such that the Project would provide a total of 3 acres per 1,000 Project residents; (2) pay in-lieu fees for any land dedication requirement shortfall; or (3) a combination of the above. The City's Department of Building and Safety, or other appropriate City agency or department shall determine compliance with this measure.
- 20. Schools.** Prior to the issuance of each building permit, the developer, with regard to the five development parcels, shall pay school mitigation fees pursuant to the provisions of California Government Code Section 65995. The City's Department of Building and Safety, or other appropriate City agency or department shall determine compliance with this measure.
- 21. Transportation and Traffic.**
- a. The developer with regard to the five development parcels, shall prepare, prior to the start of each construction work phase, a Construction Traffic Control/Management Plan ("Plan") to be approved by the City of Los Angeles Department of Transportation ("LADOT") and implemented by the responsible party. The Plan shall include, but not be limited to, Project scheduling, the location and timing of any temporary land closures, traffic detours, haul routes, temporary roadway striping, and signage for traffic flow, as necessary, as well as the identification and signage of alternative pedestrian routes in the immediate vicinity of the Project, if necessary. The Plan should also provide for the coordination of construction areas, and for safe pedestrian movement throughout the Project Area such that adequate and safe pedestrian movement access is maintained to adjacent uses including the Walt Disney Concert Hall, the Music Center, the County Courthouse, and the Metro Red Line station portals (on Parcel W-2 and on the Court of Flags).

- b. After approval of the Construction Traffic Control/Management Plan(s) required under Q Condition No. 21.a and prior to the start of each construction work phase, the developer with regard to the five development parcels, shall submit a copy of the Plan(s) to the Authority or other appropriate agency, and/or the City Chief Administrative Officer or designee, and the County of Los Angeles Chief Administrative Officer. Following receipt of the Plan(s), the County Chief Administrative Officer shall distribute that information to all County properties on Grand Avenue, including the Hall of Administration, County Courthouse, the Walt Disney Concert Hall, and the Music Center, for further distribution of information to employees and visitors on construction schedules, alternative travel routes, and land and sidewalk closure information, as appropriate, and the Authority or other appropriate agency, or the City, shall distribute to the appropriate City departments for the same purpose.
- c. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall enter into one or more temporary arrangements with parking garages in the area of the Project, or with surface lot operators elsewhere in downtown or its periphery, to provide a sufficient supply of off-street spaces for the construction workers during Project construction, and will require all construction workers to use these designated parking spaces. These temporary arrangements shall be to the satisfaction of (i) CRA/LA or (ii) the County's CAO or its designee.
- d. If the Project proceeds with the County office building option, the County, on an on-going basis following initial occupancy, shall fund and implement a Transportation Demand Management (TDM) program for the proposed County office use in Parcel W-1/W-2. The County's Chief Administrative Officer shall ensure the County's review and approval of this TDM program. The TDM program could, for example, include an onsite transportation coordinator, post information on transit, and provide logistical support for the formation of carpools and vanpools, and other incentives to use transit and rideshare.
- e. The developer, with regard to the five development parcels, shall implement ATCS in conjunction with the area-wide ATCS program, if not otherwise implemented, prior to the completion of the first phase of development at the intersections identified by LADOT, although the implementation of this measure will provide mitigation to all three Project phases. Implementation of ATCS shall occur in the northern part of downtown, north of Eighth Street, at the locations identified by LADOT. LADOT has determined that implementation of the ATCS mitigation improvements in the area surrounding the Project would comprise the following: (1) upgrades to Model 2070 traffic signal controllers at 35 intersections; (2) installation of 58 ATSAC/ATCS system vehicle detectors at 9 intersections; and (3) installation of CCTV cameras to provide video information to the ATSAC Center at eight locations. Subject to a final determination by LADOT of the improvements required for the Project, ATCS shall also include LADOT's Transit Priority System (TPS).
- f. The following menu of mitigation measures have been developed to further reduce the Project's potential traffic and circulation impacts. The term "menu" refers to the various ways that each of the following measures can be implemented to achieve trip reduction. Selection shall be coordinated with the LADOT, who shall determine which of the mitigation measures are to be implemented.

1. Provide enhanced walking connections along the Project street frontages to transit service (to bus stops and to the Red Line station portals at First Street and Hill Street). These could comprise pedestrian amenities along the Project's street frontages, including landscaped sidewalks, wider crosswalks where feasible at key intersections, improved lighting for pedestrian safety at nighttime, and pedestrian wayfinding signage, to facilitate walking in the Project area. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.
 2. The developer, as determined by LADOT and prior to initial building occupancy for each development phase, shall provide enhanced bus stops on the street frontages of the five development parcels. These enhanced bus stops may include bus shelters with passenger amenities such as benches, shaded areas, and transit information that could be integrated into the overall urban design/landscaping of the Project.
 3. Provide transit information kiosks at various strategic locations on the Project site. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.
 4. The developer, with regard to the five development parcels, shall participate, to the extent feasible, in an on-going basis during Project operations, in a Share-Car program (e.g., Flexcar) that makes cars available to registered members. It is anticipated that up to three on-street parking spaces, subject to a determination of feasibility by LADOT, could be provided at key locations adjacent to the Project frontage for up to three Share-Cars. The Share-Cars could be available to both Project and non-Project users as long as they were members of the Share-Car program. The Project shall support a Share-Car organization's application to the City, and following any implementation of such application shall promote the Share-Car concept and encourage its usage with Project residents and tenants.
 5. Provide improved vehicular directional signage on surface streets approaching and within the Project area to direct vehicles to specific destinations and parking locations, as appropriate, to minimize vehicles circulating in the Project area. Such signage should be approved to the satisfaction of LADOT. The developer shall implement this measure with regard to the five development parcels prior to initial building occupancy for each development phase.
- g. The Developer, with regard to the five development parcels, shall re-stripe the westbound approach of the Third Street and Hill Street intersection from the existing configuration of one left turn lane, one through lane, and one shared through/right-turn lane to a future configuration of one left turn lane, two through lanes, and one exclusive right-turn lane. This improvement would require a slight widening of Third Street west of Hill Street before the entrance to the tunnel within the public right-of-way. The final lane configuration of this intersection shall be to the satisfaction of the City of Los Angeles Department of Transportation. In addition, any street widening and construction activities

shall be coordinated with the City of Los Angeles Department of Public Works, Bureau of Engineering.

22. Solid Waste.

- a. Prior to the issuance of a certificate of occupancy for each construction phase, and thereafter during Project operations, the developer, with regard to the five development parcels, shall comply with the provisions of City of Los Angeles Ordinance No. 171687 with regard to all new structures constructed as part of the five development parcels. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure.
- b. Prior to the issuance of each certificate of occupancy, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs all structures constructed or uses established within any part of the proposed Project site to be permanently equipped with clearly marked, durable, source sorted recyclable bins at all times to facilitate the separation and deposit of recyclable materials. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- c. Prior to the issuance of each certificate of occupancy, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, a plan that designs primary collection bins to facilitate mechanized collection of such recyclable wastes for transport to on- or off-site recycling facilities. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- d. During Project operations, the developer, with regard to the five development parcels, shall continuously maintain in good order for the convenience of businesses, patrons, employees and park visitors clearly marked, durable and separate bins on the same lot, or parcel to facilitate the commingled recyclables and deposit of recyclable or commingled waste metal, cardboard, paper, glass, and plastic therein; maintain accessibility to such bins at all times, for collection of such wastes for transport to on- or off-site recycling plants; and require waste haulers to utilize local or regional material recovery facilities as feasible and appropriate. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- e. During each construction phase, the developer, with regard to the five development parcels, shall implement a demolition and construction debris recycling plan, with the explicit intent of requiring recycling during all phases of site preparation and building construction. The City's Department of Building and Safety, or other appropriate City agency or department, shall review and approve the plan with regard to the five development parcels.

23. Water Conservation.

- a. Prior to initial occupancy of the buildings within Parcels L and W-1/W-2, the developer shall install new water lines along Second Street, from Olive Street to Hill Street to serve Parcels W-1/W-2, and from Hope Street to Lower Grand Avenue to serve Parcel L. The City's Department of Public Works shall review and approve all plans related to these new water lines. The developer shall be responsible for the implementation of these improvements.
- b. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall call DIG-ALERT to identify and mark on the ground surface the locations of existing underground utilities. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- c. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall perform potholing of existing water and gas mains to verify the depth of cover. If the depth of cover over the lines is shallow and the total street pavement section is thick (around 24 inches), then the temporary cover over the lines during construction may be reduced to 12 inches or less. Under these circumstances, protective measures shall be implemented to prevent damage or breakage of the lines during the pavement sub-grade preparation process, notices of service interruption, if necessary, shall be provided to customers in accordance with DWP-Water and ACG requirements. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- d. Prior to issuance of building permits for each construction phase, the developer, with regard to the five development parcels, shall pay the appropriate fees as may be imposed by the City's Department of Building and Safety, or other appropriate City agency or department. A percentage of building permit fees is contributed to the fire hydrant fund, which provides for citywide fire protection improvements. Compliance with this measure shall be determined by the City's Department of Building and Safety, or other appropriate City agency or department.
- e. Prior to the issuance of building permits for each construction phase, the developer, with regard to the five development parcels shall coordinate with the Los Angeles Department of Water and Power to conduct a flow test to confirm that the existing water system meets fire flow requirements imposed by the LAFD for the Project. The developer, with regard to the five development parcels shall undertake and complete required improvements as identified by the LADWP, based on the findings of the flow test. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- f. During Project operations, the developer, with regard to the five development parcels, shall incorporate Phase I of the City of Los Angeles' Emergency Water Conservation Plan into all privately operated parcels. The Plan prohibits hose watering of driveways and associated walkways, mandates decorative fountains to use recycled water, mandates drinking water in restaurants to be served upon request only, and provides that water leaks are repaired in a timely

manner. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure.

- g. During Project operations, incorporate Los Angeles County water conservation policies into the County Office Building, if the Project proceeds with the County office building option. The County with regard to the County Office Building, if the Project proceeds with the County office building option, shall be responsible for implementing this measure. The implementation of this measure shall be subject to the review and approval of the County's CAO or its designee.
- h. During Project operations, the developer, with regard to the five development parcels, and the County Office Building operator shall comply with any additional mandatory water use restrictions imposed as a result of drought conditions. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- i. During Project operations, the developer, with regard to the five development parcels, shall install automatic sprinkler systems to irrigate landscaping during morning hours or during the evening to reduce water losses from evaporation, and sprinklers shall be reset to water less often in cooler months and during the rainfall season so that water is not wasted by excessive landscape irrigation. The City's Department of Public Works, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

24. Wastewater

- a. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall comply with City ordinances limiting connections to the City sewer system, in accordance with City Bureau of Sanitation procedures. The City's Department of Public Works, Sanitation Bureau or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.
- b. Prior to the start of each construction phase, the developer, with regard to the five development parcels, shall prepare, and thereafter implement, building plan specifications for the installation of low-flow water fixtures and further encourage reduction of water consumption to minimize wastewater flow to the sewer system, in accordance with applicable water conservation requirements. The City's Department of Building and Safety, or other appropriate City agency or department, shall determine compliance with this measure with regard to the five development parcels.

D. Administrative Conditions

- 25. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, review or approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning for placement in the subject file.
- 26. **Code Compliance.** Area, height and use regulations of the zone classification of the subject property shall be complied with, except where herein conditions may vary.

27. **Covenant.** Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent property owners, heirs or assigns. The agreement shall be submitted to the Department of City Planning for approval before being recorded. After recordation, a copy bearing the Recorder's number and date shall be provided to the Department of City Planning for attachment to the file.
28. **Definition.** Any agencies, public officials or legislation referenced in these conditions shall mean those agencies, public offices, legislation or their successors, designees or amendment to any legislation.
29. **Enforcement.** Compliance with these conditions and the intent of these conditions shall be to the satisfaction of the Department of City Planning and any designated agency, or the agency's successor and in accordance with any stated laws or regulations, or any amendments thereto.
30. **Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety.
31. **Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the City Planning Commission, or the Director of Planning, pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if in the decision makers opinion, such actions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
32. **Mitigation Monitoring.** The applicant shall identify mitigation monitors who shall provide periodic status reports on the implementation of the Environmental Conditions specified herein, as to area of responsibility, and phase of intervention (pre-construction, construction, post-construction/maintenance) to ensure continued implementation of the Environmental Conditions. Subject to review and approval by the Department of City Planning, the subdivider may satisfy this requirement by submitting the Mitigation Monitoring Program previously approved by the Joint Powers Authority.
33. **Indemnification.** The applicant shall defend, indemnify and hold harmless the City, its agents, officers, or employees from any claim, action, or proceeding against the City or its agents, officers, or employees to attack, set aside, void or annul this approval which action is brought within the applicable limitation period. The City shall promptly notify the applicant of any claim, action, or proceeding and the City shall cooperate fully in the defense. If the City fails to promptly notify the applicant of any claim action or proceeding, or if the City fails to cooperate fully in the defense, the applicant shall not thereafter be responsible to defend, indemnify, or hold harmless the City.

Sec. _____. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

FRANK T. MARTINEZ, City Clerk

By _____ Deputy

Approved _____

Mayor

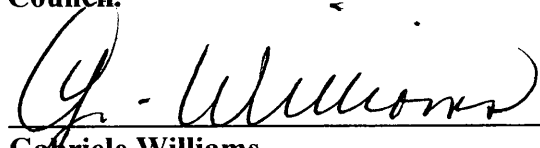
Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

Pursuant to Section 558 of the City Charter, the City Planning Commission on June 14, 2007, recommended this ordinance be adopted by the City Council.

By _____

City Attorney



Gabriele Williams
Commission Executive Assistant II

File No. _____

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

DLA Piper US LLP
550 South Hope Street, Suite 2300
Los Angeles, California 90071
Attention: John W. Whitaker, Esq.

DEVELOPMENT AGREEMENT

By and Between

CITY OF LOS ANGELES,
A MUNICIPAL CORPORATION

and

GRAND AVENUE L.A., LLC,
A DELAWARE LIMITED LIABILITY COMPANY

_____, 2007

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “**Agreement**”) is entered into as of the ____ day of _____, 2007 by and between the CITY OF LOS ANGELES, a municipal corporation (the “**City**”), and GRAND AVENUE L.A., LLC, a Delaware limited liability company (“**Developer**”), pursuant to California Government Code Section 65864, *et seq.*, and the implementing procedures of the City.

RECITALS

A. Certain portions of the Development Agreement Property (as defined below) are owned by the County (as defined below) and other portions of the Development Agreement Property are owned by the CRA (as defined below). Parcel W-1 (as defined below) is owned by a private third party.

B. As owners of portions of the Development Agreement Property, the County and the CRA formed the Authority pursuant to the Joint Powers Agreement (as defined below) to cause the development of the Project (as defined below) on the Development Agreement Property. The Development Agreement Property is located within the Redevelopment Project (as defined below) area.

C. In accordance with the requirements of the CRA, Community Redevelopment Law and the Joint Powers Agreement, the Authority and Developer entered into the DDA (as defined below) with respect to the development of the Project on the Development Agreement Property and processed and obtained City approval of the DDA.

D. As more particularly set forth in the DDA, the portions of the Development Agreement Property owned by the County or the CRA will be ground leased or ground subleased to the Authority (as defined below) and, in turn, the Authority will ground sublease or ground sub-sublease such portions of the Development Agreement Property to Developer.

E. The DDA and this Agreement (which hereby incorporates the DDA) have complementary as well as divergent objectives: (i) the DDA’s objective is to facilitate a specified private development on the Development Agreement Property which meets redevelopment criteria; and (ii) this Agreement’s objective is to regulate that private development in a way that assures Developer that specified City laws will be those applied to the Project over the term of this Agreement; and therefore to permit Developer to fulfill its obligations in all phases of the Project under the DDA.

F. Accordingly, to maximize City and Authority coordination on planning and monitoring issues related to the Project, and to clearly delineate the rights and obligations of the City, Authority and Developer, Developer has requested approval of this Agreement pursuant to Section 65865 of the Development Agreement Act, and The City has so approved this Agreement.

ARTICLE 1. DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

1.1 “**Applicable Rules**” means the Existing Rules and the Project Approvals as of the Effective Date.

1.2 “**Assignment Agreement**” means a written agreement between the Developer and a Transferee of the Developer, consistent with the terms of this Agreement, in which the parties agree to specific obligations of this Agreement being transferred from the Developer to the Transferee of the Developer. To be effective, the Assignment Agreement must be acknowledged by the Director of Planning, or his/her designee, on behalf of the City.

1.3 “**Authority**” means The Los Angeles Grand Avenue Authority, a California joint powers authority between the CRA and the County.

1.4 “**Civic Park**” means the civic park proposed to be developed in connection with the Project as specifically described in the DDA.

1.5 “**Civic Park Agreements**” means collectively, (i) that certain Civic Park Design Agreement entered into by Related and the Authority dated as of March 20, 2006 and (ii) a civic park development agreement to be entered into between Related or Developer and the County or an entity granted the right by the County to control the development of the Civic Park.

1.6 “**Community Plan**” means the Central City Community Plan of the General Plan, as adopted January 8, 2003.

1.7 “**CRA**” means the Community Redevelopment Agency of the City of Los Angeles, California, a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under Chapter 2 of the California Community Redevelopment Law.

1.8 “**County**” means the County of Los Angeles, California.

1.9 “**DDA**” means that certain Disposition and Development Agreement (Grand Avenue) dated as of March 5, 2007 by and between the Authority and Developer, as approved by the City Council and the County Board of Supervisors on February 13, 2007 and the Authority on March 5, 2007.

1.10 “**Development Agreement Act**” means Section 65864, *et seq.*, of the California Government Code.

1.11 “**Development Agreement Property**” means that certain real property located in the City consisting of (i) the Phase I Parcel, (ii) the Phase II Parcels and (iii) the Phase III Parcels and more particularly described in Exhibit B and shown in Exhibit C attached hereto. The Development Agreement Property is comprised of approximately 434,350 square feet of land

(assuming Parcel W-1 of the Phase III Parcels is included) located in the Redevelopment Project area.

1.12 “**Development Phase(s)**” shall refer in the singular to Phase I, Phase II or Phase III of the Project, or collectively to one or more of the foregoing Development Phases.

1.13 “**Discretionary Action**” or “**Discretionary Approval**” means an action which requires the exercise of judgment, deliberation or a decision on the part of the City, including any board, commission or department or any officer or employee of the City, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission or department or any officer or employee of the City, to determine whether there has been compliance with statutes, ordinances or regulations.

1.14 “**Effective Date**” means that date upon which this Agreement is attested by the City Clerk of the City after execution by Developer and the Mayor of the City.

1.15 “**EIR**” means that certain Environmental Impact Report covering the Project and certified by the Authority on November 20, 2006

1.16 “**Equivalency Program**” means a program described in the Scope of Development which allows the land uses and square footages of the Project to be modified in a manner that does not increase the Project’s impact on the environment.

1.17 “**Existing Rules**” means the rules, regulations, ordinances and officially adopted policies of the City in force as of the Effective Date, including, but not limited to the Los Angeles Municipal Code (the “**Municipal Code**”). Notwithstanding the language of this Section or any other language in this Agreement, all specifications, standards and policies regarding the design and construction of public works facilities, if any, shall be those that are in effect at the time the applicable Project plans are being processed for approval and/or under construction. Further, the Existing Rules shall include the Citywide programs which will be enacted after the Effective Date, for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972, and subsequent amendments to the Act.

1.18 “**General Plan**” means the General Plan of the City.

1.19 “**Implementation Agreement**” means that certain Implementation Agreement which is anticipated to be entered into by and between City and Developer.

1.20 “**Joint Powers Agreement**” means that certain Joint Exercise of Powers Agreement dated as of September 2, 2003 by and between the County and the CRA.

1.21 “**Parcel W-1**” means that approximately 53,631 gross square foot parcel known as Lot 1 of Tract No. 28633, Bk. 854, Pgs. 13 and 14 comprising an area generally bounded by Parcel W-2, Second Street, Hill Street and Olive Street.

1.22 “**Parties**” means collectively, the City and Developer.

1.23 **“Party”** means the City or Developer.

1.24 **“Phase I Parcel”** means that approximately 160,289 gross square foot and approximately 140,418 net square foot parcel (with 2nd Street easement area excluded) known as Lot 1 of Tract No. 28761, Bk. 926 Pgs. 5 through 8 (also known as Parcel Q), comprising a rectangular area generally bounded by Grand Avenue, First Street, Olive Street and a to-be-constructed extension of Second Street owned by the County.

1.25 **“Phase II Parcels”** means that approximately 108,163 gross square foot and approximately 95,999 net square foot area comprised of (i) the easterly approximately 105 feet of Lot 1 Tract No. 30780, Bk. 912 Pgs. 39-45, consisting of approximately 39,403 gross square feet and approximately 37,857 net square feet (with Grand Avenue easement area excluded) and located south of General Thaddeus Kosciuszko (**“GTK”**) Way (also known as Parcel M-2); (ii) Lot 2 of Tract No. 30779, Bk. 862 pgs. 16-20, consisting of approximately 68,760 gross square feet and approximately 58,142 net square feet (with Upper Second Street future street easement area excluded) north of GTK Way (also known as Parcel L); and (iii) the airspace above a plane 20 feet above GTK Way and the airspace below GTK Way, each owned by the CRA.

1.26 **“Phase III Parcels”** means (i) that approximately 87,812 gross square foot area known as Lot 2 of Tract No. 28633, Bk. 854 Pgs. 13 and 14, comprising an area generally bounded by Olive Street, First Street, Hill Street, and the northeasterly line of Lot 1 of Tract No. 28633, a portion of which consists of the airspace over the MTA subway station at First and Hill Street (also known as Parcel W-2), and owned by the County and (ii) if and when acquired, ground leased or otherwise controlled by Developer, Parcel W-1.

1.27 **“Processing Fees”** means all fees required by the City including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, maps and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all impact fees, linkage fees, or exactions which may be imposed by the City on development projects pursuant to laws enacted after the Effective Date, except as specifically provided for in this Agreement. Processing Fees include those impact fees, linkage fees, and exactions which are in effect as of the Effective Date, the amounts of which are subject to ongoing annual increases which shall be calculated at time of payment. The amount of the Processing Fees to be applied in connection with the development of the Project shall be the amount which is in effect on a Citywide basis at the time an application for the City action is made unless an alternative amount is established by the City in a subsequent agreement. Notwithstanding the language of this Section or any other language in this Agreement, Developer shall not be exempt from the payment of fees, if any, imposed on a Citywide basis as part of the City’s program for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972 and subsequent amendments thereto, unless a waiver of these fees is provided by the City in a subsequent agreement.

1.28 **“Project”** means the mixed-use development of the Development Agreement Property in three (3) Development Phases, to be completed in accordance with the DDA, including, specifically, the Scope of Development. The Project includes up to 2,660 residential dwelling units, 20 percent of which will be provided as affordable housing subject to the

provisions of the DDA, up to 449,000 square feet of floor area of retail uses, a boutique hotel of up to 275 hotel rooms, adequate parking to support these uses, and the Civic Park. In the alternative, the Project may consist of up to 681,000 square feet of floor area of office uses with a reduction of 600 residential dwelling units for a maximum of 2,060 residential dwelling units, 20 percent of which would be affordable housing units. The total Project size would be up to approximately 3,200,000 square feet of floor area if Parcel W-1 of the Phase III Parcels is not included in the Project, and up to approximately 3,600,000 square feet of floor area if Parcel W-1 of the Phase III Parcels is included in the Project. As described in such Scope of Development, the Project includes the Equivalency Program, and as such, the number of residential units, hotel rooms, land uses and square footages described in this definition are subject to adjustment pursuant to the Equivalency Program.

1.29 “**Project Approvals**” means (i) those matters set forth on Exhibit A attached hereto, (ii) the DDA and (iii) this Agreement.

1.30 “**Redevelopment Plan**” means the Redevelopment Plan for the Bunker Hill Redevelopment Project approved and adopted by the City Council of the City by Ordinance No. _____ on March 31, 1959, as heretofore amended.

1.31 “**Redevelopment Project**” means the Bunker Hill Redevelopment Project.

1.32 “**Related**” means The Related Companies, L.P., a New York limited partnership, and an affiliate of Developer.

1.33 “**Reserved Powers**” means the rights and authority excepted from this Agreement’s restrictions on the City’s police powers, and which are instead reserved to the City. The Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date that may be in conflict with the Applicable Rules, but: (i) are necessary to protect the public health and safety, and are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council, such as floods, earthquakes and similar disasters); (ii) are amendments to Chapter IX of the Municipal Code Section 91.0101, *et seq.* (Building Code) or Chapter V of the Municipal Code Section 57.01.01, *et seq.* (Fire Code) regarding the construction, engineering and design standards for private and public improvements to be constructed on the Development Agreement Property; (iii) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date), provided that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws and regulations do not render such remaining provisions impractical to enforce; or (iv) constitute Processing Fees and charges imposed or required by the City to cover its actual costs in processing applications, permit requests and approvals of the Project or in monitoring compliance with permits issued or approvals granted for the performance of any conditions imposed on the Project, unless otherwise waived by the City.

1.34 “**Scope of Development**” means Exhibit A to the DDA.

1.35 “**Transferee**” means individually or collectively, Developer’s successors in interest, assignees or transferees of all or any portion of the Development Agreement Property.

All capitalized terms used in this Agreement but not specifically defined herein shall have the meanings given to such terms in the DDA, unless the context requires otherwise.

ARTICLE 2. RECITALS OF PREMISES, PURPOSE AND INTENT

2.1 State Enabling Statute.

To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Act which authorizes any city to enter into binding development agreements establishing certain development rights in real property with persons having legal or equitable interests in such property. Section 65864 of the Development Agreement Act expressly provides as follows:

“The Legislature finds and declares that:

(a) The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer, and discourage investment in and a commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic cost of development.

(c) The lack of public facilities, including, but not limited to, streets, sewerage, transportation, drinking water, school and utility facilities, is a serious impediment to the development of new housing. Whenever possible, applicants and local governments may include provisions in agreements whereby applicants are reimbursed over time for financing public facilities.”

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City: (i) accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the Parties; and (ii) to offset such restraints, seeks public benefits which go beyond those obtained by traditional City controls and conditions imposed on development project applications.

2.2 City Procedures and Actions.

2.2.1 Planning Commission Action. The Planning Commission of the City held a duly noticed public hearing on _____, 2007, and recommended approval of this Agreement on the same date.

2.2.2 City Council Action. The City Council, on _____, 2007, after conducting a duly noticed public hearing, (a) adopted Ordinance No. _____, to become effective on the thirty-first day after publication, or on the forty-first day after posting, approving this Agreement, (b) found that the provisions of this Agreement are consistent with the General Plan, the Community Plan, and (c) authorized the execution of this Agreement.

2.3 **Purposes of this Agreement.**

2.3.1 Developer's Objectives. In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules, and with the terms of this Agreement and subject to the City's Reserved Powers. In the absence of this Agreement, Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in this Agreement, including the Applicable Rules. This Agreement, therefore, is necessary to assure Developer that the Project will not be (1) reduced in density, intensity or use from what is set forth in the Applicable Rules; (2) subjected to new rules, regulations, ordinances or official policies which are not related to compliance with State or Federal mandates or health and safety conditions; or (3) subjected to delays for reasons other than Citywide health and safety enactments related to critical situations such as, but not limited to, the lack of water availability or sewer or landfill capacity.

2.3.2 Mutual Objectives. Development of the Project in accordance with this Agreement will provide for the orderly development of the Development Agreement Property in accordance with the objectives set forth in the General Plan, the Community Plan and the Applicable Rules. Moreover, this Agreement will eliminate uncertainty in planning for and securing orderly development of the Project. The Parties believe that the orderly development of the Project will provide many public benefits to the City through the imposition of development standards and requirements under the provisions and conditions of this Agreement, including without limitation, assuring attainment of the public objectives and benefits for the City as described in Section 2.5. Additionally, although development of the Project in accordance with this Agreement will restrain the City's land use or other relevant police powers, this Agreement will provide the City with sufficient Reserved Powers during the term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to the City, Developer will receive assurance that the Project may be developed during the term of this Agreement in accordance with the Applicable Rules and Reserved Powers, subject to the terms and conditions of this Agreement.

2.4 **Applicability of this Agreement.**

This Agreement does not (1) grant density or intensity in excess of that otherwise established in the Applicable Rules, (2) eliminate future Discretionary Actions relating to the Project if applications requiring such Discretionary Action are initiated and submitted by the owner or ground lessee of a portion of the Development Agreement Property after the Effective Date, (3) guarantee that Developer will receive any profits from the Project, (4) prohibit the Project's participation in any benefit assessment district that is applicable to the Project itself and/or generally applicable to surrounding properties, or (5) amend the General Plan. This

Agreement has a fixed term. Furthermore, in any subsequent actions applicable to the Development Agreement Property, the City may apply the new rules, regulations and official policies as are contained in its Reserved Powers.

2.5 Public Objectives and Benefits.

In accordance with Article 2 hereof, the City and Developer wish to attain the following objectives through entering into this Agreement:

2.5.1 Comprehensive Planning Benefits. The City wishes to obtain the benefits of processing and negotiating in a single comprehensive planning document all requirements, exactions and other necessary planning actions relating to the Project and to facilitate efficient implementation of the General Plan, of which the Community Plan is a part. By entering into this Agreement, the City obtains the following comprehensive planning benefits (collectively, the “**Comprehensive Planning Benefits**”), all of which are objectives of the Community Plan:

(a) Assurance that the planning and development of the Development Phases of the Project proceed in accordance with a comprehensive and coordinated planning process involving the City, Developer and the Authority, in which public and private goals, objectives and interests are thoughtfully integrated and balanced in accordance with the Redevelopment Plan, General Plan and the Applicable Rules, the Reserved Powers and the terms and conditions of this Agreement;

(b) Incorporation of high-quality development features into the Project that will improve the aesthetic and social environment of the community, including upgraded landscaping, underground utilities, open spaces, pedestrian places and quality design;

(c) Provision for both short-term construction employment and long-term permanent employment (including through direct employment and generation of additional demand for services and products of others) within the community, which is an objective of the Community Plan;

(d) Improvement of the City’s economic position by increasing the City’s property tax revenues;

(e) Provision of high-quality new housing, including a twenty percent (20%) percent affordable housing component, in close proximity to existing mass-transit options and a significant number of employment opportunities in the greater downtown area of the City; and

(f) Assurance of a high-quality development which will facilitate the renewal of a deteriorated and underutilized sub-area of the Redevelopment Project and Community Plan area.

2.5.2 Public Benefits. Through the negotiation of the DDA and the Civic Park Agreements, the City has secured additional benefits that Developer has agreed to provide that go beyond those obtained by traditional City controls and conditions imposed on a development project, including, without limitation, those additional obligations of Developer set forth in

Section I of Exhibit D attached hereto, and in addition thereto it is anticipated that, through the negotiation of the Implementation Agreement the City will secure additional benefits as set forth in Section II of Exhibit D attached hereto (collectively, the “**Public Benefits**”).

ARTICLE 3. AGREEMENTS AND ASSURANCES

3.1 Agreement and Assurances on the Part of Developer.

In consideration for the City entering into this Agreement, and as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, Developer hereby agrees as follows:

3.1.1 Project Development. Developer agrees that it will use its best efforts, in accordance with its own business judgment and taking into account market conditions and economic considerations, to develop the Project in accordance with the terms and conditions of the DDA, the Civic Park Agreements and this Agreement, including those obligations set forth on Exhibit D attached hereto, and the Applicable Rules, which include:

(a) Dedication of Land for Public Purposes. Provisions for the dedication of land for public purposes are set forth in the Project Approvals.

(b) Description of Transportation Improvements. The transportation improvements to be included within the scope of the Project are set forth in the Project Approvals.

(c) Intensity of Project. The maximum development intensity of the Project shall comply with the Project Approvals or any adjustment thereto pursuant to the Equivalency Program.

(d) Maximum Height of the Project. The Project Approvals do not limit the maximum height of the Project buildings, other than as set forth in the EIR.

3.1.2 Timing of Development. Buildout of the Project will be a multiple-phase development that will occur incrementally, with development of each of the Development Phases expected to begin and buildout scheduled to occur as more particularly set forth in the Schedule of Performance set forth on Exhibit H attached hereto. Beyond these general parameters, the Parties acknowledge that Developer cannot at this time predict when or the rate at which the Project would be developed. These decisions depend upon numerous factors that are not all within the control of Developer, such as market orientation and demand, availability of financing and competition. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Cal.3d 465 (1984), that the failure of the parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the parties’ agreement, it is the intent of Developer and the City to hereby acknowledge and provide for the right of Developer to develop the Project in an order and at a rate and times as Developer deems appropriate within the exercise of its sole and subjective business judgment, subject to any restrictions that may exist in this Agreement, the DDA or other agreements between the City and Developer. The City acknowledges that this right is consistent

with the intent, purpose and understanding of the Parties to this Agreement. Developer will use its best efforts, in accordance with its own business judgment and taking into consideration market conditions and other economic factors influencing its business decision, to commence or to continue development, and to develop the Project in accordance with the provisions and conditions of the DDA, the Civic Park Agreements, this Agreement, including those obligations set forth on Exhibit D attached hereto, and with the Applicable Rules.

Notwithstanding anything to the contrary in this Agreement, a Transferee of Developer of all or any portion of the Development Agreement Property shall only be responsible for satisfying the obligations set forth in the applicable Assignment Agreement which relate solely to the development of that portion of the Development Agreement Property transferred, assigned or conveyed to such Transferee and which the Transferee has agreed to perform pursuant to the Assignment Agreement applicable to such Transferee's portion of the Development Agreement Property.

3.1.3 Additional Obligations of Developer as Consideration for this Agreement.

In addition to the obligations identified in Sections 2.5 and 3.1.1, the development assurances provided by this Agreement and the resulting construction of the Project will result in the following:

(a) Affordable Housing Covenant. Developer shall record a 99-year Affordable Housing Covenant with the CRA for the twenty percent (20%) of units in the Project which are affordable, prior to issuance of a certificate of occupancy for Development Phase I of the Project.

(b) Streetscape & Pedestrian Improvements. Developer shall provide enhancements for sidewalks, streetscapes and pedestrian connections along frontage of all Development Phases (Grand Avenue, Olive, 1st, 2nd, and Hill, and Hope Streets), in the locations shown on Exhibit F attached hereto. These improvements shall be implemented during each Development Phase prior to the issuance of a certificate of occupancy for each such phase. The improvements shall include installation of street trees and irrigation systems for street trees and other landscaping treatments; enhanced paving systems for sidewalks and curbs; directional signage and way-finding systems; street, pedestrian and landscape lighting; enhanced bus stops and trash receptacles, consistent with the Streetscape Program of the DDA.

(c) Sustainability. Prior to issuance of a certificate of occupancy for Development Phase I, Developer shall endeavor to comply with the requirements of the US Green Building Council in an effort to obtain LEED Certification for the Project or comply with the requirements of a similar organization which establishes "green" standards for a high rise residential building, as set forth in the following:

(i) Place one hundred percent (100%) of parking spaces under cover;

(ii) Use roofing materials having a Solar Reflective Index (SRI) equal to or greater than the values in the LEED table for a minimum of seventy-five percent (75%) of the roof surface;

(iii) Zero use of CFC based refrigerants in the new base building HVAC&R systems;

(iv) Provide an easily accessible area that serves the entire building and is dedicated to the collection and storage of non-hazardous materials for recycling, including (at a minimum) paper, corrugated cardboard, glass, plastics, and metals;

(v) Recycle and/or salvage at least seventy-five percent (75%) of non-hazardous construction and demolition (“C&D”) debris. Develop and implement a C&D waste management plan;

(vi) Use materials with recycled content such that the sum of post-consumer recycled content plus one-half of the pre-consumer recycled content constitutes at least 10% (based on cost) of the total value of the materials in the project; and

(vii) Smoking will be prohibited in all common areas of the building; exterior smoking areas will be located at least twenty-five feet (25’) away from entries, outdoor air intakes, and operable windows opening to common areas, and ETS transfer between individual residential units will be minimized.

(d) Sales Tax Origin. The Developer shall comply with the provisions of this Section 3.1.3(d) to provide, to the extent possible under applicable laws and regulations, that local sales and use taxes generated in connection with all eligible purchases of materials, fixtures, furniture, machinery, equipment and supplies for Development Phases II and III of the Project during the construction thereof are allocated directly to the City, subject to Regulation 1521 titled “Construction Contractors” and resolution titled “Contractors No. 260.20” under the Compliance Policy and Procedures Manual of the California State Board of Equalization. In order to accomplish this allocation, the Developer shall comply with the following:

(i) Meeting with the Office of Finance. Prior to issuance of the first building permit for Development Phases II and III of the Project, the Developer, and its contractors and its subcontractors providing services or materials to Development Phases II and III of the Project in excess of Five Million Dollars (\$5,000,000) (“Major Contractors and Subcontractors”) (to the extent such contractors and subcontractors have been identified and contracted with at such time) shall meet with the City’s Department of Finance to review the process that the Developer’s contractors and subcontractors should follow with respect to sales and use taxes. Developer agrees to advise any Major Contractors and Subcontractors that do not attend this initial meeting of the requirements of this Section, and, upon reasonable request, the City agrees to meet and review with such contractors and/or subcontractors the process that they should follow.

(ii) Contract Provisions for Major Contracts. Developer shall include, and shall cause its general contractor to include, a provision in all construction contracts entered into with Major Contractors and Subcontractors substantially in the form attached hereto as Exhibit G-1.

(iii) Contract Provisions for Other Contracts. Developer shall include, and shall cause its general contractor to include, a provision in all construction contracts entered into with Other Material Contractors and Subcontractors (as defined below) substantially in the form attached hereto as Exhibit G-2. “**Other Material Contractors and Subcontractors**” shall mean any contractors providing services or materials to Development Phases II and III of the Project in excess of Five Hundred Thousand Dollars (\$500,000) but less than Five Million Dollars (\$5,000,000).

(iv) Major Contractor Information. Developer shall, when reasonably requested by the City, provide the City’s Office of Finance with:

(A) A list of Developer’s Major Contractors and Subcontractors who will or have performed construction services or who will or have furnished materials for the construction of Phase II and Phase III of the Project, which list shall include the following items:

- i. Name of contractor
- ii. Address and telephone number of headquarters or office
- iii. Name and telephone number of contact person
- iv. Estimated value of contract
- v. Estimated completion date
- vi. Scope of Work

(B) A copy of the contract with each such contractor.

3.2 Agreement and Assurances on the Part of the City.

In consideration for Developer entering into this Agreement, and as an inducement for Developer to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, the City hereby agrees as follows:

3.2.1 Entitlement to Develop. Developer has the right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules and the Reserved Powers.

3.2.2 Consistency with Applicable Rules. Based upon all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent the full completion and occupancy of

the Project in accordance with the uses, densities, designs, heights, signage regulations and other development entitlements incorporated and agreed to herein.

3.2.3 Changes in Applicable Rules.

(a) Nonapplication of Changes in Applicable Rules. Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable general or specific plan, zoning or building regulation, adopted or becoming effective after the Effective Date, including, without limitation, any of these changes by means of ordinance, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the Mayor, City Council, Planning Commission or any other Board, Commission or Department of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with the Applicable Rules or this Agreement, shall not be applied to the Project unless these changes represent an exercise of the City's Reserved Powers.

(b) Changes in Building and Fire Codes. Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to changes occurring from time to time in the Uniform Building Code and other uniform construction codes. In addition, development of the Project shall be subject to changes occurring from time to time in Chapters V and IX of the Municipal Code regarding the construction, engineering and design standards for both public and private improvements provided that these changes are (1) necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council, such as floods, earthquakes and similar disasters).

(c) Changes Mandated by Federal or State Law. This Agreement shall not preclude the application to the Project of changes in, or additions to, the Applicable Rules, including rules, regulations, ordinances and official policies, to the extent that these changes or additions are mandated to be applied to developments, such as this Project by state or federal regulations. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, these provisions shall be modified or suspended as may be necessary to comply with the state or federal laws or regulations.

3.2.4 Subsequent Development Review. The City shall not require Developer to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals that are required by the Applicable Rules or the Reserved Powers. However, any subsequent Discretionary Action or Discretionary Approval initiated by Developer that is not permitted by the Applicable Rules, which changes the uses, intensity, density, building height or timing of the Project, or decreases the lot area, setbacks, yards, parking or other entitlements permitted on the Development Agreement Property shall be subject to the rules, regulations, ordinances and official policies of the City then in effect.

3.2.5 Effective Development Standards. The City agrees that it is bound to permit the uses, intensity of use and density on the Development Agreement Property which are permitted by this Agreement, insofar as this Agreement and the Project Approvals so provide or

as otherwise set forth in the Applicable Rules or the Reserved Powers. The City hereby agrees that it will not unreasonably withhold or unreasonably condition any Discretionary Action or Discretionary Approval which must be issued by the City in order for the Project to proceed, provided that Developer reasonably and satisfactorily complies with all preliminary procedures, actions, payments of Processing Fees, and criteria generally required of developers by the City for processing applications for developments and consistent with this Agreement.

3.2.6 Interim Use. The City agrees that Developer may use the Development Agreement Property during the term of this Agreement for any use which is otherwise permitted by the applicable zoning regulations and the General Plan in effect at the time of the interim use, except as expressly provided in this Agreement, the DDA or in the Project Approvals or in other agreements between the City and Developer.

3.2.7 Moratoria. In the event an ordinance, resolution or other measure is enacted, whether by action of the City, by initiative or otherwise after the Effective Date, which relates to the rate, timing or sequencing of the development or construction on all or any part of the Development Agreement Property, the City agrees that the ordinance, resolution or other measure shall not apply to the Development Agreement Property or this Agreement, unless the changes: (a) are found by the City to be necessary to the health and safety of the residents of the City; and (b) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or the City Council, such as floods, earthquakes and similar disasters).

3.2.8 Time Period of Tentative Tract Map and Project Approvals. The City acknowledges that the construction of the Project may be subject to unavoidable delays due to factors outside Developer's control. Pursuant to California Government Code Section 66452.6(a), the City agrees that the duration of Tentative Tract Map Nos. 67490, 67491 and 67492 or any new Tract Map or maps which are consistent with the Project Approvals for any Development Phase or Development Phases, shall automatically be extended for the Term of this Agreement. The City further agrees that the duration of all of the Project Approvals shall automatically be extended for the Term of this Agreement.

ARTICLE 4. PERIODIC REVIEW

4.1 Annual Review.

During the Term of this Agreement, the City shall review annually compliance with this Agreement by Developer and/or any Transferee. This periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act and Developer and/or a Transferee shall have the burden of demonstrating good faith compliance relating solely to such parties' portion of the Development Agreement Property and any development located thereon. The annual review shall be in the form of an annual report prepared and submitted by the Director and General Manager of Planning to the Planning Commission.

4.2 Pre-Determination Procedure.

Submission by Developer and/or any Transferee of evidence of compliance with this Agreement, in a form which the Director of Planning may reasonably establish, including, without limitation, a certified copy of the recorded Affordable Housing Covenant pursuant to Section 3.1.3(a), shall be made in writing and transmitted to the Director of Planning not later than sixty (60) days prior to the yearly anniversary of the Effective Date. The public shall be afforded an opportunity to submit written comments regarding compliance to the Director of Planning at least sixty (60) days prior to the yearly anniversary of the Effective Date. All these public comments and final staff reports shall, upon receipt by the City, be made available as soon as possible to Developer and/or any Transferee.

4.3 Director's Determination.

On or before the yearly anniversary of the Effective Date, the Director of Planning shall make a determination regarding whether or not Developer, and/or any Transferee, has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to Developer, and/or any Transferee, in the manner prescribed in Section 6.14. Copies of the determination shall also be available to members of the public.

4.4 Appeal by Developer or Transferee.

In the event the Director of Planning makes a finding and determination of non-compliance, Developer, and/or any Transferee, as the case may be, shall be entitled to appeal that determination to the Planning Commission. After a public hearing on the appeal, the Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer, and/or any Transferee, as the case may be, has complied in good faith with the provisions and conditions of this Agreement. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

4.5 Period to Cure Non-Compliance.

If, as a result of this annual review procedure, it is found and determined by the Planning Director or the Planning Commission, on appeal, that Developer, and/or any Transferee, as the case may be, has not complied in good faith with the provisions and conditions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period described in Section 6.3, shall submit to Developer, and/or any Transferee, as the case may be, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.14, stating with specificity those obligations of Developer, and/or any Transferee, as the case may be, which have not been performed. Upon receipt of the notice of default, Developer, and/or any transferee, as the case may be, shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of the default(s) not later than sixty (60) days after receipt of the notice of default, or any longer period as is reasonably necessary to remedy

the default(s), by mutual consent of the City and Developer, and/or any Transferee, as the case may be, provided that Developer, and/or any Transferee, as the case may be, shall continuously and diligently pursue the remedy at all times until the default(s) is cured.

4.6 Failure to Cure Non-Compliance Procedure.

If the Director of Planning finds and determines that Developer, or a Transferee, as the case may be, has not cured a default pursuant to this Section, and that the City intends to terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the Director of Planning shall make a report to the Planning Commission. The Director of Planning shall then set a date for a public hearing before the Planning Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after the public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that (i) Developer or its Transferee, as the case may be, has not cured a default pursuant to this Section, and (ii) that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the finding and determination shall be appealable to the City Council in accordance with Section 6.3. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

4.7 Termination or Modification of Agreement.

The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after the final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

4.8 Reimbursement of Costs.

The Developer or Transferee, as the case may be, shall reimburse the City for its actual costs, reasonably and necessarily incurred, to accomplish the required annual review.

4.9 Evidence of Compliance Applicable to a Particular Development Agreement Property.

Notwithstanding anything to the contrary in this Article 4 or any other provision of this Agreement, a Transferee of all or any portion of the Development Agreement Property shall only be responsible for submitting evidence of compliance with this Agreement as it relates solely to that portion of the Development Agreement Property transferred, assigned or conveyed to such Transferee in an Assignment Agreement authorized by Section 6.9 of this Agreement.

4.10 City's Rights and Remedies Against a Transferee.

The City's rights in Article 4 of this Agreement relating to compliance with this Agreement by a Transferee shall be limited to only those rights and obligations assumed by a

Transferee under this Agreement and as expressly set forth in the applicable Assignment Agreement authorized by Section 6.9 of this Agreement.

From time to time, a Developer of any portion of the Development Agreement Property may, separate from the annual review process, submit a written request for confirmation from the Director of Planning that certain obligations of this Agreement have been satisfied. Subject to the time limits and process requirements of Section 4.2, the Director shall issue a written confirmation stating either that such obligations have been satisfied or setting forth the reasons why subject obligation have not been satisfied.

ARTICLE 5. DEFAULT PROVISIONS

5.1 Default by Developer.

5.1.1 Default. In the event Developer or a Transferee of any portion of the Development Agreement Property fails to perform its obligations under this Agreement applicable to its portion of the Development Agreement Property, as specified in the applicable Assignment Agreement, in a timely manner and in compliance with this Agreement, the City's rights and remedies provided for in this Agreement, including, without limitation, modifying or terminating this Agreement, shall relate exclusively to the defaulting Party and such defaulting Party's portion of the Development Agreement Property, provided that the City has first complied with all applicable notice and opportunity to cure provisions in Section 5.1.2. In no event shall a default by a Developer or a Transferee of any portion of the Development Agreement Property constitute a default by any non-defaulting Developer or Transferee with respect to such non-defaulting parties' obligations hereunder nor affect such non-defaulting parties' rights hereunder, or respective portion of the Development Agreement Property.

5.1.2 Notice of Default. The City through the Director of Planning shall submit to Developer or Transferee, as applicable, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.14, identifying with specificity those obligations of Developer or Transferee, as applicable, which have not been performed. Upon receipt of the notice of default, Developer or Transferee, shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of the default(s) not later than sixty (60) days after receipt of the notice of default, or a longer period as is reasonably necessary to remedy the default(s), provided that Developer or Transferee, as applicable, shall continuously and diligently pursue the remedy at all times until the default(s) is cured.

5.1.3 Failure to Cure Default Procedure. If after the cure period has elapsed, the Director of Planning finds and determines that Developer, or a Transferee, as the case may be, remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the Director shall make a report to the Planning Commission and then set a public hearing before the Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or a Transferee, as the case may be, has not cured default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those

transferred or assigned rights and obligations, as the case may be, Developer or the Transferee, shall be entitled to appeal that finding and determination to the City Council in accordance with Section 6.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

5.1.4 Termination or Modification of Agreement. The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, relating solely to the defaulting Developer or Transferee and such defaulting parties portion of the Development Agreement Property after the final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3 relating to the defaulting parties rights and obligations hereunder. There shall be no termination or modification of this Agreement unless the City Council acts pursuant to Section 6.3 hereof.

5.2 **Default by the City.**

5.2.1 Default and Notice of Default. In the event the City does not accept, process, or render a decision on necessary development permits, entitlements, or other land use or building approvals for use as provided in this Agreement upon compliance with the requirements therefore, or as otherwise agreed to by the Parties, or the City otherwise defaults under the provisions of this Agreement, Developer and any Transferee shall have all rights and remedies provided herein or by applicable law, which shall include compelling the specific performance of the City's obligations under this Agreement provided that Developer or Transferee, as the case may be, has first complied with the procedures in Section 5.2.2. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses the City may otherwise have with respect to claims for monetary damages.

5.2.2 Notice of Default. Developer or Transferee, as the case may be, shall first submit to the City a written notice of default stating with specificity those obligations that have not been performed. Upon receipt of the notice of default, the City shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of the default(s) not later than one hundred and twenty (120) days after receipt of the notice of default, or a longer period as is reasonably necessary to remedy the default(s), provided that the City shall continuously and diligently pursue the remedy at all times until the default(s) is cured. In the case of a dispute as to whether the City has cured the default, the Developer or Transferee, as the case may be, shall submit the matter to arbitration pursuant to Section 6.5 of this Agreement.

5.2.3 No Monetary Damages. It is acknowledged by the Parties that the City would not have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. The Parties agree and recognize that, as a practical matter, it may not be possible to determine an amount of monetary damages which would adequately compensate Developer for its investment of time and financial resources in planning to arrive at the kind, location, intensity of use, and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify the exposure. Therefore, the Parties agree that each of the Parties may pursue any remedy at law or

equity available for any breach of any provision of this Agreement, except that the Parties shall not be liable in monetary damages and the Parties covenant not to sue for or claim any monetary damages for the breach of any provision of this Agreement. The Parties in this paragraph shall include any successor or assign of the Parties, including, a Transferee of Developer.

ARTICLE 6. GENERAL PROVISIONS

6.1 Effective Date.

This Agreement shall be effective upon the Effective Date.

6.2 Term.

This Agreement shall commence upon the Effective Date and shall remain in effect for a term (the “**Term**”) of twenty (20) years after the Effective Date, unless the Term is otherwise terminated, modified or extended by circumstances set forth in this Agreement or by mutual consent of the Parties hereto. Following the expiration of the Term, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Development Agreement Property approved concurrently with, or subsequent to, the Effective Date. The Term of this Agreement shall be automatically extended for the period of time of any actual delay resulting from any enactments pursuant to the City’s Reserved Powers or moratoria.

6.3 Appeals to City Council.

Where an appeal by Developer, or its Transferees, as the case may be, to the City Council from a finding and/or determination of the Planning Commission is created by this Agreement, that appeal shall be taken, if at all, within twenty (20) days after the mailing of the finding and/or determination to Developer, or its Transferees, as the case may be. The City Council shall act upon the finding and/or determination of the Planning Commission within eighty (80) days after the mailing, or within any additional period as may be agreed upon by Developer, or its Transferees, as the case may be, and the Council. The failure of the City Council to act shall not be deemed to be a denial or an approval of the appeal, which shall remain pending until final City Council action.

6.4 Enforced Delay; Extension of Time for Performance.

In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which either Party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which the Party is prevented from, or is unreasonably interfered with, the doing or completion of the act, matter or thing because of causes beyond the reasonable control of the Party to be excused, including: war; insurrection; riots; floods; earthquakes; fires; casualties; disasters; litigation and administrative proceedings against the Project (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs (*e.g.*, the annual review)); any approval required by the City (not including any period of time normally expected for the processing of the approvals

in the ordinary course of affairs); restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; the exercise of the City's Reserved Powers; or similar bases for excused performance which is not within the reasonable control of the Party to be excused (financial inability excepted). This Section shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of Developer or, if not dismissed within ninety (90) days, by any third Parties against Developer. If written notice of the delay is given to either Party within thirty (30) days of the commencement of the delay, an extension of time for cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

6.5 Dispute Resolution.

6.5.1 Dispute Resolution Proceedings. The Parties may agree to dispute resolution proceedings to fairly and expeditiously resolve disputes or questions of interpretation under this Agreement. These dispute resolution proceedings may include: (a) procedures developed by the City for expeditious interpretation of questions arising under development agreements; (b) non-binding arbitration as provided below; or (c) any other manner of dispute resolution which is agreed upon by the Parties.

6.5.2 Arbitration. Any dispute between the Parties that is to be resolved by arbitration shall be settled and decided by arbitration conducted by an arbitrator who must be a former judge of the Los Angeles County Superior Court or Appellate justice of the Second District court of Appeals or the California Supreme Court. This arbitrator shall be selected by mutual agreement of the Parties.

6.5.3 Arbitration Procedures. Upon appointment of the arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under the procedures set forth in Code of Civil Procedure Section 638, et seq., or under other procedures as are agreeable to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to the proceeding.

6.5.4 Extension of Agreement Term. The Term of this Agreement as set forth in Section 6.2 shall automatically be extended for the period of time in which the Parties are engaged in dispute resolution to the degree that an extension of the Term is reasonably required because activities which would have been completed prior to the expiration of the Term are delayed beyond the scheduled expiration of the Term as the result of this dispute resolution.

6.6 Legal Action.

Either Party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation, or enforce by specific performance the obligations and rights of the Parties hereto.

6.7 **Applicable Law.**

This Agreement shall be construed and enforced in accordance with the laws of the State of California, and the venue for any legal actions brought by any Party with respect to this Agreement shall be the County of Los Angeles, State of California for state actions and the Central District of California for any federal actions.

6.8 **Amendments.**

This Agreement may be amended from time to time by mutual consent in writing of the Parties to this Agreement in accordance with Government Code Section 65868, and any Transferee of Development Agreement Property, in the event such amendment affects the rights and obligations of the Transferee under this Agreement in connection with the development, use and occupancy of its portion of the Development Agreement Property and/or any improvements located thereon. In accordance with Government Code Section 65869.5, Developer, at its option, may apply to the Planning Commission for modification or termination of this Agreement at any time in the event that state or federal laws or regulations, enacted after this Agreement has been entered into, prevent or preclude compliance with one or more provisions of this Agreement. Such provisions of this Agreement may be modified or suspended as may be necessary to comply with such state or federal law, and such modification or termination shall require notice and public hearing. Any amendment to this Agreement which relates to the Term, permitted uses, density or intensity of use, height, or size of buildings, provisions for reservation and dedication of land, conditions, restrictions, and requirements relating to subsequent Discretionary Action, or any conditions or covenants relating to the use of the Development Agreement Property not allowed or provided for under the Applicable Rules shall require notice and public hearing before the Parties may execute an amendment thereto. Developer or a Transferee, as applicable, shall reimburse the City for its actual costs, reasonably and necessarily incurred, to review any amendments requested by Developer or a Transferee, including the cost of any public hearings.

6.9 **Assignment.**

The Development Agreement Property, as well as the rights and obligations of Developer under this Agreement, may be transferred or assigned in whole or in part by Developer to a Transferee without the consent of the City, subject to the conditions set forth below in Sections 6.9.1 and 6.9.2.

6.9.1 Conditions for Assignment. No such assignment shall be valid until and unless the following occur:

(a) Written Notice of Assignment Required. Developer, or any successor transferor, gives prior written notice to the City of its intention to assign or transfer any of its interests, rights or obligations under this Agreement and a complete disclosure of the identity of the assignee or transferee, including copies of the Articles of Incorporation in the case of corporations and the names of individual partners in the case of partnerships. Any failure by Developer or any successor transferor to provide the notice shall be curable in accordance with the provisions of Section 5.1.

(b) Automatic Assumption of Obligations. Unless otherwise stated elsewhere in this Agreement to the contrary, a Transferee of Development Agreement Property expressly and unconditionally assumes all of the rights and obligations of this Agreement transferred or assigned by Developer and which are expressly set forth in the applicable Assignment Agreement.

6.9.2 Liability Upon Assignment. Unless otherwise stated elsewhere in this Agreement to the contrary, each Developer of any portion of the Development Agreement Property shall be solely and only liable for performance of such Developer's obligations applicable to its portion of the Development Agreement Property under this Agreement as specified in the applicable Assignment Agreement. Upon the assignment or transfer of any portion of the Development Agreement Property together with any obligations assignable under this Agreement, the Transferee shall become solely and only liable for the performance of those assigned or transferred obligations so assumed and shall have the rights of a "Developer" under this Agreement; which such rights and obligations shall be set forth specifically in the Assignment Agreement, acknowledged by the Director of Planning, the transferring Developer, and the Transferee, as of the date of such transfer, assignment or conveyance of the applicable portion of the Development Agreement Property. The failure of a Developer of any portion of the Development Agreement Property to perform such Developer's obligations set forth in the applicable Assignment Agreement may result, at the City's option, in a declaration that this Agreement has been breached and the City may, but shall not be obligated to, terminate or modify this Agreement solely as it relates to the defaulting parties, and such defaulting parties' Development Agreement Property as provided for in Section 5.1 hereof, subject to such defaulting parties' right to notice and opportunity to cure the default in accordance with provisions of Section 5.1 hereof.

6.10 **Covenants.**

The provisions of this Agreement shall constitute covenants which shall run with the land comprising the Development Agreement Property for the benefit thereof, and the burdens and benefits hereof, subject to the provisions of any Assignment Agreement (if applicable), shall bind and inure to the benefit of the Parties hereto and all successors and assigns of the Parties, including any Transferee of Developer.

6.11 **Cooperation and Implementation.**

6.11.1 Processing. Upon satisfactory completion by Developer of all required preliminary actions and payment of appropriate Processing Fees, including the fee for processing this Agreement, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Development Agreement Property in accordance with the terms of this Agreement. Developer shall, in a timely manner, provide the City with all documents, plans and other information necessary for the City to carry out its processing obligations.

6.11.2 Other Governmental Permits. Developer or Transferee, as the case may be, shall apply in a timely manner for other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be

required for the development of, or provision of services to, the Project. The City shall cooperate with Developer or Transferee, as the case may be, in its endeavors to obtain the permits and approvals and shall, from time to time at the request of Developer or Transferee, as the case may be, attempt with due diligence and in good faith to enter into binding agreements with any entity to ensure the availability of permits and approvals, or services, provided the agreements are reasonable and not detrimental to the City. These agreements may include, but are not limited to, joint powers agreements under the provisions of the Joint Exercise of Powers Act (Government Code Section 6500, *et seq.*) or the provisions of other laws to create legally binding, enforceable agreements between the Parties. To the extent allowed by law, Developer or Transferee, as the case may be, shall be a party to any agreement, or a third party beneficiary of the agreement, entitled to enforce for its benefit on behalf of the City, or in its own name, the rights of the City or Developer or Transferee, as the case may be, thereunder or the duties and obligations of the Parties thereto. Developer or Transferee, as the case may be, shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any agreement provided that Developer or Transferee, as the case may be, has requested it. Developer or Transferee, as the case may be, shall defend the City in any challenge by any person or entity to any agreement, and shall reimburse the City for any costs and expenses incurred by the City in enforcing any agreement. Any fees, assessments, or other amounts payable by the City thereunder shall be borne by Developer or Transferee, as the case may be, except where Developer or Transferee, as the case may be, has notified the City in writing, prior to the City entering into an agreement, that it does not desire for the City to execute an agreement.

6.11.3 Cooperation in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to affirmatively cooperate in defending the action.

6.12 **Relationship of Parties.**

It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that Developer is an independent contractor and not an agent of the City. Further, the City and Developer hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing herein or in any document executed in connection herewith shall be construed as making the City and Developer joint venturers or partners.

6.13 **Hold Harmless.**

Developer hereby agrees to and shall indemnify, save, hold harmless and defend the City, and its elected and appointed representatives, boards, commissions, officers, agents, and employees (collectively, "the City" in this Section), from any and all claims, costs, and liability for any damages, personal injury or death which may arise, directly or indirectly, from Developer or Developer's contractors, subcontractors', agents', or employees' operations in connection with the construction of the Project, whether operations be by Developer or any of Developer's contractors, subcontractors, by anyone or more persons directly or indirectly employed by, or acting as agent for Developer or any of Developer's contractors or

subcontractors. Developer further agrees to and shall indemnify, save, hold harmless and, if requested by the City, Developer shall defend the City in any action brought by a third party (1) challenging the validity of this Agreement or (2) seeking damages which may arise directly or indirectly from the negotiation, formation, execution, enforcement or termination of this Agreement solely as it relates to the portion of the Development Agreement Property owned by Developer. Nothing in this Section shall be construed to mean that Developer shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, the negligent acts, or negligent failure to act, on the part of the City. City agrees that it shall fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the City harmless. City may make all reasonable decisions with respect to its representation in any legal proceeding.

6.14 Notices.

Any notice or communication required hereunder between the City or Developer must be in writing, and may be given either personally or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing this notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Any Party hereto may at any time, by giving ten (10) days' written notice to the other Party hereto, designate any other address in substitution of the address, or any additional address, to which the notice or communication shall be given. These notices or communications shall be given to the Parties at their addresses set forth below:

If to the City:

City of Los Angeles
200 North Spring Street
Los Angeles, CA 90012
Attention: Director of Planning

With a Copy to:

Los Angeles City Attorney's Office
Real Property/Environment Division
Los Angeles City Attorney's Office
7th Floor, City Hall East
200 North Main Street
Los Angeles, California 90012

If to Developer:

Grand Avenue L.A., LLC
c/o The Related Companies, L.P.
60 Columbus Circle, 19th Floor
New York, New York 10023

With a Copy to: DLA Piper US LLP
550 South Hope Street, Suite 2300
Los Angeles, California 90071
Attention: John W. Whitaker, Esq.

With a Copy to: The Los Angeles Grand Avenue Authority
c/o The Grand Avenue Committee, Inc.
445 South Figueroa Street, Suite 3400
Los Angeles, California 90071

With a Copy to: The Related Companies of California, Inc.
18201 Von Karman Avenue, Suite 900
Irvine, California 92612
Attention: Mr. William A. Witte

6.15 Recordation.

As provided in Government Code Section 65868.5, the City Clerk of Los Angeles shall record a copy of this Agreement with the Registrar-Recorder of the County of Los Angeles within ten (10) days following its execution by both Parties. Developer shall provide the City Clerk with the fees for recording prior to or at the time of recording.

6.16 Constructive Notice and Acceptance.

Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the Development Agreement Property, is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which the person acquired an interest in the Development Agreement Property.

6.17 Successors and Assignees.

The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties, any subsequent owner of all or any portion of the Development Agreement Property and their respective successors and assignees.

6.18 Severability.

If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either Party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

6.19 Time of Essence.

Time is of the essence for each provision of this Agreement of which time is an element.

6.20 Waiver.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought and refers expressly to this Section. No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event.

6.21 No Third Party Beneficiaries,

The only Parties to this Agreement are the City and Developer and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person whatsoever.

6.22 Entire Agreement.

This Agreement sets forth and contains the entire understanding and agreement of the Parties and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein and no testimony or evidence of any representations, understandings, or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

6.23 Legal Advice; Neutral Interpretation; Headings, Table of Contents.

Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any Party based upon any attribution to that Party as the source of the language in question. The headings and table of contents used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

6.24 Discretion to Encumber.

This Agreement shall not prevent or limit Developer in any manner, at its sole discretion, from encumbering the Development Agreement Property or any portion of the Development Agreement Property or any improvement on the Development Agreement Property by any mortgage, deed of trust or other security device securing financing with respect to the Development Agreement Property or its improvements. Such permitted security instruments and related interests shall be referred to as "Security Financing Interests".

6.25 Entitlement to Written Notice of Default.

The holder of any applicable Security Financing Interests (“Lender”) shall, upon written request to the City, be entitled to receive from the City written notification of any default by Developer or a Transferee of the performance of Developer’s or a Transferee’s obligations under this Agreement. Whenever the City shall deliver any notice or demand to the Developer or a Transferee pursuant to this Agreement with respect to any breach or default by such Developer or Transferee, the City shall at the same time deliver to the Lender a copy of such notice or demand. Developer or the applicable Transferee shall reimburse the City for its actual costs, reasonably and necessarily incurred, to prepare this notice of default. Prior to either the Director of Planning initiating any procedure pursuant to Section 5.1.3 or any modification or termination of this Agreement pursuant to Section 5.1.4, Lender shall have the right at its option within sixty (60) days after the receipt of such notice, to cure or remedy any such default.

6.26 Counterparts.

This Agreement may be executed in duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page and Table of Contents, consists of seventy-three (73) pages and nine (9) Exhibits which constitute the entire understanding and agreement of the Parties.

6.27 Mortgagee Protection.

If any Lender, as a condition of providing financing for development of the Project or portion thereof, requests any modification of this Agreement in order to protect its interests in the Project or this Agreement, City shall consider such request in good faith consistent with the purpose and intent of this Agreement and the rights and obligations of the Parties under this Agreement. The City agrees to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate any such amendment; provided, however, that any such amendment shall not in any way materially adversely affect any rights of either Party under this Agreement. Any lien created against any portion of the Development Agreement Property pursuant to this Agreement shall attach from the date on which a notice of lien is recorded in the Official Records of Los Angeles County. If any portion of the Development Agreement Property shall be subject to a monetary lien created by this Agreement and the lien of any Security Financing Interests, then (i) the foreclosure of any lien created under this Agreement shall not operate to affect or impair the lien of such Security Financing Interests and (ii) the foreclosure of the lien of such Security Financing Interests or sale under a power of sale shall not operate to affect or impair the lien created under this Agreement.

6.28 Non-Discrimination.

In accordance with the requirements of Section 802 of the DDA, Developer and the City agree as follows: “There shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, creed, national origin, ancestry, sex, sexual preference/orientation, age, marital status, domestic partner status, disability, medical condition, Acquired Immune Deficiency Syndrome (AIDS) –acquired or perceived, or retaliation for having filed a discrimination complaint (nondiscrimination factors) in the construction, sale, lease,

sublease, transfer, use, occupancy, tenure or enjoyment of the Development Agreement Property or the Project, nor shall Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, vendees or employees in the Development Agreement Property or the Project.”

6.29 Copy of Annual Report.

At any time during the term of this Agreement, Developer, any Transferee or any Lender may request that the City provide a copy of the most recent annual report issued by the Director of Planning pursuant to Section 4.1 of this Agreement, within thirty (30) days of the receipt of the written request therefore.

6.30 Rules of Construction and Miscellaneous Terms.

6.30.1 Rules of Construction. The singular includes plural; the masculine gender includes the feminine; “shall” is mandatory; “may” is permissive.

6.30.2 Execution Authority. The person or persons executing this Agreement on behalf of the Parties warrant and represent that they have the authority to execute this Agreement and represent that they have the authority to bind the Parties to the performance of their obligations hereunder.

[Next page is signature page.]

IN WITNESS WHEREOF, the Parties have each executed this Agreement on the dates set forth below.

CITY OF LOS ANGELES CALIFORNIA

Date: _____

By: _____

Antonio Villaragosa

Date: _____

APPROVED AS TO FORM AND LEGALITY:

Rockard J. Delgadillo, City Attorney

By: _____

Laura M. Cadogan
Deputy City Attorney

Date: _____

By: _____

City Clerk

Date: _____

GRAND AVENUE L.A., LLC,
a Delaware limited liability company

By: The Related Companies, L.P.,
a New York limited partnership,
its Administrative Member

By: The Related Realty Group, Inc.,
a Delaware corporation,
its sole General Partner

By: _____

Name: _____

Title: _____

EXHIBIT A

Project Approvals

1. Zone Change from R5-4D and C2-4D to C2-4D;
2. Tentative Tract Map No. 067490 to permit a one-master lot subdivision and 19 airspace lots;
3. Tentative Tract Map No. 067491 for the merger and re-subdivision of two lots to permit a one-master lot subdivision and 27 airspace lots;
4. Tentative Tract Map No. 067492 for the merger and re-subdivision of one lot and one portion of one lot to permit a one-master lot subdivision and 13 airspace lots;
5. Conditional Use Permit to allow a floor area ratio of 9.9:1 throughout the entire site in lieu of the maximum allowed ratio of 6:1 under the existing "D" limitation of Ordinance No. 164,307;
6. Conditional Use Permit to allow a residential density of one unit per 136 square feet of net lot area throughout the entire site in lieu of the minimum allowed one unit per 200 square feet of net lot area;
7. Conditional Use Permit to allow the sale and dispensing of alcoholic beverages for 35 establishments that will offer on-site sales and consumption, or off-site sales, including 28 establishments that will offer on-site alcoholic beverage service, five establishments that will sell alcoholic beverages for off-site consumption, and two establishments with a combination of on- and off-site consumption in the C2 zone incident to the zone change;
8. Conditional Use Permit to allow live entertainment with incidental public dancing at up to eight establishments in the C2 zone incident to the zone change;
9. Zone Variance to permit a reduction in the square footage of open space provided for the residential units, where the common residential open space will include the square footage of adjacent public plazas and the landscaped portion of that common open space will be less than the 25 percent minimum that is required;
10. Zone variance to permit tandem parking spaces with a valet in lieu of providing a minimum of one individually and easily accessible parking space at all times for each dwelling unit or guest room for residents and hotel guests;
11. Parking Policy Deviation from Advisory Agency Policy 2000-1 to allow parking for condominiums to be provided at a ratio of approximately 1.5 spaces per unit; and
12. Environmental Impact Report SCH No. 2005091041.

EXHIBIT B

Legal Description of Phase I Parcel, Phase II Parcels and Phase III Parcels

Phase I Parcel:

Lot 1 of Tract No. 28761, in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 926, Pages 5 through 8, inclusive, of Maps, records of said County.

Excepting therefrom that portion of said Lot 1 described as "Parcel 1, Easement for Street Right of Way Purposes, Upper 2nd Street" as per the document recorded August 5, 2004 as instrument No. 04-2017965, Official Records of said County.

Phase II Parcels:

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

PARCEL 1:

LOT 1 OF TRACT NO. 30780, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 912, PAGES 39 THROUGH 45 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION OF LOT 1 OF TRACT NO. 30780, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 912, PAGES 39 THROUGH 45 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 1 OF TRACT NO. 30780, SAID POINT BEING THE INTERSECTION OF THE WESTERLY RIGHT-OF-WAY, OF GRAND AVENUE (84 FEET WIDE) AND THE NORTHERLY RIGHT-OF-WAY OF 3RD STREET (80 FEET WIDE), SAID POINT BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE ALONG THE SOUTHEAST LINE OF SAID LOT NORTH 37° 45' 07" EAST 189.22 FEET; THENCE NORTH 52° 15' 19" WEST 163.38 FEET; THENCE NORTH 52° 23' 22" WEST 151.94 FEET TO A POINT ON THE NORTHWEST LINE OF SAID LOT 1; THENCE ALONG THE NORTHWEST LINE OF SAID LOT, SOUTH 37° 38' 28" WEST 169.21 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 20.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90° 01' 50" AN ARC DISTANCE OF 31.43 FEET TO A POINT ON THE SOUTHWEST LINE OF SAID LOT 1; THENCE ALONG THE SOUTHWEST LINE OF SAID LOT, SOUTH 52° 23' 22" EAST, 131.81 FEET; THENCE CONTINUING ALONG THE SOUTHWEST LINE OF SAID LOT, SOUTH 52° 15' 19" EAST, 163.13 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND WITHOUT THE RIGHT OF SURFACE ENTRY THEREON AS RESERVED IN VARIOUS DEEDS OF RECORD, AMONG THEM BEING THAT DEED RECORDED OCTOBER 25, 1961 IN BOOK D1398 PAGE 495, OFFICIAL RECORDS.

PARCEL 2:

LOT 2, OF TRACT NO. 30779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 862 PAGES 16 TO 20 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF AS PROVIDED IN DEED RECORDED MAY 15, 1967 IN BOOK 54511 PAGE 5, OFFICIAL RECORDS, AND IN DEED RECORDED SEPTEMBER 25, 1961, AS INSTRUMENT NO. 1592, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM, FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, RESERVED BY MARIE NELSON, A MARRIED WOMAN, IN DEED RECORDED MAY 12, 1961 AS INSTRUMENT NO. 1809, OFFICIAL RECORDS.

ALSO EXCEPTING FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, RESERVED BY LUVERNE C. BEMIS AND INGRID A. BEMIS, HUSBAND AND WIFE, IN DEED RECORDED JUNE 21, 1961, AS INSTRUMENT NO. 1824, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN BUNKER HILL RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, RESERVED BY BUNKER HILL IMPROVEMENT COMPANY, A PARTNERSHIP, IN DEED RECORDED AUGUST 11, 1961, AS INSTRUMENT NO. 1968, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY BESSIE MORRIS, A MARRIED WOMAN, IN DEED RECORDED AUGUST 21, 1961 AS INSTRUMENT NO. 1475, OFFICIAL RECORDS.

ALSO EXCEPT FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY FRITZ HARTZSCH, A WIDOWER, IN DEED RECORDED JUNE 18, 1964, AS INSTRUMENT NO. 1413, IN BOOK D2514 PAGE 533, OFFICIAL RECORDS.

ALSO EXCEPTING FROM A PORTION OF SAID LAND, ALL OIL, GAS, AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335, PAGE 106, OFFICIAL RECORDS AREA, SHALL NOT PENETRATE ANY PART OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED JULY 26, 1963 AS INSTRUMENT NO. 1975 IN BOOK D2119 PAGE 177, OFFICIAL RECORDS.

ALSO EXCEPT FROM A PORTION OF SAID LAND, ALL OIL, GAS AND MINERAL SUBSTANCES TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE BUNKER HILL URBAN RENEWAL PROJECT AREA, AS RECORDED IN BOOK M-335 PAGE 106, OFFICIAL RECORDS, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN FAVOR OF JOHN H. DICKSON, A SINGLE MAN, IN A DECREE OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 5, 1965, IN BOOK D-2822 PAGE 361, AS INSTRUMENT NO. 4502, OFFICIAL RECORDS.

ALSO EXCEPTING FROM A PORTION OF SAID LAND ALL OIL, GAS, MINERAL SUBSTANCES, TOGETHER WITH THE RIGHT TO EXTRACT SUCH SUBSTANCES, SHALL NOT BE LOCATED WITHIN THE BUNKER HILL AREA, AS RECORDED IN BOOK M335 PAGE 106, OFFICIAL RECORDS AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF; AS RESERVED UNTO FRANK W. BABCOCK IN A DECREE OF CONDEMNATION LOS ANGELES COUNTY, SUPERIOR COURT, CASE NO. 834229 A CERTIFIED COPY OF WHICH WAS RECORDED MAY 4, 1965, IN BOOK D2892 PAGE 533, AS INSTRUMENT NO. 4080, OFFICIAL RECORDS.

PARCEL 3:

LOT 1 OF TRACT NO. 30780 IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 912, PAGES 39 THROUGH 45 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION OF LOT 1 OF TRACT NO. 30780 IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 912, PAGES 39 THROUGH 45 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 1 OF TRACT NO. 30780, SAID POINT BEING THE INTERSECTION OF THE WESTERLY RIGHT-OF-WAY, OF GRAND AVENUE (84 FEET WIDE) AND THE NORTHERLY RIGHT-OF-WAY OF 3RD STREET (80 FEET WIDE), SAID POINT BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE ALONG THE SOUTHEAST LINE OF SAID LOT, NORTH 37° 45' 07" EAST 189.22 FEET; THENCE NORTH 52° 15' 19" WEST 113.38 FEET; THENCE NORTH 52° 23' 22" WEST 151.94 FEET TO A POINT ON THE NORTHWEST LINE OF SAID LOT 1; THENCE ALONG THE NORTHWEST LINE OF SAID LOT, SOUTH 37° 38' 28" WEST 169.21 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 20.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90° 01' 50" AN ARC DISTANCE OF 31.43 FEET TO A POINT ON THE SOUTHWEST LINE OF SAID LOT 1; THENCE ALONG THE SOUTHWEST LINE OF SAID LOT, SOUTH 52° 23' 22" EAST, 131.81 FEET; THENCE CONTINUING ALONG THE SOUTHWEST LINE OF SAID LOT, SOUTH 52° 15' 19" EAST, 163.13 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND WITHOUT THE RIGHT OF SURFACE ENTRY THEREON AS RESERVED IN VARIOUS DEEDS OF RECORD, AMONG THEM BEING THAT DEED RECORDED OCTOBER 25, 1961 IN BOOK D1398 PAGE 495, OFFICIAL RECORDS.

APN: 5151-004-908 and 5151-015-914

Phase III Parcel:

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

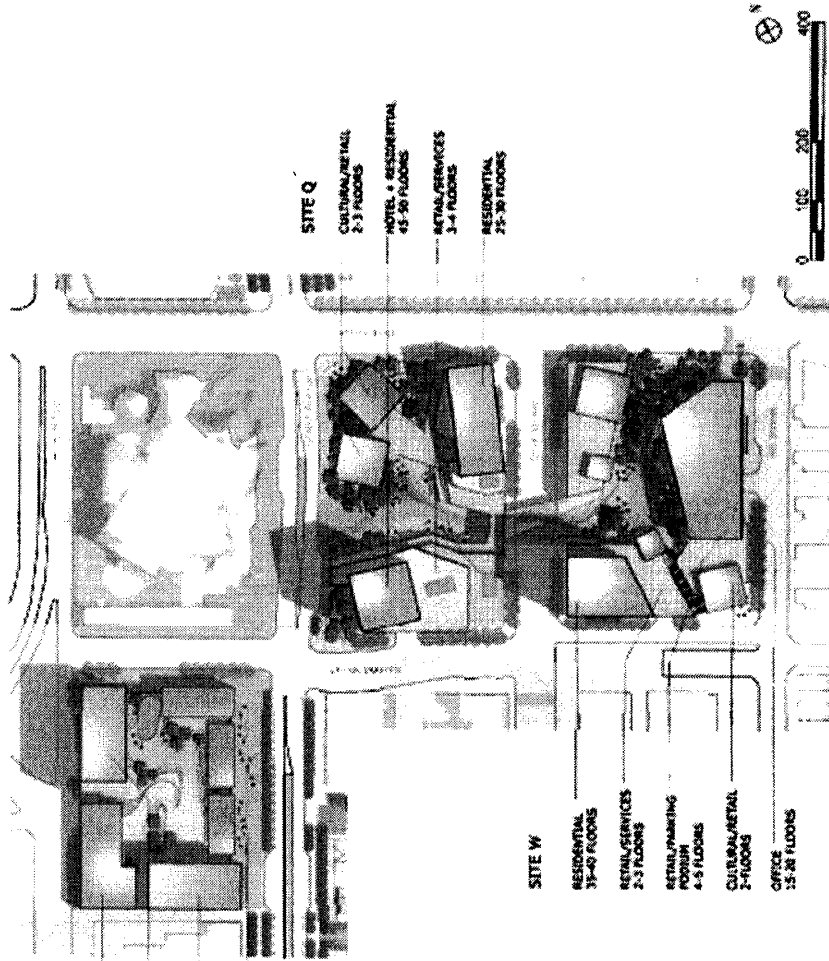
LOT 2 OF TRACT NO. 28633, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 854 PAGES 13 AND 14 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5148-010-944

EXHIBIT C

**Map
of
Development Agreement Property**

(See attached)



DEVELOPMENT BLOCKS
GRAND AVENUE
 THE RELATED COMPANIES

EXHIBIT D

Public Benefits

I. Public Benefits as required by Grand Avenue DDA

HOUSING

- **Affordable housing requirement.**
 - 20% of units to be set aside as affordable for 55 years, half to Low Income (80% AMI) and half to Very Low Income (50% AMI) households.
 - The affordable housing requirement is to be met with affordable units on site.
 - In Phase I, Developer is exceeding the requirement by providing 35% of affordable units for Extremely Low Income (35% AMI) households and the balance for Very Low income (50% AMI) households.
 - The affordable housing requirement requires preference to displaced of other CRA projects and use of an affirmative marketing plan
- **Revolving Loan Fund.**
 - Developer is establishing a revolving loan fund for a period of 10 years to provide predevelopment assistance to permanent supportive housing for the homeless within a 5 mile radius of the Grand Avenue Project.
 - The loan fund will make available \$1.5 Million to start, and decrease to \$750,000 after three loans have been executed and paid back in full.

EMPLOYMENT

- **Living Wage.**
 - The Grand Avenue Project is subject to CRA's Living Wage Policy
- **Local Hiring: Construction.**
 - Developer has committed to a 30% local hiring goal on construction jobs, of which 1/3, or 10% will be a hiring goal for local residents who are considered "at risk," in other words, with barriers to employment such as criminal record, disabilities, language barriers or literacy barriers.
- **Local Hiring: Permanent Jobs.**
 - Developer has committed to a 30% local hiring goal on all permanent jobs, of which 1/3, or 10% will be a hiring goal for local residents who are considered "at risk" (same definition as above)
 - In addition, Developer has committed to "First Source" hiring procedures by which employers within the project would be required to give local workers early notice and first opportunity to apply for permanent jobs
- **Job Training.**
 - To maximize the opportunities for local workers to gain employment at the Project, Developer is contributing \$500,000 to support training that will help ensure that local workers have the skills needed to get hired for the jobs created by the Project.
- **Prevailing Wage on Construction Jobs.**

- All construction jobs on this site will be paid at Prevailing or Union Wages.

OPEN SPACE

- **Civic Park.**
 - The project will provide a 16 acre public park as part of Phase I, which will be funded from the ground lease payment to the JPA from the Phase I development parcel. Developer is responsible for project management and delivery of the park at cost, with no profit or developer's fee.

ART

- **CRA Art Policy.**
 - The project will be required to comply with CRA's Art in Public Places Policy. The CRA's Art in Public Places Policy is much more stringent than the City's art policy, which exempts all residential projects and allows the art fee to be used entirely on-site. The specific art program has not been developed yet, but this amount will make a significant contribution to public art and culture downtown.

OTHER

- **Other policies.**
 - Developer will be subject to CRA's Equal Benefits Policy, Service Worker Retention, MBE/WBE goals, Contractor Responsibility Policy & Non Discrimination Policy

II. Public Benefits as required by Implementation Agreement

HOTEL

- **Level of Service**

- Hotel in Phase I will be operated, furnished, serviced, maintained and refurbished at the standard of care specified in the Implementation Agreement.

CONSTRUCTION TAX REVENUES

- **Point of Sale**

- Developer will cause the City of LA to be designated as the “point of sale” for construction Developer purchases for Phase I of the Project. This will help maximize the tax benefits realized by the City of Los Angeles from the Project construction expenditures.

EXHIBIT E

Intentionally Omitted

EXHIBITS

EXHIBIT A – Project Approvals

EXHIBIT B – Legal Description of Phase I Parcel, Phase II Parcels and Phase III Parcels

EXHIBIT C – Diagram of Development Agreement Property

EXHIBIT D – Public Benefits

EXHIBIT E – Intentionally Omitted

EXHIBIT F – Map of Streetscape and Pedestrian Improvements

EXHIBIT G-1 – Form of Contract Provision for all Major Contractors and Subcontractors

EXHIBIT G-2 – Form of Contract Provision for all Other Contractors and Subcontractors

EXHIBIT H – Schedule of Performance

EXHIBIT F

Map of Streetscape and Pedestrian Improvements

(See attached)

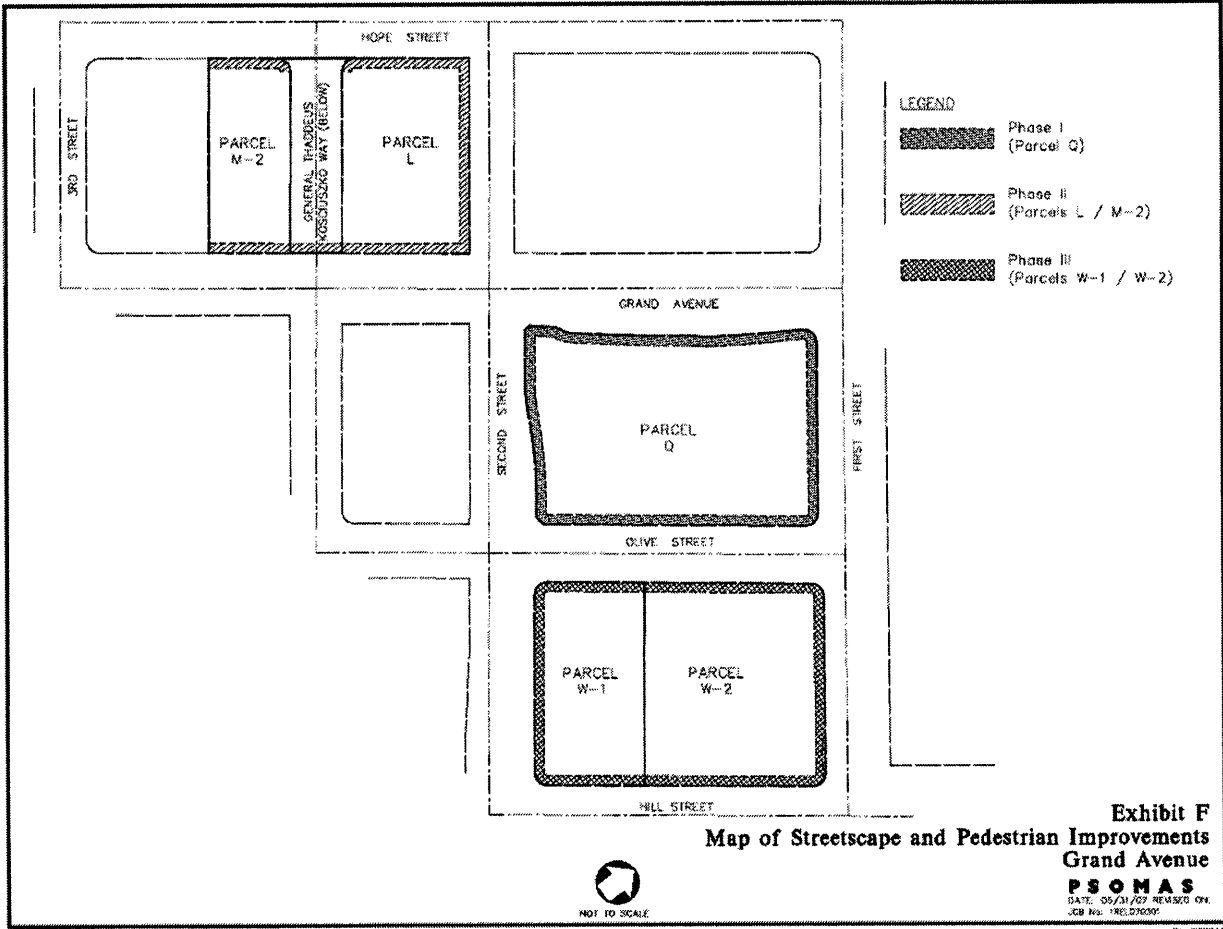


EXHIBIT G-1

Form of Contract Provisions for Major Contractors and Subcontractors

Contractor shall comply with the provisions of this Section ___ to provide that local sales and use taxes generated in connection with all eligible purchases of materials, fixtures, furniture, machinery, equipment and supplies for the work to be performed hereunder are allocated directly to the City of Los Angeles (the "City"). In particular, Contractor shall:

- (a) Apply for a jobsite sub-permit with the California State Board of Equalization ("CBOE") prior to the purchase of any materials, fixtures, furniture, machinery, equipment and supplies for the work to be performed hereunder (a "Jobsite Sub-Permit"). Contractor shall utilize an application substantially in the form attached as Attachment ___ for the foregoing purpose. Upon the request of Owner, Contractor shall furnish a copy of its application for Jobsite Sub-Permit. Promptly following Contractor's receipt of a Jobsite Sub-Permit from the CBOE, Contractor shall provide Owner and the City with a copy of such Jobsite Sub-Permit.
- (b) If Contractor is a seller and/or retailer of tangible items, apply for a seller's permit from the CBOE and provide the City with a copy of such seller's permit when it is received by Contractor from the CBOE.
- (c) (i) Incorporate a "transfer of title clause" in contracts for the purchase of materials and fixtures to be used in connection with the work to be performed hereunder and (ii) issue resale certificates to Contractor's suppliers, whether based in state or out of state, when purchasing materials and fixtures. The "transfer of title clauses" in such purchase contracts shall (A) explicitly provide for the transfer of title to the materials prior to the time materials are installed, and (B) separately state the price of materials, exclusive of the charge for installation.
- (d) Provide the Owner and the City, upon the reasonable request of either, with:
 - (A) a list of any of Contractors' subcontractors providing services or materials in excess of \$5,000,000 in connection with the work to be performed hereunder, which list shall include:
 - i. Name of subcontractor
 - ii. Address and telephone number of headquarters or office
 - iii. Name and telephone number of contact person
 - iv. Estimated value of contract
 - v. Estimated completion date
 - vi. Scope of Work
 - (B) A copy of the subcontract

(C) Such additional information as may be reasonably requested in writing by the City to ensure compliance with the foregoing provisions, including without limitation copies of the Contractor's sales and use tax returns and schedules of purchases of materials, fixtures, equipment, and machinery.

CONTRACTOR ACKNOWLEDGES AND AGREES THAT THE CITY IS A THIRD PARTY BENEFICIARY OF THE FOREGOING PROVISIONS AND THAT CONTRACTOR'S AGREEMENT TO COMPLY WITH SUCH PROVISIONS FOR THE BENEFIT OF THE CITY IS A MATERIAL INDUCEMENT TO OWNER IN ENTERING INTO THIS CONTRACT. CONTRACTOR FURTHER AGREES THAT ANY FAILURE BY CONTRACTOR TO COMPLY WITH THE FOREGOING PROVISIONS MAY BE DIRECTLY ENFORCED BY THE CITY. WITHOUT LIMITING THE REMEDIES OR OWNER OR THE CITY, THE CITY SHALL HAVE THE RIGHT TO SEEK, AS DAMAGES, THE FULL AMOUNT OF ANY SALES AND USE TAXES NOT ALLOCATED TO THE CITY AS A RESULT OF CONTRACTOR'S FAILURE TO COMPLY WITH THE FOREGOING PROVISIONS, WITHOUT REGARD TO WHETHER CONTRACTOR OR ITS SUBCONTRACTORS PAID SUCH SALES AND USE TAX, TOGETHER WITH INTEREST AT THE LOWER OF 10% OR THE HIGHEST INTEREST RATE ALLOWED BY LAW.

EXHIBIT G-2

Form of Contract Provisions for Other Contractors and Subcontractors

Contractor shall comply with the provisions of this Section ___ to provide that local sales and use taxes generated in connection with all eligible purchases of materials, fixtures, furniture, machinery, equipment and supplies for the work to be performed hereunder are allocated directly to the City of Los Angeles (the "City"). In particular, Contractor shall:

- (a) If Contractor makes any purchases of materials and fixtures amounting to \$500,000 or more from an out-of-state retailer in connection with the work performed hereunder and such materials or fixtures are shipped directly to Contractor from a point outside of California, Contractor shall state the jobsite address (i.e. in the City of Los Angeles) in Schedule C of its sales tax return, and
- (b) If Contractor makes any purchases of furniture totaling \$500,000 or more from a retailer at an out-of-state location and has that property shipped directly to them from a point outside of California, Contractor shall state the jobsite address (i.e. in the City of Los Angeles) in Schedule C of its sales tax return.

Contractor acknowledges and agrees that the City is a third party beneficiary of the foregoing provisions and that Contractor's agreement to comply with such provisions for the benefit of the City is a material inducement to Owner in entering into this contract. Contractor further agrees that any failure by Contractor to comply with the foregoing provisions may be directly enforced by the City.

EXHIBIT H

Schedule of Performance

<u>Submission - Designation of Art Consultant.</u> Developer shall submit the name of its proposed art consultant for Authority approval pursuant to Authority's Art Policy.	Complete.
<u>Review and Approval - Art Consultant.</u> Authority shall consider and approve or reject the proposed art consultant.	Complete.
<u>CRA Preconstruction Meeting.</u> Developer shall meet with the CRA's Office Of Contract Compliance as required by Section 703(3) of the DDA.	At least sixty (60) days prior to commencement of grading.
<u>Submission - Community Outreach Plan.</u> Developer shall submit the Community Outreach Plan required by Section 703(3) of the DDA to the CRA Chief Executive Officer or his/her designee.	At least thirty (30) days prior to commencement of grading.
<u>Review and Approval - Community Outreach Plan.</u> The CRA shall approve or disapprove the Community Outreach Plan.	Within thirty (30) days after receipt by the CRA.
<u>PHASE I IMPROVEMENTS</u>	
<u>Submission - Schematic Design Drawings.</u> Developer shall prepare and submit to Authority its Schematic Design Drawings for the Phase I Improvements: the Retail Improvements, the Hotel Improvements, and the Residential Improvements.	Within thirty (30) days following the Effective Date of the DDA.
<u>Review and Approval - Schematic Design Drawings.</u> Authority, CRA and the County shall review and approve the Schematic Design Drawings as provided in Section 405 of the DDA.	Within sixty (60) days after receipt of the Schematic Design Drawings by Authority.
<u>Completion - Entitlements.</u> Developer shall have obtained all requisite Entitlements for the Phase I Improvements.	No later than the first anniversary of the Effective Date; provided, however that Developer's obligation to comply with this date shall be subject to any unusual delays on behalf of the City in processing the Entitlements and any challenges to the Entitlements.

<p><u>Submission - Design Development Drawings and Preliminary Landscape Plans.</u> Developer shall prepare and submit to Authority Design Development Drawings and Preliminary Landscape Plans for the Phase I Improvements.</p>	<p>Within one hundred twenty (120) days after receipt of Authority approval of the Schematic Design Drawings.</p>
<p><u>Review and Approval- Design Development Drawings.</u> Authority shall review and approve the Design Development Drawings and Preliminary Landscape Plans as provided in Section 405 of the DDA.</p>	<p>“Within forty-five (45) days after receipt of the submission by Authority.</p>
<p><u>Submission - Concept Art Plan.</u> Developer shall prepare and submit to Authority its Concept Art Plan for Phase I Improvements.</p>	<p>Concurrently with submittal to the Authority of the Design Development Drawings for the Phase I Improvements.</p>
<p><u>Review and Approval - Concept Art Plan.</u> Authority shall review the Concept Art Plan for Phase I Improvements.</p>	<p>“Within forty-five (45) days after receipt by Authority.</p>
<p><u>Submission - 80% Construction Documents and Final Landscape Plans.</u> Developer shall submit 80% Construction Documents (80% complete set of plans and specifications sufficient for issuance of building permits) and Final Landscape Plans for the Phase I Improvements, including the Retail Improvements, the Hotel Improvements, and the Residential Improvements.</p>	<p>Within one hundred eighty (180) days after Developer’s submittal of Design Development Drawings for the relevant Improvements.</p>
<p><u>Review and Approval - 80% Construction Documents and Landscape Plans.</u></p> <p>Authority shall review and approve the 80% Construction Documents and Landscape Plans as provided in Section 405 of the DDA.</p> <p>The parties acknowledge that Developer may proceed with demolition, foundation and grading activities in accordance with City-issued permits, prior to the approval by Authority of 80% Construction Documents for the Phase I Improvements.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Orientation.</u> Developer shall coordinate a preconstruction orientation meeting with Developer’s general contractors and Authority.</p>	<p>Prior to commencement of grading activities in connection with the Phase I Improvements.</p>

<u>Construction Sign.</u> Developer shall cause to be erected on the Phase I Parcel a construction sign describing the development and the participants in accordance with Authority specifications.	No later than thirty (30) days prior to start of construction.
<u>Submission - Final Art Budget.</u> Developer shall submit a final Art Budget for the Phase I Improvements.	The date on which Developer has obtained all necessary permits required for the construction of the Phase I Improvements
<u>Submission - Final Construction Documents.</u> Developer shall submit Final Construction Documents for the Phase I Improvements	Within one hundred twenty (120) days after Developer's submittal of the 80% Construction Documents for the Phase I Improvements.
<u>Review and Approval - Final Construction Documents.</u> Authority shall review and approve the Final Construction Documents.	Within forty-five (45) days after receipt by Authority.
<u>Submission - Proposed Construction Budget.</u> Developer shall provide Authority with a proposed construction budget pursuant to Section 408(1) with respect to the Phase I Improvements.	Within sixty (60) days after Authority approval of Final Construction Documents for the Phase I Improvements.
<u>Review and Approval - Final Construction Budget.</u> Authority shall approve or disapprove, as set forth in Section 408(1), the proposed construction budget for the Phase I Improvements, which shall then become the Final Construction Budget for such Improvements.	Within forty-five (45) days after receipt by Authority.
<u>Commencement of Construction.</u> The Commencement of Construction of the Phase I Improvements shall have occurred.	October 1, 2007, subject to delay until the City Approval Deadline occurs under Section 1617 of the DDA, if the City Approval Deadline has not occurred by October 1, 2007.
<u>Completion of Construction.</u> Developer shall submit certificate of substantial completion from Developer's Architect, with respect to the Phase I Improvements.	Within forty-five (45) months after the Commencement of Construction of the Phase I Improvements, but no later than June 30, 2011.
<u>Final Inspection.</u> Authority shall conduct a final inspection of all improvements.	Within thirty (30) days after request by Developer, as applicable.
<u>Issuance of Authority Certificate (or Partial Certificate) of Completion.</u> Authority shall issue in recordable form the Certificate of Completion (or Partial Certificate of Completion, as appropriate).	Within forty-five (45) days after receipt by Authority of Developer's written request, provided all requirements for issuance have been satisfied.

<p><u>Architect's Assignment.</u> Developer shall execute and deliver the Architect's Assignment with respect to the Phase I Improvements to the Authority and the County.</p> <p>Notwithstanding the foregoing, Developer shall not be in breach of its obligations hereunder if Developer is unable to comply with the provisions of this Paragraph due to Developer's contractual obligations with Gehry Partners and Frank Gehry.</p>	<p>Within forty-five (45) days after the issuance of the final Certificate of Occupancy by the City.</p>
<p><u>PHASE II IMPROVEMENTS</u></p>	
<p><u>Submission - Schematic Design Drawings.</u> Developer shall prepare and submit to Authority its Schematic Design Drawings for the Phase II Improvements.</p>	<p>At least 18 months prior to the required start of construction of Phase II.</p>
<p><u>Review and Approval - Schematic Design Drawings.</u> Authority, CRA and the County shall review and approve the Schematic Design Drawings as provided in Section 405 of the DDA.</p>	<p>Within sixty (60) days after receipt of the Schematic Design Drawings by Authority.</p>
<p><u>Submission - Design Development Drawings and Preliminary Landscape Plans.</u> Developer shall prepare and submit to Authority Design Development Drawings and Preliminary Landscape Plans for the Phase II Improvements.</p>	<p>Within one hundred twenty (120) days after receipt of Authority approval of the Schematic Design Drawings.</p>
<p><u>Review and Approval- Design Development Drawings.</u> Authority shall review and approve the Design Development Drawings and Preliminary Landscape Plans as provided in Section 405 of the DDA.</p>	<p>Within forty-five (45) days after receipt of the submission by Authority.</p>
<p><u>Submission - 80% Construction Documents and Final Landscape Plans.</u> Developer shall submit 80% Construction Documents (80% complete set of plans and specifications sufficient for issuance of building permits) and Final Landscape Plans for the Phase II Improvements.</p>	<p>Within one hundred eighty (180) days after Developer's submittal of Design Development Drawings for the relevant Improvements.</p>

<p><u>Review and Approval - 80% Construction Documents and Landscape Plans.</u> Authority shall review and approve the 80% Construction Documents and Landscape Plans as provided in Section 405 of the DDA. The parties acknowledge that Developer may proceed with demolition, foundation and grading activities in accordance with City-issued permits, prior to the approval by Authority of 80% Construction Documents for the Phase II Improvements.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Orientation.</u> Developer shall coordinate a preconstruction orientation meeting with Developer's general contractors and Authority.</p>	<p>Prior to commencement of grading activities in connection with the Phase II Improvements.</p>
<p><u>Submission - Final Art Budget.</u> Developer shall submit a final Art Budget for the Phase II Improvements.</p>	<p>The date on which Developer has obtained all necessary permits required for the construction of the Phase II Improvements.</p>
<p><u>Submission - Final Construction Documents.</u> Developer shall submit Final Construction Documents for the Phase II Improvements.</p>	<p>Within one hundred twenty (120) days after Developer's submittal of the 80% Construction Documents for the Phase II Improvements.</p>
<p><u>Review and Approval - Final Construction Documents.</u> Authority shall review and approve the Final Construction Documents.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Submission - Proposed Construction Budget.</u> Developer shall provide Authority with a proposed construction budget pursuant to Section 408(2) with respect to the Phase II Improvements.</p>	<p>Within thirty (30) days after Authority approval of Final Construction Documents for the Phase II Improvements.</p>
<p><u>Review and Approval - Final Construction Budget.</u> Authority shall approve or disapprove, as set forth in Section 408(2), the proposed construction budget for the Phase II Improvements, which shall then become the Final Construction Budget for such Improvements.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Commencement of Construction.</u> The Commencement of Construction of the Phase II Improvements shall have occurred.</p>	<p>Within 15 months after paying the Leasehold Acquisition Fee for Phase II ("Phase II Outside Construction Start Date").</p>
<p><u>Completion of Construction.</u> Developer shall submit certificate of substantial completion from Developer's Architect, with respect to the Phase II Improvements.</p>	<p>Within approximately 45 months after commencement of work.</p>
<p><u>Final Inspection.</u> Authority shall conduct a final inspection of all improvements.</p>	<p>Within forty-five (45) days after request by Developer, as applicable.</p>

<p><u>Issuance of Authority Certificate (or Partial Certificate) of Completion.</u> Authority shall issue in recordable form the Certificate of Completion (or Partial Certificate of Completion, as appropriate).</p>	<p>Within forty-five (45) days after receipt by Authority of Developer's written request, provided all requirements for issuance have been satisfied.</p>
<p><u>Architect's Assignment.</u> Developer shall execute and deliver the Architect's Assignment with respect to the Phase II Improvements to the Authority and the CRA.</p> <p>Notwithstanding the foregoing, Developer shall not be in breach of its obligations hereunder if Developer is unable to comply with the provisions of this Paragraph due to Developer's contractual obligations with Gehry Partners and Frank Gehry.</p>	<p>Within thirty (30) days after the issuance of the final Certificate of Occupancy by the City of Los Angeles.</p>
<p><u>PHASE III IMPROVEMENTS</u></p>	
<p><u>Submission - Schematic Design Drawings.</u> Developer shall prepare and submit to Authority its Schematic Design Drawings for the Phase III Improvements.</p>	<p>At least 18 months prior to the required start of construction of Phase III.</p>
<p><u>Review and Approval - Schematic Design Drawings.</u> Authority, CRA and the County shall review and approve the Schematic Design Drawings as provided in Section 405 of the DDA.</p>	<p>Within sixty (60) days after receipt of the Schematic Design Drawings by Authority.</p>
<p><u>Submission - Design Development Drawings and Preliminary Landscape Plans.</u> Developer shall prepare and submit to Authority Design Development Drawings and Preliminary Landscape Plans for the Phase III Improvements.</p>	<p>Within one hundred twenty (120) days after receipt of Authority approval of the Schematic Design Drawings.</p>
<p><u>Review and Approval- Design Development Drawings.</u> Authority shall review and approve the Design Development Drawings and Preliminary Landscape Plans as provided in Section 405 of the DDA.</p>	<p>Within forty-five (45) days after receipt of the submission by Authority.</p>
<p><u>Submission - 80% Construction Documents and Final Landscape Plans.</u> Developer shall submit 80% Construction Documents (80% complete set of plans and specifications sufficient for issuance of building permits) and Final Landscape Plans for the Phase III Improvements.</p>	<p>Within one hundred eighty (180) days after Developer's submittal of Design Development Drawings for the relevant Improvements.</p>

<p><u>Review and Approval - 80% Construction Documents and Landscape Plans.</u></p> <p>Authority shall review and approve the 80% Construction Documents and Landscape Plans as provided in Section 405 of the DDA.</p> <p>The parties acknowledge that Developer may proceed with demolition, foundation and grading activities in accordance with City-issued permits, prior to the approval by Authority of 80% Construction Documents for the Phase III Improvements.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Orientation.</u> Developer shall coordinate a preconstruction orientation meeting with Developer's general contractors and Authority.</p>	<p>Prior to commencement of grading activities in connection with the Phase III Improvements.</p>
<p><u>Submission - Final Art Budget.</u> Developer shall submit a final Art Budget for the Phase III Improvements.</p>	<p>The date on which Developer has obtained all necessary permits required for the construction of the Phase III Improvements.</p>
<p><u>Submission - Final Construction Documents.</u> Developer shall submit Final Construction Documents for the Phase III Improvements.</p>	<p>Within one hundred twenty (120) days after Developer's submittal of the 80% Construction Documents for the Phase III Improvements.</p>
<p><u>Review and Approval - Final Construction Documents.</u> Authority shall review and approve the Final Construction Documents.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Submission - Proposed Construction Budget.</u> Developer shall provide Authority with a proposed construction budget pursuant to Section 408(3) with respect to the Phase III Improvements.</p>	<p>Within thirty (30) days after Authority approval of Final Construction Documents for the Phase III Improvements.</p>
<p><u>Review and Approval - Final Construction Budget.</u> Authority shall approve or disapprove, as set forth in Section 408(3), the proposed construction budget for the Phase III Improvements, which shall then become the Final Construction Budget for such Improvements.</p>	<p>Within forty-five (45) days after receipt by Authority.</p>
<p><u>Commencement of Construction.</u> The Commencement of Construction of the Phase III Improvements shall have occurred.</p>	<p>Within 24 months after paying the Leasehold Acquisition Fee for Phase III ("Phase III Outside Construction Start Date").</p>
<p><u>Completion of Construction.</u> Developer shall submit certificate of substantial completion from Developer's Architect, with respect to the Phase III Improvements.</p>	<p>Within approximately 45 months after Commencement of Construction of the Phase III Improvements.</p>
<p><u>Final Inspection.</u> Authority shall conduct a final inspection of all improvements.</p>	<p>Within forty-five (45) days after request by Developer, as applicable.</p>

<p><u>Issuance of Authority Certificate (or Partial Certificate) of Completion.</u> Authority shall issue in recordable form the Certificate of Completion (or Partial Certificate of Completion, as appropriate).</p>	<p>Within forty-five (45) days after receipt by Authority of Developer's written request, provided all requirements for issuance have been satisfied.</p>
<p><u>Architect's Assignment.</u> Developer shall execute and deliver the Architect's Assignment with respect to the Phase III Improvements to the Authority and the County.</p> <p>Notwithstanding the foregoing, Developer shall not be in breach of its obligations hereunder if Developer is unable to comply with the provisions of this Paragraph due to Developer's contractual obligations with Gehry Partners and Frank Gehry.</p>	<p>Within thirty (30) days after the issuance of the final Certificate of Occupancy by the City of Los Angeles.</p>

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