On August 11, 2016, the City Planning Commission approved a Development Agreement for the Reef Project.
COMMISSION ACTION(S) / ZONING ADMINISTRATOR ACTION(S): (CEA’s PLEASE CONFIRM)

1. Found that the project was assessed in the Reef FEIR, ENV-2014-1773-EIR (SCH No. 2014071054) (“Reef FEIR”).
2. Approved a Development Agreement between the Developer and the City of Los Angeles, for a term of 20 years.
3. Adopted the attached Findings.
4. 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 through the life of the project and the City may require any necessary fees to cover the cost of such monitoring.
5. Advised the Applicant that, pursuant to State Fish and Game Code Section 711.4, a Fish and Game and/or Certificate of Game Exemption is now required to be submitted to the County Clerk prior to or concurrent with the Environmental Notices and Determination (NOD) filing.

ENTITLEMENTS FOR CITY COUNCIL CONSIDERATION:

1. Recommend that the City Council find that the project was assessed in the Reef FEIR, ENV-2014-1773-EIR (SCH No. 2014071054) (“Reef FEIR”).
2. Recommend that the City Council adopt the ‘Reef Project Development Agreement,’ pursuant to California Government Code Section 65864-65869.5, subject to the terms and provisions therein, for a 20-year term.
3. Recommend that the City Council adopt an ordinance, subject to review by the City Attorney as to form and legality, authorizing the execution of the subject Development Agreement.
4. Recommend that the City Council adopt the attached findings as the City Council’s Findings of Approval.

FINAL ENTITLEMENTS NOT ADVANCING:

N/A

ITEMS APPEALED:

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<td>James K. Williams</td>
<td>October 5, 2016</td>
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At its meeting on August 11, 2016, the Los Angeles City Planning Commission took the following action:
1. **Found** that the project was assessed in the Reef FEIR, **ENV-2014-1773-EIR** (SCH No. 2014071054) ("Reef FEIR").
2. **Approved** a Development Agreement between the Developer and the City of Los Angeles, for a term of 20 years.
3. **Adopted** the attached Findings.
4. **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 through the life of the project and the City may require any necessary fees to cover the cost of such monitoring.
5. **Advised** the Applicant that, pursuant to State Fish and Game Code Section 711.4, a Fish and Game and/or Certificate of Game Exemption is now required to be submitted to the County Clerk prior to or concurrent with the Environmental Notices and Determination (NOD) filing.

**RECOMMENDATION TO CITY COUNCIL:**
1. **Recommend** that the City Council **find** that the project was assessed in the Reef FEIR, **ENV-2014-1773-EIR** (SCH No. 2014071054) ("Reef FEIR").
2. **Recommend** that the City Council **adopt** the ‘Reef Project Development Agreement,’ pursuant to California Government Code Section 65864-65869.5, subject to the terms and provisions therein, for a 20-year term.
3. **Recommend** that the City Council **adopt** an ordinance, subject to review by the City Attorney as to form and legality, authorizing the execution of the subject Development Agreement.
4. **Recommend** that the City Council **adopt** the attached findings as the City Council’s Findings of Approval.

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

Moved: Ambroz  
Seconded: Mack  
Ayes: Millman, Padilla-Campos, Perlman  
Noes: Ahn, Choe, Dake-Wilson  
Absent: Katz  

Vote: 5 - 3

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Effective Date/Appeals: The City Planning Commission’s determination regarding the Development Agreement is not appealable.

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City’s decision became final pursuant to California code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Findings and Exhibits  
Senior City Planner: Luciralia Ibarra  
City Planner: Sarah Molina Pearson
DEVELOPMENT AGREEMENT
by and between
THE CITY OF LOS ANGELES
and
PHR LA MART, LLC
dated as of

____________
# DEVELOPMENT AGREEMENT

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DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is executed this _________ day of _____, 2016 by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), and PHR LA MART, LLC, a California limited liability company (the "Developer"), pursuant to California Government Code Section 65864 et seq., and the implementing procedures of the City, with respect to the following:

RECITALS

WHEREAS, the City and the Developer recognize that the further development of the subject property, as defined below, will create significant opportunities for economic growth in the City, the Southern California region and California generally;

WHEREAS, the Developer wishes to obtain reasonable assurances that the project as defined below may be developed in accordance with the Project Approvals, as defined below, and the terms of this Agreement;

WHEREAS, the Developer will implement public benefits above and beyond the necessary mitigation for the Project including benefits and other consideration as noted in Sections 2.3.1 and;

WHEREAS, this Agreement is necessary to assure the Developer that the Project will not be reduced in density, intensity or use or be subjected to new rules, regulations, ordinances or policies unless otherwise allowed by this Agreement;

WHEREAS, by entering into this Agreement, the City is encouraging the development of the project as set forth in this Agreement in accordance with the goals and objectives of the City, while reserving to the City the legislative powers necessary to remain responsible and accountable to its residents;

WHEREAS, the Developer owns a 9.7-acre property in the City of Los Angeles located generally at 1900 South Broadway all as set forth in Exhibit A (the "Property"). Developer intends to develop a mixed-use project consisting of 549 apartment units, including 21 live/Work units, and 895 residential condominiums, a 208-key hotel, 67,702 square feet of retail/restaurant uses; a 29,355 square-foot grocery store, a 17,507 square-foot gallery; and, a 7,879 square-foot fitness studio. The existing Reef building will be maintained and includes an 8,000 square-foot rooftop addition to include a restaurant. The project would contain 2,541,658 square feet of floor area upon full build out.

WHEREAS, for the foregoing reasons, the Parties desire to enter into a development agreement for the Project pursuant to the Development Agreement Act, as defined below, and the City’s charter powers upon the terms and conditions set forth herein.
AGREEMENT

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Act, as it applies to the City, and in consideration of the mutual promises and covenants herein contained and other valuable consideration the receipt and adequacy of which the Parties hereby acknowledge, the Parties agree as follows:

1. DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context of this Agreement otherwise requires, the following words and phrases shall be defined as set forth below:

1.1 "Agreement" means this Development Agreement.

1.2 "Applicable Rules" means the rules, regulations, fees, ordinances and official policies of the City in force as of the Effective Date of this Agreement governing the use and development of real property and which, among other matters, govern the permitted uses of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings, parking requirements, setbacks, development standards, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction guidelines, standards and specifications applicable to the development of the Property. Notwithstanding the language of this Section or any other language in this Agreement, all specifications, standards and policies regarding the design and construction of buildings and development projects, if any, shall be those that are in effect at the time the project plans are being processed for approval and/or under construction.

1.3 "Assignment Agreement" means an agreement entered into by the Developer to transfer in whole or in part the rights and obligations of Developer under this Agreement to a third party transferee.

1.4 "CEQA" means the California Environmental Quality Act (Cal. Public Resources Code Sections 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regs., Title 14, Sections 15000 et seq.).

1.5 "City" means the City of Los Angeles, a charter city and municipal corporation.

1.6 "City Agency" means each and every agency, department, board, commission, authority, employee, and/or official acting under the authority of the City, including without limitation the City Council and the Planning Commission.

1.7 "City Attorney" means the legal counsel for the City.

1.8 "City Council" means the City Council of the City and the legislative body of the City pursuant to Section 65867 of the California Government Code (Development Agreement Act).

1.9 "Community Plan" means the Southeast Los Angeles Community Plan.

1.11 "Conditions of Approval" means the Conditions of Approval for the Project, including, but not limited to, any conditions associated with the Project Approvals, including, without limitation, those attached hereto as Exhibit B, Conditions of Approval.

1.12 "Days" means calendar days as opposed to working days.

1.13 "Developer" has the meaning as described in the opening paragraph of this Agreement.

1.14 "Development Agreement Act" means Article 2.5 of Chapter 4 of Division 1 of Title 7 (Sections 65864 through 65869.5) of the California Government Code.

1.15 "Director of Planning" means the Director of the City of Los Angeles Department of City Planning.

1.16 "Discretionary Action" means an action which requires the exercise of judgment, deliberation or a decision on the part of the City and/or any City Agency, in the process of approving or disapproving a particular activity, as distinguished from Ministerial Permits and Approvals and any other activity which merely requires the City and/or any City Agency to determine whether there has been compliance with statutes, ordinances or regulations.

1.17 "East Lot" means the lot bounded by West Washington Boulevard to the north, West 21st Street on the south, South Broadway on the west, and South Main Street on the east.

1.18 "EIR" means the Environmental Impact Report for the project, State Clearinghouse No. 2014071054, certified by the City in accordance with the requirements of CEQA.

1.19 "Effective Date" has the meaning set forth in Section 7.1 below.

1.20 "Fees" mean Impact Fees, Processing Fees and any other fees or charges imposed or collected by the City.

1.21 "Floor Area" means the floor area as defined in Section 12.03 of the Los Angeles Municipal Code.

1.22 "General Plan" means the General Plan of the City.

1.23 "Impact Fees" means impact fees, linkage fees, exactions, assessments or fair share charges or other similar impact fees or charges imposed on and in connection with new development by the City pursuant to rules, regulations, ordinances and policies of the City in full force and effect as of the Effective Date of this Agreement. Impact fees do not include: (i) Processing Fees or (ii) other City-wide fees or charges of general applicability, provided that such City-wide fees or charges are not imposed on impacts of new development.
1.24 "Ministerial Permits and Approvals" means the permits, approvals, plans, inspections, certificates, documents, licenses, and all other actions required to be taken by the City in order for Developer to implement, develop and construct the Project and the Mitigation Measures, including without limitation, building permits, foundation permits, public works permits, grading permits, stockpile permits, encroachment permits, and other similar permits and approvals which are required by the Los Angeles Municipal Code and project plans and other actions required by the Project Approvals to implement the Project and the Mitigation Measures. Ministerial Permits and Approvals shall not include any Discretionary Actions.

1.25 "Mitigation Measures" means the mitigation measures described in the Environmental Impact Report ("EIR"), State Clearinghouse Number SCH No. 2014071054, certified by the City in accordance with the requirements of CEQA, on ______ and in the Mitigation Monitoring Program for the Project which is attached hereto as Exhibit E, Mitigation Monitoring Program.


1.27 "Parties" means collectively the Developer and the City.

1.28 "Party" means any one of the Developer or the City.

1.29 "Phase 1" means any portion of the Project developed on the West Lot, as depicted on Exhibit "B". The term ‘phase’ is used solely to identify the allocation of community benefits identified in Section 3.2 of this Agreement.

1.30 "Phase 2" means any portion of the Project developed on the northern portion of the East Lot, as depicted on Exhibit "B". The term ‘phase’ is used solely to identify the allocation of community benefits identified in Section 3.2 of this Agreement.

1.31 "Phase 3" means any portion of the Project developed on the southern portion of the East Lot, as depicted on Exhibit "B". The term ‘phase’ is used solely to identify the allocation of community benefits identified in Section 3.2 of this Agreement.

1.32 "Planning Commission" means the City Planning Commission and the planning agency of the City pursuant to Section 65867 of the California Government Code (Development Agreement Act).

1.33 "Processing Fees" means all processing fees and charges required by the City or any City Agency including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, encroachment permits, tract or parcel maps, lot line adjustments, air right lots, street vacations and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all linkage fees or exactions which may be imposed by the City on development projects pursuant to laws enacted after the Effective Date of this Agreement, except as specifically provided for in this Agreement. Processing Fees include those linkage fees, and exactions which are in effect as of the date the Vesting Tentative Tract Map No. VTT-72914 was deemed complete pursuant to California Government Code Section 65943, 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 City-wide 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.

1.34 “Project” means the development described in greater detail in “Exhibit C”.

1.35 “Project Approvals” means those Discretionary Actions authorizing the Project which have been requested by the Developer and approved by the City on or before the Effective Date, which are comprised of:

- General Plan Amendment to amend the Southeast Los Angeles Community Plan’s land use designation for the Property from “Limited Manufacturing” land use designation to “Community Commercial. In addition, Footnote No. 1 of the Community Plan’s General Plan Land Use Map to allow Height District 2 at the Property;

- Zone Change for the Property from [Q]M2-1-2-O and M1-2-O to [T][Q]C2-2-O;

- Creation of a Supplemental Use District (SN) – Sign District;

- Conditional Use to allow a Major Development project that consists of more than 100,000 square feet or more of nonresidential floor area in the C2 zone;

- Master Conditional Use to allow the sale, dispensing and consumption of a full line of alcoholic beverages in conjunction with on- and off-site establishments within the Project;

- Master Conditional Use to allow live entertainment and patron dancing;

- Variance to reduce the number of required on-site trees from 361 to 289;

- Variance to allow alternative short-term and long-term bicycle parking stall siting within the project site;

- 10 percent reduction from the required parking for commercial and industrial uses located within 1,500 feet from the portal of a fixed rail transit station, or bus station, or other similar transit facility;

- Site Plan Review for a development that results in a net increase of at least 50,000 square feet or more of nonresidential floor area and/or an increase of 50 or more dwelling units and/or guest rooms; and,

- Vesting Tentative Tract Map No. 72914.

1.36 “Property” has the meaning in the recitals above and as fully described in the legal description attached as Exhibit “A”.

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1.37 "Public Benefits" means those public benefits to be provided by the Project as described in Sections 2.3.1 and 3.2 of this Agreement that comprise enforceable additional consideration to the City for this Agreement.

1.38 "Property Owner" has the meaning as described in the opening paragraph of the Agreement.

1.39 "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 of this Agreement that may be in conflict with the Applicable Rules and Project Approvals, but: (1) are necessary to protect the public health and safety, and are generally applicable on a City-wide basis (except in the event of natural disasters as found by the City Council such as floods, earthquakes and similar acts of God); (2) are amendments to the Los Angeles Building or Fire Codes regarding the construction, engineering and design standards for private and public improvements and which are (a) 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 City Council such as floods, earthquakes, and similar acts of God); (3) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement) as provided in Section 3.2.3.3 or; (4) 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.

1.40 "Sign District" means an “SN” Sign District as defined in Section 13.11 of the Los Angeles Municipal Code.

1.41 "Term" means the period of time for which this Agreement shall be effective in accordance with Section 7.2 hereof.

1.42 "Transferee" means a third party that has entered into an Assignment Agreement with Developer.

1.43 "Vesting Tentative Tract Map" means Tentative Tract Map No. 72914 approved by the City on ______ and which became final on ______.

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."

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: (1) 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 (2) 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 City Planning Commission Action. The City Planning Commission held a duly noticed public hearing and recommended approval of this Agreement on August 11, 2016 by way of Planning Commission Resolution No.______.

2.2.2 City Council Certification of the EIR. The City Council on ____ , after conducting a duly-noticed public hearing, certified the EIR for the Project.

2.2.3 City Council Action. The City Council on ____________, after conducting a duly-noticed public hearing, adopted Ordinance No. ____________, to become effective on the thirty-first day after its adoption, found that its provisions are consistent with the City’s General Plan and the Los Angeles Municipal Code, and authorized the execution of this Agreement.

2.3 Purpose of this Agreement.

2.3.1 Public Benefits. This Agreement provides assurances that the Public Benefits identified below will be achieved and developed in accordance with the Applicable Rules and Project Approvals and with the terms of this Agreement and subject to the City’s Reserved Powers. The Project will provide Public Benefits to the City, including without limitation:

Street Trees
(a) **City Plants:** The Developer shall pay a total of $200,000 to City Plants to cover the procurement, delivery, planting labor, concrete cut, maintenance, watering, stakes/ties, arbor guards, administration and accounting for the plating of trees at off-site locations in the Southeast Los Angeles Community Plan area. The administrator for City Plants shall submit a letter acknowledging receipt of the fund(s) and in addition, the Developer shall submit documentation demonstrating compliance with this obligation as part of the required annual review described in Section 4.1 below.

**Delivery:** $100,000 prior to issuance of 1st Building Permit for Reef for Phase 1, and $100,000 prior to issuance of Building Permit for Phase 2.

**Signage**

(b) **Public Service Announcements:** The Developer shall make available for use by a Public Service or Government Agency one minute for every 10 minutes on every individual digital sign, to advertise or provide updates regarding public events, services, transit information, and which may include information for LATTIC or other not-for-profit educational institutions. The Developer submit documentation in the form of agreements with government, service, and/or educational institutions which detail the amount of time and the specific messaging advertised on each digital sign to demonstrate compliance with this obligation.

**Delivery:** Subject to annual review. Commences upon issuance of Certificate of Occupancy for Reef Signage.

**Affordable Housing**

(c) **Off-Site:** The Developer shall $15,000,000 to the CD 9 Affordable Housing Trust Fund towards the development of affordable housing within CD 9 as well as the purchase of expiring housing covenants. As part of the Developer’s annual reporting obligations, the Developer shall provide the necessary evidence demonstrating that the payment of funds has been received and processed by the Office of the City Clerk for the City of Los Angeles.

**Delivery:** $7,500,000 prior to the issuance of a Building Permit for Phase 2, and $7,500,000 prior to the issuance of a Building Permit for Phase 3.

(d) **On-Site:** Prior to the issuance of the first Building Permit, the Developer shall provide five (5) percent of the approved number of rental units to be reserved for Low Income Households (defined as families earning 80 percent of the median income (adjusted for family size) as determined annually by the Los Angeles Housing + Community Investment Department (HCIDLA).

**Labor/Local Hire**

(e) **Construction Trade Prevailing Wage:** Construction workers employed in connection with the construction of the Project, including core and shell construction, shall be paid no less than the prevailing rate of wages as determined pursuant to the provisions of Sections 1770 et seq of the California Labor Code. The Developer shall submit
proof of compliance with this obligation prior to the issuance of any certificate of occupancy for each phase of the project.

**Delivery:** Annual Review pursuant to Section 4.1 of this Agreement.

(f) **Project Labor Agreement:** The Developer shall enter into a Project Labor Agreement with the Los Angeles/Orange Counties Building and Construction Trades Council (the “PLA”) to promote efficiency of demolition and construction operations during construction of the Project and provide for the orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting public interest in assuring the timely and economical completion of the Project. The Project Labor Agreement shall also establish a process for implementation of local workforce utilization goals, such as local hire goals and efforts to hire disadvantaged workers including: formerly homeless, individuals formerly in contact with the judicial system, veterans, emancipated youth, chronically or underemployed, single parents and individuals receiving public assistance.

**Delivery:** Annual Review pursuant to Section 4.1 of this Agreement.

(g) **Local Hire:** The Developer shall establish local hiring goals of 30% for construction and 30% for operation in conjunction with the proposed hotel.

**Delivery:** Annual Review pursuant to Section 4.1 of this Agreement.

### 2.3.2 Developer 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, the Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules and Project Approvals 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 and the Project Approvals. This Agreement, therefore, is necessary to assure Developer that the Project will not be (1) reduced or otherwise modified in density, intensity or use from what is set forth in the Project Approvals, (2) subjected to new rules, regulations, ordinances or official policies or plans which are not adopted or approved pursuant to the City’s Reserved Powers 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.

### 2.3.3 Mutual Objectives.

Development of the Project in accordance with this Development Agreement will provide for the orderly development of the Property in accordance with the objectives set forth in the General Plan. Moreover, a development agreement for the Project will eliminate uncertainty in planning for and securing orderly development of the Property, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within the City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The Parties believe that such orderly development of the Project will provide Public Benefits, as described in Section 2.3.1, to the City through the imposition of development standards and requirements under this Agreement, including without limitation: increased tax revenues, installation of on-site and off-site improvements, creation and retention of jobs, and development
of an aesthetically attractive mixed use campus Project. 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 provides 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 City, the Developer will receive assurance that the Project may be developed during
the Term of this Agreement in accordance with the Applicable Rules, Project Approvals and
Reserved Powers, subject to the terms and conditions of this Agreement.

2.4 Applicability of the Agreement. This Agreement does not: (1) grant height,
density or intensity in excess of that otherwise established in the Applicable Rules and Project
Approvals; (2) eliminate future Discretionary Actions relating to the Project if applications
requiring such Discretionary Action are initiated and submitted by the owner of the Property
after the Effective Date of this Agreement; (3) guarantee that Developer will receive any profits
from the Project; (4) prohibit the Project’s participation in any benefit assessment district that is
generally applicable to surrounding properties; (5) amend the City’s General Plan, or (6) amend
the City of Los Angeles Zoning Ordinance. This Agreement has a fixed Term. Furthermore, in
any subsequent actions applicable to the Property, the City may apply such new rules,
regulations and official policies as are contained in its Reserved Powers.

3. AGREEMENT AND ASSURANCES

3.1 Agreement and Assurance 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
promises, purposes and intentions set forth in Section 2.3 of this Agreement, Developer hereby
agrees as follows:

3.1.1. Project Development. Developer agrees that it will use commercially
reasonable efforts, in accordance with its own business judgment and taking into account market
conditions and economic considerations, to undertake development of the Project in accordance
with the terms and conditions of this Agreement, including the Applicable Rules and the Project
Approvals.

3.1.2. Timing of Development. The parties acknowledge that Developer cannot
at this time predict when or at what rate the Property would be developed. Such decisions
depend upon numerous factors which are not all within the control of Developer, such as market
orientation and demand, availability of financing, interest rates and competition. Developer may
therefore construct the Project in either a single phase or multiple phases (lasting any duration of
time) within the Term of this Agreement. 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, Developer and the City do
hereby acknowledge that Developer has the right 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. The City acknowledges that this right is consistent with the intent, purpose and
understanding of the Parties to this Agreement.
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 promises, purposes and intentions set forth in Section 2.3 of this Agreement, the City hereby agrees as follows:

3.2.1 Entitlement to Develop. Developer has the vested right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules, Project Approvals and the Reserved Powers. Developer's vested rights under this Agreement shall include, without limitation, the right to remodel, renovate, rehabilitate, rebuild or replace the Project or any portion thereof throughout the applicable Term for any reason, including, without limitation, in the event of damage, destruction or obsolescence of the Project or any portion thereof, subject to the Applicable Rules, Project Approvals and Reserved Powers. To the extent that all or any portion of the Project is remodeled, renovated, rehabilitated, rebuilt or replaced, Developer may locate that portion of the Project at any other location of the Property, subject to the requirements of the Project Approvals, the Applicable Rules, and the Reserved Powers.

3.2.2 Consistency in 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, prevent or encumber the full completion and occupancy of the Project in accordance with the uses, intensities, densities, designs and heights, permitted demolition, and other development entitlements incorporated and agreed to herein and in the Project Approvals.

3.2.3 Changes in Applicable Rules.

3.2.3.1 Non-application of Changes in Applicable Rules. Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable general plan, zoning or building regulation, adopted or becoming effective after the Effective Date of this Agreement, including, without limitation, any such change by means of ordinance including but not limited to adoption of a specific plan or overlay zone, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City, the Mayor, City Council, Planning Commission, any City Agency, 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, Project Approvals, or this Agreement, shall not be applied to the Project unless such changes represent an exercise of the City's Reserved Powers, or are otherwise agreed to in this Agreement. Notwithstanding the foregoing, Developer may, in its sole discretion, give the City written notice of its election to have any subsequent change in the Applicable Rules applied to some portion or all of the Property as it may own, in which case such subsequent changes in the Applicable Rules shall be deemed to be contained within the Applicable Rules insofar as that portion of the Property is concerned. In the event of any conflict or inconsistency between this Agreement and the Applicable Rules, the provisions of this Agreement shall control.

3.2.3.2 Changes in Building and Fire Codes. Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to
changes which may occur from time to time in the California Building Code and other uniform construction codes. In addition, development of the Project shall be subject to any changes occurring from time to time in the Los Angeles 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).

3.2.3.3 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 such changes or additions are mandated to be applied to developments such as this Project by state or federal regulations, pursuant to the Reserved Powers. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such 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 which are required by the Reserved Powers and/or the Project Approvals. Any subsequent Discretionary Action initiated by Developer which substantially changes the entitlements allowed under the Project Approvals, shall be subject to rules, regulations, ordinances and official policies of the City then in effect. A substantial change to the entitlements allowed under the Project Approvals that would require subsequent Discretionary Action(s) include: (a) a net increase in the amount of Project square footage, building heights and/or expansion of building footprints, and/or (b) a reduction in the number of automobile parking spaces identified in the Project Approvals (collectively referred to as "Substantial Project Changes"). The parties agree that this Agreement does not modify, alter or change the City’s obligations pursuant to CEQA and acknowledge that future Discretionary Actions may require additional environmental review pursuant to CEQA. In the event that additional environmental review is required by CEQA, the City agrees to utilize tiered environmental documents to the fullest extent permitted by law, as determined by the City, and as provided in California Public Resources Code Sections 21093 and 21094.

3.2.5 Administrative Changes and Modifications. The Project may demonstrate that refinements and changes are appropriate with respect to the details and performance of the Parties under this Agreement. The Parties desire to retain a certain degree of flexibility with respect to the details of the Project development and with respect to those items covered in general terms under this Agreement and Project Approvals. If and when the Parties find that “Substantially Conforming Changes,” as herein defined, are necessary or appropriate, they shall, unless otherwise required by law, effectuate such changes or adjustments through administrative modifications approved by the Parties. As used herein, “Substantially Conforming Changes” are changes, modifications or adjustments that are substantially consistent with the Project Approvals, and do not constitute Substantial Project Changes as defined in Section 3.2.4 of this Agreement. Such Substantially Conforming Changes would not be considered Discretionary Actions, and would therefore not require a public hearing.
3.2.6 Effective Development Standards. The City agrees that it is bound to permit the uses, intensity of use and density on this Property which are permitted by this Agreement and the Project Approvals, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules or the Reserved Powers. In the event of any inconsistency between this Agreement and the Applicable Rules, this Agreement shall control.

3.2.7 Interim Use. The City agrees that Developer may use the 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 and for a use which does not require a new or additional Discretionary Action from the City, except as expressly provided in this Development Agreement, or pursuant to any approvals, permits, other agreements between the City and Developer, or other entitlements previously granted and in effect as of the Effective Date. Developer shall seek the City’s approval of any interim use requiring Discretionary Action.

3.2.8 Moratoria or Interim Control Ordinances. In the event an ordinance, resolution, policy, or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates directly or indirectly to the Project or to the rate, amount, timing, sequencing, or phasing of the development or construction of the Project on all or any part of the Property, City agrees that such ordinance, resolution or other measure shall not apply to the Property or this Agreement, unless such changes: (1) are found by the City to be necessary to the public health and safety of the residents of the City, (2) 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 and (3) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement) as provided in Section 3.2.3.3.

3.2.9 Time Period of Tentative Parcel Map and Project Approvals. The City acknowledges that the construction of the Project may be subject to unavoidable delays due to the factors outside the Developer’s control. Pursuant to California Government Code Sections 66452.6(a), and any other applicable provision of the Subdivision Map Act, the City agrees that the duration of the Tentative Tract Map and any new tract map or subdivision approval which is consistent with the Project Approvals, shall automatically be extended for the Term of this Agreement. The City further agrees that the duration of the Project Approvals shall automatically be extended for the Term of this Agreement.

3.2.10 Processing Fees. Developer shall pay all Processing Fees for Ministerial Permits and Approvals in the amount in effect when such Ministerial Permit and Approvals are sought.

3.2.11 Timeframes and Staffing for Processing and Review. The City agrees that expeditious processing of Ministerial Permits and Approvals and Discretionary Actions, if any, and any other approvals or actions required for the Project are critical to the implementation of the Project. In recognition of the importance of timely processing and review of Ministerial Permits and Approvals, the City agrees to work with Developer to establish time frames for processing and reviewing such Ministerial Permits and Approvals and to comply with
timeframes established in the Project Approvals. The City agrees to expedite all Ministerial
Permits and Approvals and Discretionary Actions requested by Developer to the extent
practicable, if any. Developer agrees to pay any applicable fee for expedited review and
processing time.

3.2.12 Other Governmental Approvals. Developer may apply for such other
permits and approvals as may be required for development of the Project in accordance with the
provisions of this Agreement from other governmental or quasi-governmental agencies having
jurisdiction over the Property. The City shall reasonably cooperate with Developer in its
endeavors to obtain such permits and approvals. Each Party shall take all reasonable actions, and
execute, with acknowledgment or affidavit, if required, any and all documents and writings that
may be reasonably necessary or proper to achieve the purposes and objectives of this Agreement.

4. ANNUAL REVIEW

4.1 Annual Review. During the Term of this Agreement, the City shall review
annually Developer’s good faith 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 Property
Owner, and/or any Transferee shall have the burden of demonstrating such good faith
compliance relating solely to such parties’ portion of the Property and any development located
thereon. The Annual Review shall be in the form of an Annual Report prepared and submitted
by the Planning Director. The Report shall include: the number, type and square footage of and
the status of the Project; the total number of parking spaces developed; provisions for open
space; status of activities relating to streetscape improvements; summary of performance of
Property Owner’s obligations.

4.2 Pre-Determination Procedure. Submission by Developer, and/or Transferee, of
evidence of compliance with this Agreement, in a form which the Planning Director may
reasonably establish, shall be made in writing and transmitted to the Planning Director not later
than thirty (30) days prior to the yearly anniversary of the Effective Date. If the public has
comments regarding compliance, such comments must be submitted to the Planning Director at
least thirty (30) days prior to the yearly anniversary of the Effective Date. All such public
comments and final staff reports shall, upon receipt by the City, be made available as soon as
possible to Developer and/or any Transferees.

4.2.1 Special Review. The City may order a special review of compliance with
this Agreement upon reasonable evidence of material non-compliance with the terms of this
Agreement.

4.3 Planning Director’s Determination. On or before the yearly anniversary of the
Effective Date of the Agreement, the Planning Director shall make a determination regarding
whether or not Developer 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 or Transferee in the manner prescribed in
Section 7.11.
4.4 Appeal by Developer. In the event the Planning Director 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 within twenty five days from the Planning Director's decision. After a public hearing on the appeal, the Planning Commission within twenty five days 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. A finding and determination of compliance by the Planning Commission shall be final and effective. Nothing in this Agreement shall be construed as modifying or abrogating the Los Angeles City Charter.

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 4.4, shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of non-compliance in the manner prescribed in Section 7.11, stating with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of non-compliance, Developer and/or any Transferee, as the case may be, shall promptly commence to cure the identified items of non-compliance at the earliest reasonable time after receipt of the notice of non-compliance and shall complete the cure of such items of non-compliance not later than sixty (60) days after receipt of the notice of non-compliance, or such longer period as is reasonably necessary to remedy such items of non-compliance, by mutual consent of the City and Developer provided that Developer shall continuously and diligently pursue the remedy at all times until the item of non-compliance is cured.

4.6 Failure to Cure Non-Compliance Procedure. If the Planning Director finds and determines that Developer or a Transferee has not cured an item of non-compliance 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 Planning Director shall make a report to the Planning Commission. The Planning Director 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 such public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that (i) Developer, or its Transferee has not cured a default pursuant to this Section, and (ii) that the City may 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 7.3 hereof. 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 the Los Angeles City Charter.

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 a finding or determination of noncompliance by the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 7.3. 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 7.3.

4.8 **Reimbursement of Costs.** Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to accomplish the required annual review.

4.9 **City’s Rights and Remedies Against Developer.** The City’s rights in Section 4 of this Agreement relating to compliance with this Agreement by Developer shall be limited to only those rights and obligations assumed by Developer under this Agreement and as expressly set forth in the applicable Assignment Agreement authorized by Section 7.7 of this Agreement.

5. **DEFAULT PROVISIONS**

5.1 **Default by Developer.**

5.1.1 **Default.** In the event Developer or a Transferee of any portion of the Property fails to perform its obligations under this Agreement applicable to its portion of the Property as specified in the applicable Assignment Agreement, in a timely manner and in compliance pursuant to Section 4 of this Agreement, the City shall have all 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 Property, provided that the City has first complied with all applicable notice and opportunity to cure provisions in Section 5.1.2 and given notice as provided in Section 7.11 hereof, and provided further that Developer may appeal such declaration in the manner provided in, and subject to all terms and provisions of, Sections 4.4 and 4.5. In no event shall a default by a Developer or a Transferee of any portion of the Property constitute a default by any non-defaulting Developer or a Transferee with respect to such non-defaulting parties’ obligations hereunder nor affect such non-defaulting parties’ rights hereunder, or respective portion of the Property.

5.1.2 **Notice of Default.** The City through the Planning Director 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 7.11, 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. In the case of a dispute as to whether Developer has cured the default, the Parties shall submit the matter to dispute resolution pursuant to Section 7.5 of this Agreement.

5.1.3 **Failure to Cure Default Procedures.** If after the cure period has elapsed (Section 4.5), the Planning Director finds and determines that Developer, or its Transferees, successors, and/or assignees, 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 Planning 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 its Transferees, successors, and/or assigns, remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned right and obligations, as the case may be, the Developer and its Transferees, successors, and/or assigns, shall be entitled to appeal that finding and determination to the City Council in accordance with Section 7.3. 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 the Los Angeles City Charter.

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 party’s portion of the Property after such final determination of the City Council or, where no appeal is taken after the expiration of the appeal periods described in Section 7.3 relating to the defaulting party’s rights and obligations. There shall be no termination or modification of this Agreement unless the City Council acts pursuant to Section 7.3.

5.2 Default by the City.

5.2.1 Default. In the event the City defaults under the provisions of this Agreement, Developer and 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 which 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 such default(s) not later than one hundred and twenty (120) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that the City shall continuously and diligently pursue the remedy at all times until such default(s) is cured. In the case of a dispute as to whether the City has cured the default, the Parties shall submit the matter to dispute resolution pursuant to Section 7.5 of this Agreement.

5.3 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.

6. MORTGAGEE RIGHTS

6.1 Encumbrances on the Property. The Parties hereto agree that this Agreement shall not prevent or limit the Developer, from encumbering the Property or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing ("Mortgage") with respect to the construction, development, use or operation of the Project and parts thereof. The Planning Department acknowledges that the lender(s) providing such Mortgages may require certain Agreement interpretations and modifications and agrees, upon request, from time to time, to meet with the Developer and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Planning Department will not unreasonably withhold, delay or condition its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.

6.2 Mortgagee Protection. To the extent legally permissible, this Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. Any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by the holder of a Mortgage (a "Mortgagee"), pursuant to foreclosure, trustee’s sale, deed in lieu of foreclosure, lease or sublease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement except that any such Mortgagee, including its affiliate, who takes title to the Property or any portion thereof shall be entitled to the benefits arising under this Agreement.

6.3 Mortgagee Not Obligated. Notwithstanding the provisions of this Section 6, Mortgagee will not have any obligation or duty pursuant to the terms set forth in this Agreement to perform the obligations of the Developer or other affirmative covenants of the Developer hereunder, or to guarantee such performance, except that the Mortgagee and its successor shall have no vested right to develop the Project without fully complying with the terms of this Agreement and executing and delivering to the City, in a form and with terms reasonably acceptable to the City, an assumption agreement of Developer’s obligations hereunder.

6.4 Request for Notice to Mortgage. The Mortgagee of any Mortgage or deed of trust encumbering the Property, or any part or interest thereof, who has submitted a request in writing to the City in the manner specified herein for giving notices shall be entitled to receive written notification from the City of any notice of non-compliance by Developer in the performance of Developer’s obligations under this Agreement.
6.5 **Mortgagee’s Time to Cure.** If the City timely receives a written request from a Mortgagee requesting a copy of any notice of non-compliance given to Developer under the terms of this Agreement, the City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of non-compliance to Developer. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance for a period of sixty (60) days after the Mortgagee receives written notice of non-compliance, or any longer period as is reasonably necessary, not to exceed 120 days, to remedy such items of non-compliance, by mutual consent of the City and the Mortgagee provided that Mortgagee shall continuously and diligently pursue the remedy at all times until the item of non-compliance is cured.

6.6 **Disaffirmation.** If this Agreement is terminated as to any portion of the Property by reason of (i) any default or (ii) as a result of a bankruptcy proceeding, or if this Agreement is disaffirmed by a receiver, liquidator, or trustee for the Developer or its property, the City, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new development agreement for the Project as to such portion of the Property with the most senior Mortgagee requesting such new agreement. This Agreement does not require any Mortgagee or the City to enter into a new development agreement pursuant to this Section.

7. **GENERAL PROVISIONS**

7.1 **Effective Date.** This Agreement shall be effective, and the obligations of the Parties hereunder shall be effective on ______, 2016, which is the date that Ordinance No. _____ took effect.

7.2 **Term.** The Term of this Agreement shall commence on the Effective Date and shall extend for a period of twenty (20) years after the Effective Date, unless said 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 this 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 Property, approved concurrently with, or subsequent to, the Effective Date of this Agreement. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to the Reserved Powers or moratoria, or from legal actions or appeals which enjoin performance under this Agreement or act to stay performance under this Agreement (other than bankruptcy or similar procedures), or from any actions pursuant to Section 7.5 (Dispute Resolution), or from any litigation related to the Project or Project Approvals, this Agreement or the Property.

7.3 **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, such appeal shall be taken, if at all, within fourteen (14) days after the mailing of such finding and/or determination to Developer, or its successors, transferees, and/or assignees, as the case may be. The City Council shall act upon the finding and/or determination of the Planning Commission eighty (80) days after such mailing, or within such additional period as may be agreed upon by the Developer or its Transferees, as the case may be, and the City Council. The failure of the City Council to act shall not be deemed to be a denial or approval of the appeal, which shall remain pending until final City Council action.
7.4 **Enforced Delay; Extension of Time of 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 such Party is actually prevented from, or is unreasonably interfered with, the doing or completion of such 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; acts of God; litigation and administrative proceedings against the Project (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs (such as the Annual Review)); any approval required by the City (not including any period of time normally expected for the processing of such 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 are 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 such delay is given to either party within thirty (30) days of the commencement of such delay, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

7.5 **Dispute Resolution.**

7.5.1 **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; or (b) any other manner of dispute resolution which is mutually agreed upon by the parties.

7.5.2 **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.

7.5.2.1 **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 such 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 such proceeding.

7.5.3 **Extension of Term.** The Term of this Agreement as set forth in Section 7.2 shall automatically be extended for the period of time in which the parties are engaged in dispute resolution to the degree that such 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 such dispute resolution.

7.5.4 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. Notwithstanding the above, the City’s right to seek specific performance shall be specifically limited to compelling Developer to complete, demolish or make safe any particular improvement(s) on public lands which is required as a Mitigation Measure or Condition of Approval. Developer shall have no liability (other than the potential termination of this Agreement) if the contemplated development fails to occur.

7.5.5 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.

7.6 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 the Property or any portion thereof. Any amendment to this Agreement which relates to the Term, permitted uses, substantial increase in the density or intensity of use, and is not considered a Substantially Conforming Change (as defined in Section 3.2.5 of this Agreement), shall require notice and public hearing before the parties may execute an amendment thereto. The City hereby agrees to grant priority processing status to any Developer initiated request(s) to amend this Agreement. The City will use all reasonable and good faith efforts to schedule any noticed public hearings required to amend this Agreement before the Planning Commission and/or City Council as soon as practicable. 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.

7.7 Assignment. The Property, as well as the rights and obligations of Developer under this Agreement, may not be transferred or assigned in whole or in part by Developer to a Transferee without the prior consent of the City, subject to the conditions set forth below in Sections 7.7.1.1 and 7.7.1.2. Upon such assignment the assignor shall be released from the obligations so assigned.

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

7.7.1.1 Written Notice of Assignment Required. Developer, or any successor transferor, must give 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 in Section 5.1.
7.7.1.2 Automatic Assumption of Obligations. Unless otherwise stated elsewhere in this Agreement to the contrary, a Transferee of Property or any portion thereof expressly and unconditionally assumes all of the rights and obligations of this Agreement transferred or assigned by Property Owner and which are expressly set forth in the applicable Assignment Agreement.

7.7.2 Liability Upon Assignment. Each Transferee of any portion of the Property shall be solely and only liable for performance of such Transferee’s obligations applicable to its portion of the Property under this Agreement as specified in the applicable Assignment Agreement. Upon the assignment or transfer of any portion of the 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, executed by the transferring Developer, and the Transferee, as of the date of such transfer, assignment or conveyance of the applicable portion of the Property. The failure of a Transferee of any portion of the 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, exercise its rights and remedies under this Agreement solely as it relates to the defaulting Transferee’s portion of the Property as provided for in Section 5.1 hereof, subject to such defaulting Transferee’s right to notice and opportunity to cure the default in accordance with provisions of Section 5.1 hereof. Any partial termination of this Agreement as it relates to that Transferee’s holding is severable from the entire Agreement, and shall not affect the remaining entirety of the Agreement.

7.7.3 Release of Property Owner. With respect to a transfer and assignment of all or a portion of Developer’s interest in the Property and the related rights and obligations hereunder, upon the effective date of any such transfer and assignment, as evidenced by the execution of an Assignment Agreement pursuant to this Section 7.7.3 between Developer and the Transferee and delivery of such Assignment Agreement to the City, Developer shall automatically be released from any further obligations to the City under this Agreement with respect to the Property so transferred.

7.7.4 Release of Property Transferee. A Transferee shall not be liable for any obligations to the City under this Agreement relating to any portion of the Property other than that portion transferred to such Transferee, and no default by a Developer under this Agreement with respect to such other portions of the Property shall be deemed a default by such Transferee with respect to the portion of the Property transferred to such Transferee.

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

7.9.1. 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 Planning Department shall commence and process all required steps necessary for the implementation of this Agreement and development of the Property in accordance with State law and the terms of this Agreement. Developer shall, in a timely manner, provide the Planning Department with all documents, plans, fees and other information necessary for the Planning Department to carry out its processing obligations pursuant to this Agreement.

7.9.2. Other Governmental Permits. Developer shall apply in a timely manner for such 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 in its endeavors to obtain such permits and approvals. 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.

7.9.3. 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 said action. Developer and the City agree to cooperate in any legal action seeking specific performance, declaratory relief or injunctive relief, to set court dates at the earliest practicable date(s) and not to cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights.

7.9.4. Relationship of the 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 agency, 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 agents of one another or as joint venturers or partners.

7.9.5 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between City and Developer. During the Term of this Agreement, clarifications to this Agreement and the Applicable Rules may be appropriate with respect to the details of performance of City and Developer. If and when, from time to time, during the terms of this Agreement, City and Developer agree that such clarifications are necessary or appropriate, they shall effectuate such clarification through operating memoranda approved in writing by City and Developer, which, after execution, shall be attached hereto and become part of this Agreement and the same may be further clarified from time to time as necessary with future written approval by City and the Developer. Operating memoranda are not intended to and cannot constitute an amendment to this Agreement or allow a subsequent Discretionary Action to the Project but are mere ministerial clarifications, therefore public notices and hearings shall not be required. The City Attorney shall be authorized, upon consultation with, and
approval of, the Developer, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute an amendment hereof which requires compliance with the provisions of Section 7.6 above. The authority to enter into such operating memoranda is hereby delegated to the City Planning Director (or his or her designee) who is hereby authorized to execute any operating memoranda hereunder without further City action.

7.9.6 Certificate of Performance. Upon the completion of the Project, or upon performance of this Agreement or its earlier revocation and termination, the City shall provide the Developer, upon the Developer's request, with a statement ("Certificate of Performance") evidencing said completion or revocation and the release of the Developer from further obligations hereunder, except for any ongoing obligations hereunder. The Certificate of Performance shall be signed by the appropriate agents of the Developer and the City and shall be recorded in the official records of Los Angeles County, California. Such Certificate of Performance is not a notice of completion as referred to in California Civil Code Section 8182.

7.10 Indemnification.

7.10.1 Obligation to Defend, Indemnify, and Hold Harmless. Developer hereby agrees to defend, indemnify, and hold harmless the City and its agents, officers, and employees, from any claim, action, or proceeding ("Proceeding") against the City or its agents, officers, or employees (i) to set aside, void, or annul, all or any part of the Development Agreement or any Project Approval, or (ii) for any damages, personal injury or death which may arise, directly or indirectly, from such Developer or such Developer's contractors, subcontractors', agents', or employees' operations in connection with the construction of the Project, whether operations be by such Developer or any of such Developer's contractors, subcontractors, by anyone or more persons directly or indirectly employed by, or acting as agent for such Developer or any of such Developer's contractors or subcontractors. In the event that the City, upon being served with a lawsuit or other legal process to set aside, void or annul all or part of any Project Approval, fails to promptly notify Developer in writing of the Proceeding, or fails to cooperate fully in the defense of the Proceeding, Developer shall thereafter be relieved of the obligations imposed in this Section 7.10. However, if Developer has actual written notice of the Proceeding, it shall not be relieved of the obligations imposed hereunder, notwithstanding the failure of the City to provide prompt written notice of the Proceeding. The City shall be considered to have failed to give prompt written notification of a Proceeding if the City, after being served with a lawsuit or other legal process challenging the Approvals, unreasonably delays in providing written notice thereof to the Developer. As used herein, "unreasonably delays" shall mean any delay that materially adversely impacts Developer's ability to defend the Proceeding. The obligations imposed in this Section 7.10 shall apply notwithstanding any allegation or determination in the Proceedings that the City acted contrary to applicable laws. 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, its intentional misconduct or gross negligence in the performance of this Agreement.

7.10.2 Defending The Project Approvals. The Developer shall have the obligation to timely retain legal counsel to defend against any proceeding to set aside, void, or annul, all or any part of any Project Approval including without limitation a lawsuit to challenge
the approval of the Project or this Agreement in violation of CEQA. The City shall have the
right if it so chooses, to defend the Proceeding utilizing in-house legal staff, in which case the
Developer shall be liable for all reasonable legal costs and fees reasonably incurred by the City,
including charges for staff time charged. In the event of a conflict of interest which prevents the
Developer’s legal counsel from representing the City, and in the event the City does not have the
in-house legal resources to defend against the Proceeding, the City shall also have the right to
retain outside legal counsel provided that retaining outside legal counsel causes no delays, in
which case the Developer shall be liable for all legal costs and fees reasonably incurred by the
City. Provided that the Developer is not in breach of the terms of this Section, the City shall not
enter into any settlement of the Proceeding which involves modification to any Project Approval
or otherwise results in the Developer incurring liabilities or other obligations, without the
consent of the Developer.

7.10.3 Breach of Obligations. Actions constituting a breach of the obligations
imposed in this Section 7.10 shall include, but not be limited to: (i) the failure to timely retain
qualified legal counsel to defend against the Proceedings; (ii) the failure to promptly pay the City
for any attorneys’ fees or other legal costs for which the City is liable pursuant to a judgment or
settlement agreement in the Proceeding seeking to set aside, void or annul all or part of any
Project Approval; or (iii) the breach of any other obligation imposed in this Section 7.10, in each
case after written notice from the City and a reasonable period of time in which to cure the
breach, not to exceed thirty-days. For purposes of this Section 7.10, Developer shall be
considered to have failed to timely retain qualified legal counsel if such counsel is not retained
within thirty (30) days following the City’s provision of the notice of Proceedings to Developer
required hereunder. In the event that Developer breaches the obligations imposed in this
Section 7.10, the City shall have no obligation to defend against the Proceedings, and by not
defending against the Proceedings, the City shall not be considered to have waived any rights in
this Section 7.10.

7.10.4 Cooperation. The City shall cooperate with Developer in the defense of
the Proceeding, provided, however, that such obligation of the City to cooperate in its defense
shall not require the City to (i) assert a position in its defense of the Proceeding which it has
determined, in its sole discretion, has no substantial merit; (ii) advocate in its defense of the
Proceeding legal theories which it has determined, in its sole discretion, lack substantial merit; or
(iii) advocate in its defense of the Proceeding legal theories which it has determined, in its sole
discretion, are contrary to its best interests, or to public policy. Nothing contained in this Section
shall require Developer to refrain from asserting in its defense of the Proceeding positions or
legal theories that do not satisfy the foregoing requirements.

7.10.5 Contractual Obligation. Developer acknowledges and agrees that the
obligations imposed in this Section 7.10 are contractual in nature, and that the breach of any such
obligation may subject Developer to a breach of contract claim by the City.

7.10.6 Waiver of Right to Challenge. Developer hereby waives the right to
challenge the validity of the obligations imposed in this Section 7.10.

7.10.7 Survival. The obligations imposed in this Section 7.10 shall survive any
judicial decision invalidating the Project Approvals.
7.10.8 Preparation of Administrative Record. Developer and the City acknowledge that upon the commencement of legal Proceedings, the administrative record of proceedings relating to the Project Approvals must be prepared. Those documents must also be certified as complete and accurate by the City. Developer, as part of its defense obligation imposed in this Section 7.10, shall prepare at its sole cost and expense the record of proceedings in a manner which complies with all applicable laws; in accordance with reasonable procedures established by the City; and subject to the City’s obligation to certify the administrative record of proceedings and the City’s right to oversee the preparation of such administrative record. Developer agrees that its failure to prepare the administrative record as set forth herein, and in compliance with all time deadlines imposed by law, shall constitute a breach of its obligation to defend the City. In the event that Developer fails to prepare the administrative record, the City may do so, in which event the City shall be entitled to be reimbursed by Developer for all reasonable costs associated with preparation of the administrative record, including reasonable charges for staff time.

7.10.9. Deposit. Following the filing of a lawsuit, or other legal process seeking to set aside, void or annul all or part of this Development Agreement and/or any Project Approval, Developer shall be required, following written demand by the City, to place funds on deposit with the City, which funds shall be used to reimburse the City for expenses incurred in connection with defending the Project Approvals. For Project Approvals which included the certification of an environmental impact report by the City, the amount of said deposit shall be ten thousand ($10,000) dollars. For all other Project Approvals, the amount of the deposit shall be five thousand ($5,000) dollars. The City, at its sole discretion, may require a larger deposit upon a detailed showing to the Developer of the basis for its determination that the above stated amounts are insufficient. Any unused portions of the deposit shall be refunded to Developer within thirty (30) days following the resolution of the challenge to the Project Approvals. All Deposits must be paid to the City within thirty (30) days of Developer’s receipt of the City’s written demand for the Deposit.

7.11 Notices. Any notice or communication required hereunder between the City or Developer must be in writing, and shall 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 such 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 such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:
7.12 **Recordation.** As provided in Government Code Section 65868.5, this Agreement shall be recorded with the Register-Recorder of the County of Los Angeles within ten (10) days following its execution by all Parties. Developer shall provide the City Clerk with the fees for such recording prior to or at the time of such recording should the City Clerk effectuate recording.

7.13 **Constructive Notice and Acceptance.** Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the 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 such person acquired an interest in the Property.

7.14 **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 Property and their respective Transferees, successors and assignees.

7.15 **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.

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

7.17 **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 with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.
7.18 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.

7.19 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 such 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.

7.20 Legal Advice; Neutral Interpretation; Headings, Table of Contents, and Index. Each Party acknowledges that it 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 such Party as the source of the language in question. The headings, table of contents, and index used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

7.21 Duplicate Originals. This Agreement is executed in duplicate originals, each of which is deemed to be an original, but all of which together shall constitute one instrument. This Agreement, not counting the Cover Page, Table of Contents or Index, consists of 29 pages and five (5) Exhibits which constitute the entire understanding and agreement of the Parties.

Exhibit "A" Legal Description of the Property
Exhibit "B" Phasing Map
Exhibit "C" Project Description
Exhibit "D" Mitigation Monitoring Program
Exhibit "E" Project Labor Agreement

(signatures on following page)
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CITY OF LOS ANGELES, a municipal corporation of the State of California

By: ____________________________
Mr. Eric Garcetti, Mayor

DATE:

APPROVED AS TO FORM:
City Attorney
By: ____________________________
Laura Cadogan Hurd, Deputy City Attorney

DATE:

ATTEST:

By: ____________________________
Deputy

DATE:

PHR LA MART, LLC

By: ____________________________
Name:
Title:

APPROVED AS TO FORM:
By: ____________________________
Name:
Title:
EXHIBIT “A”

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 1:

THAT PORTION OF MCCARTNEY’S WASHINGTON GARDENS, AS PER MAP RECORDED IN BOOK 10 PAGE 193 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WHICH LIES SOUTHEASTERLY OF THE SOUTHEASTERLY LINE OF BROADWAY, 90 FEET WIDE, AS DESCRIBED IN DEGREE OF CONDEMNATION ENTERED IN CASE NO. 232033, SUPERIOR COURT OF SAID COUNTY, A CERTIFIED COPY THEREOF BEING RECORDED ON JULY 9, 1930 AS INSTRUMENT NO. 1031, IN BOOK 10160 PAGE 71 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER.

EXCEPT THEREFROM THAT PORTION OF MCCARTNEY’S WASHINGTON GARDENS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 10 PAGE 193 OF MAPS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL 1 IN DEED TO L.A. MART, RECORDED ON JULY 30, 1982, AS OFFICIAL RECORDS DOCUMENT NO. 82-771983, IN THE OFFICE OF THE SAID REGISTRAR-RECORDER; THENCE SOUTH 28 DEGREES 57’ 17” WEST ALONG SAID NORTHEASTERLY LINE 10.00 FEET; THEN CSSE NORTH 16 DEGREES 20’ 20” WEST 14.07 FEET TO A POINT IN SAID NORTHEASTERLY LINE DISTANT NORTH 61 DEGREES 37’ 57” WEST THERON 10.00 FEET FROM SAID NORTHWESTERLY BOUNDARY; THENCE SOUTH 61 DEGREES 37’ 57” EAST ALONG SAID NORTHWESTERLY BOUNDARY 10.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF LOT 10 IN BLOCK 1 OF THE WASHINGTON GARDEN TRACT, AS PER MAP RECORDED IN BOOK 3 PAGES 138 AND 139 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING EASTERLY OF THE EASTERLY LINE OF BROADWAY 90 FEET WIDE, AS ESTABLISHED BY FINAL DEGREE OF CONDEMNATION IN SUPERIOR COURT CASE NO. 232033, A CERTIFIED COPY THEREOF HAVING BEEN RECORDED ON JANUARY 6, 1931 IN BOOK 10526 PAGE 152 OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 3:

LOT 8 AND THE WESTERLY 20 FEET OF LOT 6 IN BLOCK 1 OF THE WASHINGTON GARDEN TRACT, AS PER MAP RECORDED IN BOOK 3 PAGE 138 AND 139 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 4:

THE WEST 20 FEET OF LOT 12 AND ALL OF LOTS 14, 16, 18 AND 20, IN BLOCK 1 OF THE WASHINGTON GARDEN TRACT, AS PER MAP RECORDED IN BOOK 3 PAGES 138 AND 139 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5:

THAT PORTION OF LOT 12 IN BLOCK 1 OF SUBDIVISION OF A PORTION OF THE WASHINGTON GARDEN TRACT, AS PER MAP RECORDED IN BOOK 3 PAGES 138 AND 139 OF MISCELLANEOUS
RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHWESTERLY LINE OF BROADWAY, AS
DESCRIBED IN DEGREE OF CONDEMNATION, RENDERED IN CASE NO. 232033 OF THE
SUPERIOR COURT IN AND FOR SAID COUNTY, WITH THE SOUTHWESTERLY LINE OF SAID LOT
12; THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE, TO THE NORTHEASTERLY
LINE OF SAID LOT 12; THENCE NORTHWESTERLY, ALONG SAID NORTHEASTERLY LINE, 0.55
FEET TO THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 20 FEET OF SAID LOT 12;
THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE, 100 FEET TO THE
SOUTHWESTERLY LINE OF SAID LOT 12; THENCE SOUTHEASTERLY ALONG SAID
SOUTHWESTERLY LINE, 0.73 FEET TO THE POINT OF BEGINNING.

PARCEL 6:
LOT 22 IN BLOCK 1 OF THE WASHINGTON GARDEN TRACT, AS PER MAP RECORDED IN BOOK 3
PAGES 138 AND 139 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY
RECORDER OF SAID COUNTY.
EXCEPT THAT PORTION OF SAID LAND AS CONDEMNED FOR THE WIDENING AND EXTENDING
OF HILL STREET BY FINAL DEGREE OF CONDEMNATION CASE NO. B-68612 SUPERIOR COURT,
A CERTIFIED COPY OF WHICH WAS RECORDED IN BOOK 1430 PAGE 346, OFFICIAL RECORDS.

PARCEL 7:
THAT CERTAIN PORTION OF THAT CERTAIN TRACT OF LAND IN THE CITY OF LOS ANGELES,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, KNOWN AS MCCARTNEY'S WASHINGTON
GARDENS, AS PER MAP RECORDED IN BOOK 10, PAGE 193 OF MAPS, IN THE OFFICE OF THE
COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:
BEGINNING AT THE INTERSECTION OF THE SOUTHEASTERLY LINE OF HILL STREET, 92 FEET
WIDE, AS ESTABLISHED BY FINAL DEGREE OF CONDEMNATION, IN CASE NO. B68612, A
CERTIFIED COPY THEREOF HAVING BEEN RECORDED ON NOVEMBER 22, 1922 IN BOOK 1430,
PAGE 346 OF OFFICIAL RECORDS. IN THE OFFICE OF SAID COUNTY RECORDER, WITH THE
NORTHEASTERLY LINE OF SAID MCCARTNEY'S WASHINGTON GARDENS, SAID
NORTHEASTERLY LINE ALSO BEING THE SOUTHWESTERLY LINE OF WASHINGTON
BOULEVARD, 80 FEET WIDE, AS SHOWN ON SAID MAP OF MCCARTNEY'S WASHINGTON
GARDENS; THENCE ALONG SAID NORTHEASTERLY LINE, SOUTH 61 DEGREES 34' 22" EAST,
266.97 FEET TO THE NORTHEASTERLY LINE, SOUTH 61 DEGREES 34' 22" EAST, 266.97 FEET TO
THE NORTHWESTERLY LINE OF BROADWAY, 90 FEET WIDE, AS ESTABLISHED BY FINAL
DEGREE OF CONDEMNATION IN CASE NO. 232033, A CERTIFIED COPY THEREOF HAVING BEEN
RECORDED ON JANUARY 6, 1931 IN BOOK 10526, PAGE 152 OF SAID OFFICIAL RECORDS;
THENCE ALONG SAID NORTHWESTERLY LINE OF BROADWAY, SOUTH 28 DEGREES 54' 55"
WEST, 695.49 FEET, MORE OR LESS TO THE SOUTHWESTERLY LINE OF SAID MCCARTNEY'S
WASHINGTON GARDENS; THENCE ALONG SAID SOUTHWESTERLY LINE, NORTH 61 DEGREES
35' 43" WEST, 265.78 FEET TO SAID SOUTHEASTERLY LINE OF SAID HILL STREET; THENCE
ALONG SAID SOUTHEASTERLY LINE, NORTH 28 DEGREES 49' 01" EAST, 695.59 FEET, MORE OR
LESS TO THE POINT OF BEGINNING.

PARCEL 8:
LOT 3 IN BLOCK 1 OF SUBDIVISION OF A PORTION OF WASHINGTON GARDEN, IN THE CITY OF
LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP
RECORDED IN BOOK 3 PAGE 138 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE
COUNTY RECORDER OF SAID COUNTY.
PARCEL 9:

THE EASTERLY 40 FEET OF LOT 6 IN BLOCK 1 OF THE SUBDIVISION OF A PORTION OF THE WASHINGTON GARDEN TRACT, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 138 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 10:

LOT 4 IN BLOCK 1 OF SUBDIVISION OF A PORTION OF WASHINGTON GARDEN TRACT, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 138 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
EXHIBIT “B”

PHASING MAP
EXHIBIT “C”

PROJECT DESCRIPTION

The Project would include approximately: (i) 549 residential apartment units, including 21 live/work units, in eleven low- and mid-rise buildings; (ii) 895 residential condominium units in two high-rise buildings; (iii) 90,000 square feet of retail uses, including a 30,000 square foot grocery store; (iv) 46,000 square feet of restaurant/bar square footage; (v) a 208-key hotel; (vi) a 18,000 square-foot gallery; (vii) a 1,600 square-foot community room, and (ix) an 8,000 square foot fitness/yoga studio. The Project would also include approximately 2,512 parking spaces and approximately 1,906 bicycle parking spaces.

Of the 90,000 square feet of retail uses and 46,000 square feet of restaurant space, approximately 20,000 square feet of retail space and approximately 10,000 square feet of restaurant space would be located on the ground floor of The Reef building. In addition, the Project would retain the existing uses within The Reef building and add approximately 8,000 square feet to incorporate a new restaurant and additional outdoor space to accommodate events on the rooftop of the existing building.

To enable the Project to maintain the required flexibility to respond to changing market demands, the Project includes a Land Use Equivalency Program which is subject to the Site Plan Review provisions of the LAMC, as detailed in the ‘Q’ conditions of the Project Approvals.
FINDINGS

1. Pursuant to California Government Code Sections 65864-65869.5, a Development Agreement be entered into by mutual consent of the parties. An application for a Development Agreement was filed on May 19, 2014, establishing the applicant's consent to enter into a Development Agreement.

2. The City of Los Angeles ("City") has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3). In addition, on November 19, 1992, the City Planning Commission adopted new guidelines for the processing of development agreement applications (CPC No. 86-404 MSC).

3. In accordance with Section 12.32 of the LAMC and California Government Code Section 65867, notification within a 500-foot radius of the project site was mailed via United States Postal Service on May 25, 2016 to all occupants and property owners, interested parties, commenter's of the DEIR, neighborhood council and others identified in the mailing affidavit located in the administrative record. Further, notice of the public hearing was also published in the Daily Journal on May 25, 2016; verification of which is provided in the administrative record. In accordance with Section 12.32 C 4(c), posting for the site was done on June 10, 2016.

4. Pursuant to California Government Code Section 65867.5, the Development Agreement is consistent with the objectives, policies, and programs specified in the City of Los Angeles General Plan, including the Southeast Los Angeles Community Plan adopted by City Council on August 6, 1997 and again on March 22, 2000. Orderly development of the project site is further governed by Case No. CPC-2014-1771-GPA-VZC-SN-VCU-MCUP-CUX-ZV-SPR, wherein a Zone Change from [Q]M1-2-O and M1-2-0 to [T][Q]C2-2-0-SN, and a General Plan Amendment from Limited Manufacturing to Community Commercial and modification of Footnote No. 1, to be considered for adoption by resolution by the City Council. The project site is also located within South Central Los Angeles Alcohol Sales specific plan.

5. This Development Agreement is administrative and technical in nature and will have no impact on the project under Environmental Impact Report ENV-2014-1773-EIR (State Clearinghouse No. 2014071054) to be certified by the City Council upon their consideration of the Zone Change, General Plan Amendment and Sign District. Moreover, the provisions of the Development Agreement do not grant the project or the project applicant any exceptions, variances, or otherwise allows the applicant to deviate from the required development regulations of the Code. The intent of the Development Agreement is to merely extend the life of the entitlements to a specified term. The proposed Development Agreement will not be detrimental to the public health, safety and general welfare. Approval of the Development Agreement will promote the expeditious delivery of public benefit monies directly from the applicant to the identified parties for the provision of, but not limited to, economic development, recreation, public safety and affordable housing.

6. The Development Agreement provides public benefits in the form of $18,250,000 towards jobs, economic development, youth activities, recreation, public safety, health and affordable housing to benefit residents of Council District 9. Moreover, the Development Agreement includes a Project Labor Agreement and local hiring commitments intended to give priority to local residents.
The Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements.

Based upon the above Findings, the proposed Development Agreement is deemed consistent with public necessity, convenience, general welfare and good zoning practice.

**CEQA FINDINGS**

I. INTRODUCTION

The Environmental Impact Report (EIR), consisting of the Draft EIR and the Final EIR, is intended to serve as an informational document for public agency decision-makers and the general public regarding the objectives and components of the project at 1900 South Broadway, Los Angeles. PHR LA MART LLC (applicant) filed a Master Land Use Application with the City of Los Angeles (City) on May 1, 2014.

II. ENVIRONMENTAL DOCUMENTATION BACKGROUND

The project was reviewed by the Los Angeles Department of City Planning, Environmental Analysis Section (serving as Lead Agency) in accordance with the requirements of the CEQA. The City prepared an Initial Study in accordance with Section 15063(a) of the State CEQA Guidelines. Pursuant to the provisions of Section 15082 of the State CEQA Guidelines, the City then circulated a Notice of Preparation (NOP) to State, regional and local agencies, and members of the public for a 30-day period commencing on July 16, 2014 and ending August 15, 2014. The purpose of the NOP was to formally inform the public that the City was preparing a Draft EIR for the project, and to solicit input regarding the scope and content of the environmental information to be included in the Draft EIR.

In addition, a public scoping meeting was conducted on July 30, 2014, to further inform the public agencies and other interested parties of the project and to solicit input regarding the Draft EIR. The meeting provided interested individuals, groups, and public agencies the opportunity to provide oral and written comments to the Lead Agency regarding the scope and focus of the Draft EIR as described in the NOP and Initial Study. Written comment letters responding to the NOP were submitted to the City by public agencies and interested organizations. Comment letters were received from nine public agencies. Also, written comments were provided by three interested organizations and/or individuals via mail, e-mail or submittal at the NOP scoping meeting. The NOP letters and comments received during the comment period, as well as comment sheets from the public scoping meeting, are included in Appendices I-2 and I-3 of the Draft EIR.

The Draft EIR evaluated in detail the potential effects of the project. It also analyzed the effects of a reasonable range of five alternatives to the project, including a “No Project” alternative. The Draft EIR for the project (State Clearinghouse No. 2014071054), incorporated herein by reference in full, was prepared pursuant to CEQA and State, Agency, and City CEQA Guidelines (Pub. Resources Code § 21000, et seq.; 14 Cal. Code Regs. §15000, et seq.; City of Los Angeles Environmental Quality Act Guidelines). The Draft EIR was circulated for a 47-day public comment period beginning on September 17, 2015, and ending on November 2, 2015, beyond the 45 days required by CEQA Guidelines Section 15105(a). Copies of the written comments received are provided in the Final EIR. Pursuant to Section 15088 of the CEQA Guidelines, the City, as Lead Agency, reviewed all comments received during the review period for the Draft EIR and responded to each comment in Section III of the Final EIR.

The City published a Final EIR for the project on June 10, 2016, which is hereby incorporated by reference in full. The Final EIR is intended to serve as an informational
document for public agency decision-makers and the general public regarding objectives and components of the project. The Final EIR addresses the environmental effects associated with implementation of the project, identifies feasible mitigation measures and alternatives that may be adopted to reduce or eliminate these impacts, and includes written responses to all comments received on the Draft EIR during the public review period. Responses were sent to all public agencies that made comments on the Draft EIR at least 10 days prior to certification of the Final EIR pursuant to CEQA Guidelines Section 15088(b). In addition, all individuals that commented on the Draft EIR also received a copy of the Final EIR. The Final EIR was also made available for review on the City’s website. Hard copies of the Final EIR were also made available at four libraries and the City Department of Planning. Notices regarding availability of the Final EIR were sent to those within a 500-foot radius of the project site as well as individuals who commented on the Draft EIR, attended the NOP scoping meeting, or provided comments during the NOP comment period.

A duly noticed public hearing for the project was held by the Hearing Officer/Deputy Advisory Agency on behalf of the City Planning Commission on June 21, 2016.

The documents and other materials that constitute the record of proceedings on which the City’s CEQA findings are based are located at the Department of City Planning, Environmental Review Section, 200 North Main Street, Room 750, Los Angeles, California 90012. This information is provided in compliance with CEQA Section 21081.6(a)(2).

III. FINDINGS REQUIRED TO BE MADE BY LEAD AGENCY UNDER CEQA

Section 21081 of the California Public Resources Code and Section 15091 of the State CEQA Guidelines (the “Guidelines) require a public agency, prior to approving a project, to identify significant impacts and make one or more of three possible findings for each of the significant impacts.

A. The first possible finding is that “[c]hanges 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.” (Guidelines Section 15091 (a)(1)); and

B. The second possible finding is that “[s]uch 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.” (Guidelines Section 15091(a)(2)); and

C. The third possible finding is that “[s]pecific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible, the mitigation measures or Project alternatives identified in the final EIR.” (Guidelines, Section 15091(a)(3)).

The findings reported in the following pages incorporate the facts and discussions of the environmental impacts that are found to be significant in the Final EIR for the project as fully set forth therein. Section 15091 of the CEQA Guidelines requires findings to address environmental impacts that an EIR identifies as “significant.” For each of the significant impacts associated with the project, either before or after mitigation, the following sections are provided:

1. **Description of Significant Effects** – A specific description of the environmental effects identified in the EIR, including a judgment regarding the significance of
the impact;

2. **Project Design Features** – Reference to the identified Project Design Features that are a part of the project (numbering of the features corresponds to the numbering in the Draft EIR);

3. **Mitigation Measures** – Reference to the identified mitigation measures or actions that are required as part of the project (numbering of the mitigation measures correspond to the Mitigation Monitoring Program, which is included as Section V of the Final EIR);

4. **Finding** – One or more of the three specific findings in direct response to CEQA Section 21081 and CEQA Guidelines Section 15091;

5. **Rationale for Finding** – A summary of the reasons for the finding(s);

6. **Reference** – A notation on the specific section in the Draft EIR which includes the evidence and discussion of the identified impact.

**IV. DESCRIPTION OF THE PROJECT**

The project involves the construction of a mixed-use development consisting of: 1,444 residential condominiums; 950 commercial condominiums; a 208-key hotel; 67,702 square feet of retail/restaurant uses; a 29,355 square-foot grocery store; a 17,507 square-foot gallery; and a 7,879 square-foot fitness studio. The project includes maintenance of the existing 861,162 square-foot, 12-story Reef building with 8,000 square feet of restaurant and outdoor space added to the rooftop. The development consists of a 35-story residential tower, a 32-story residential tower, a 19-story hotel tower, and multiple low- and mid-rise residential buildings ranging in height from 88 feet up to 420 feet. A total of 2,512 parking spaces and 1,906 bicycle parking spaces are provided.

**V. ENVIRONMENTAL IMPACTS FOUND NOT TO BE SIGNIFICANT OR LESS THAN SIGNIFICANT BY THE INITIAL STUDY**

The City Planning Department prepared an Initial Study dated July 16, 2014. The Initial Study is located in Appendix I-1 of the Draft EIR. The Initial Study found the following environmental impacts not to be significant or less than significant:

A. **Agricultural and Forest Resources**
   1. Farmland
   2. Existing Zoning for Agricultural Use or Williamson Act Contract
   3. Forest Land or Timberland Zoning
   4. Loss or Conversion of Forest Land
   5. Cumulative Impacts

B. **Air Quality**
   1. Objectionable Odors

C. **Biological Resources**
   1. Sensitive Biological Species
   2. Riparian Habitat and Wetlands
   3. Movement of any Resident or Migratory Species
   4. Habitat Conservation Plans
D. Geology and Soils
   1. Landslides
   2. Septic Tanks

E. Hazards and Hazardous Materials
   1. Airport Land Use Plans and Private Airstrips
   2. Wildland Fires

F. Hydrology and Water Quality
   1. 100-Year Flood Hazard Areas and 100-year Flood
   2. Seiche, Tsunami or Mudflow

G. Land Use and Planning
   1. Habitat or Natural Community Conservation Plans

H. Mineral Resources
   1. Loss of Availability of Known Mineral Resources
   2. Loss of Mineral Resources Recovery Site
   3. Cumulative Impacts

I. Noise
   1. Airport Land Use Plans
   2. Private Airstrips

J. Population and Housing
   1. Displacement of Existing Housing
   2. Displacement of Existing Residents

K. Recreation
   1. Recreational Facilities

L. Transportation/Circulation
   1. Air Traffic Patterns

VI. ENVIRONMENTAL IMPACTS FOUND NOT TO BE SIGNIFICANT PRIOR TO MITIGATION

The following impact areas were determined to be less than significant, and based on that analysis and other evidence in the administrative record relating to the project, the City finds and determines that the following environmental impact categories will not result in any significant impacts and that no mitigation measures are needed:

A. Aesthetics

1. Visual Character/Quality

Operational Impacts (Except Vertical Zone 3 Signage): Under the project, the height of the Reef building would remain the same. Except for the project’s two high rise towers, the remainder of the development consists of mid-rise buildings varying in height between 6 and 7 stories, consistent with or lower than the height and mass of other visually prominent buildings in the surrounding area like the 14-story commercial building to the north across Washington Boulevard and the 8-story courthouse across Hill Street to the west. In addition, the project replaces underutilized surface parking lots with a
high-intensity, pedestrian-oriented urban center that is consistent with the visual character of the existing urbanized area. The project's creation of a transit-oriented development is also consistent with the goals to concentrate development near transit station areas stated in the General Plan Framework, the Southeast Los Angeles Community Plan, the Draft/Proposed Southeast Los Angeles Community Plan, the Council District 9 Redevelopment Plan, the Downtown Housing Incentive area, the Central City Revitalization Zone, and the Los Angeles State Enterprise Zone. The overall effect of the project is to create an urban center by improving the current appearance of the project site, while also providing a pedestrian-oriented experience. Thus, the height and massing and architectural and urban design of the project are appropriate within the context of both existing and contemplated development patterns in the area. Therefore, there is a less-than-significant impact.

The project's Signage Supplemental Use District (SUD) allows large scale signage in designated locations within the project site. The effect of the signage permitted by the SUD is to reinforce and contribute to the visual character of the urban center created by the project. Potential impacts of this signage depend upon several factors, including the size, height, and location of signs, the level of lighting and animation permitted, along with the concentration of signage (i.e., the location of multiple signs within the same area), and the locations of sensitive receptors relative to the signs. Specifically, the Draft EIR identifies five Sign Zones and three Vertical Sign Zones and the permitted signs that are allowed in each zone. To assess potential visual impacts, the Draft EIR evaluates all signs from representative vantage points around the project site as well as the light impacts of the entire signage program. In addition, for a more accurate measure, the Draft EIR analyzes the different sign types based on their individual characteristics. To reduce potential impacts, the SUD limits or prohibits certain signage that might impact sensitive receptors. The project limits both the size and permitted animation of the north-facing signage on the North Tower in Vertical Zone 1 and 2, immediately across Washington Boulevard from the Rutland Apartments. West-facing, highly animated signage in Vertical Zone 1 and 2, immediately adjacent to sensitive receptors, is also prohibited.

The signage program also has a less-than-significant impact on nearby freeways. Specifically, views of project signage from southbound and northbound traffic on the I-110 are intermittent and distant and are therefore not prominent and only visible for a short duration. As such, project signage does not represent a safety hazard for traffic on the I-110 freeway. The views of the project site from the westbound Santa Monica I-10 Freeway are oblique and the signage complies with Section 21466.5 of the California Motor Vehicle Code (CMVC). The CMVC identifies thresholds when light sources can become distracting to divers. Therefore, because the project signage from the westbound freeway does not exceed the thresholds of the CMVC, the project does not pose a safety hazard to motorists. From the eastbound I-10 freeway, the high-rise buildings of the project first become visible at approximately Hoover Street, approximately 5,500 feet from the project site. At this distance, the project site can be seen among the landscaping adjacent to the freeway. A view of the project site continues to be available until the freeway passes the project site, for a distance of approximately 6,200 feet (approximately 1.2 miles). Throughout this distance, the view to the project site is always at an oblique angle to the driver's right. The signage viewed from the eastbound freeway traffic also complies with the governing requirements provided in the CMVC, and, therefore, the project does not impair motorists. The Draft EIR analysis of the impacts from the different views and from the signage program as a whole are incorporated into these Findings. In summary, while impacts associated with Vertical Zone 3 signage are significant and unavoidable, impacts associated with the remaining signage are less than significant.
Operational Impacts (Views and View Corridors): Views from the project site are extremely limited, in particular views of the Hollywood Hills. Therefore, views of the Hollywood Hills are not a valued scenic resource from this area. The project has the potential to obstruct private views from the four-story Da Capo residential building on the northwest corner of Main Street and Washington Boulevard, but views to the south are limited by existing development in the area and consist of an urban landscape containing no substantial visual resources. Therefore, there is a less-than-significant impact.

Cumulative Impacts: The geographic context for the analysis of cumulative aesthetic impacts includes areas with views of the project like portions of Downtown Los Angeles and the Southeast Los Angeles Community Plan Area. Development of the project in combination with the Related Projects results in an intensification of land uses in an already urbanized area of the City. However, anticipated growth would continue to be guided by the General Plan and other planning tools that anticipate the continued evolution of this area of the City, ensuring protection of the visual character of the area and a less-than-significant impact.

2. Light or Glare

Construction Impacts: Construction could include nighttime activities involving the use of on-site lighting during demolition, excavation, framing, and building construction. Pursuant to the requirements of the LAMC, construction hours would be limited to 7:00 AM to 9:00 PM Monday through Friday, and 8:00 AM to 6:00 PM on Saturday. These construction hours are consistent with routine development in an urban area, resulting in a less-than-significant impact.

Operation Glare Impacts: Glare, a condition which causes an observer to experience visual discomfort, can result from high brightness due to the project during operation. The glare impacts from the project are less than significant at all off-site sensitive receptor locations because of project compliance with LAMC Section 93.0117 and PDF-AES-3, which limits brightness to 2.0 foot-candles at sensitive receptors. In addition, the project building and signage are prohibited from using highly reflective building materials. As such, the project results in a less-than-significant glare impact.

Cumulative Impacts: The geographic context for the analysis of cumulative lighting impacts includes areas with views of the project, such as certain portions of Downtown Los Angeles and the Southeast Los Angeles Community Plan Area. The cumulative effect of increased building lighting raises ambient lighting levels, but to levels consistent with an urban area, resulting in a less-than-significant impact.

3. Shade or Shadow

Summer and Winter Shadows and Cumulative Impacts: The project casts far-reaching shadows to the west through the east during the Summer Solstice. However, no residential building or other sensitive use is shaded by the project for more than four hours, the threshold of significance, between the hours of 9:00 AM and 5:00 PM during the Summer Solstice. The project casts far-reaching shadows to the northwest and northeast during the Winter Solstice. However, no residential building or other sensitive use is shaded by the project for more than three hours, the threshold of significance, between the hours of 9:00 AM and 3:00 PM during the Winter Solstice. Therefore, impacts are less than significant.
Cumulative Impacts: The project site and surrounding area are situated in a mid-to-high-density, mixed-use area adjacent to Downtown Los Angeles. Development of the project, in conjunction with the Related Projects, results in an increase of shading impacts in the project vicinity, but not to a level of significance. Therefore, impacts are less than significant.

4. Project Design Features

The City finds that the Project Design Features PDF-AES-1, PDF-AES-2, PDF-AES-3, PDF-AES-4, and PDF-AES-5, incorporated into the project, reduce the potential aesthetics impacts of the project. The Project Design Features were taken into account in the analysis of potential impacts.

B. Air Quality

1. Consistency with Applicable Air Quality Management Plan

The SCAQMD's 2012 Air Quality Management Plan ("AQMP") contains a comprehensive list of pollution control strategies directed at reducing emissions and achieving the National Ambient Air Quality Standards. The project complies with all SCAQMD rules and regulations that are in effect at the time of development. Therefore, impacts are less-than-significant.

2. Violation of Air Quality Standards or Substantial Contribution to Air Quality Violations

Mass Daily Construction Emissions (Except VOC): Based on conservative assumptions, except for VOC, the mass daily construction-related emissions generated during the project construction phase do not exceed the thresholds of significance recommended by the SCAQMD and, therefore, are less than significant.

Mass Daily Operational Emissions (Except VOC and NOx): The nearest sensitive receptors to the project site are the residents of the Rutland Apartments building located across the East Block of the project site approximately 100 feet north on Washington Boulevard. The closest schools are the Santee Education Complex and Frida Kahlo Continuation High School, approximately one block east of the project site. With the exception of VOC and NOx operational emissions, impacts to these sensitive receptors are less than significant.

Mass Daily Construction and Operational Emissions Cumulative Impacts (Except VOC for Construction and Operation and NOx Operation): Although the mass daily construction-related and operational emissions generated by the project will exceed thresholds of significance recommended by the SCAQMD for VOC (construction and operation) and NOx (operation), the remaining cumulative impacts will not exceed SCAQMD thresholds and, therefore, are less than significant.

Exposure of Sensitive Receptors to Substantial Pollutant Concentrations: Emissions generated by the project do not expose sensitive receptors in the vicinity of the project site to substantial pollutant concentrations. Therefore, impacts are less than significant.

Toxic Air Contaminants (TACs): The greatest potential for TACs emissions during construction comes from diesel particulate matter emissions associated with heavy-duty equipment during demolition, excavation and grading activities. However, the SCAQMD does not generally consider diesel particulate matter emissions from temporary construction activities to contribute substantially to an incremental increase in diesel-
related cancer risks because of the short-term and temporary nature of construction activities. Therefore, impacts are less than significant.

3. Consistency with General Plan Air Quality Element

The project is consistent with the General Plan Air Quality Element of the City’s General Plan. Therefore, impacts are less than significant.

4. Project Design Features

The City finds that the Project Design Features PDF-AQ-1, PDF-AQ-2 and PDF-AQ-3, incorporated into the project, reduce the potential Air Quality impacts of the project regarding Consistency with Applicable Air Quality Management Plan, Exposure of Sensitive Receptors to Substantial Pollutant Concentrations, Toxic Air Contaminants, Consistency with General Plan Air Quality Element, and Violation of Air Quality Standards or Substantial Contribution to Air Quality Violations, Mass Daily Construction Emissions (Except VOC), Mass Daily Operational Emissions (Except VOC and NOx), and Mass Daily Construction and Operational Emissions Cumulative Impacts (Except VOC for Construction and Operation and NOx for Operation). The Project Design Features were taken into account in the analysis of potential impacts.

C. Biological Resources

1. Trees and Cumulative Impacts

Trees: The project includes the planting of 289 trees, which exceeds the 1:1 ratio for tree replacement identified in the City’s tentative tract map guidelines, as well as replacement of all existing trees within the public right-of-way at greater than a 1:1 ratio. Therefore, impacts are less-than-significant.

Cumulative Impacts: It is not known at this time if future development of the Related Projects or other development projects in the City would involve the removal of protected tree species. However, the project will not affect protected tree species, and thus would not contribute to any potential cumulative effect. Therefore, cumulative impacts are less than significant.

D. Cultural Resources

1. Historical Resources

Historical Resources: There is one potential discretionary historic resource located on the project site: the Reef building, originally constructed by the Los Angeles Furniture Makers Association in 1958, and designed by local architect Earl T. Heitschmidt. The Reef building is not designated a landmark at the national, state, or local levels, nor has it been identified or evaluated as significant in any previous historic resource surveys. The building does not appear to be eligible for listing in the National or California Registers or the City designation due to a lack of historical significance and a lack of architectural distinction. Additionally, the Reef building has been altered and no longer retains historic integrity, and it does not appear to contribute to a potential historic district. Therefore, the buildings are not historic resources subject to CEQA. Although it is not known at this time if future development of the related project sites would involve historic resources, it is anticipated that if historic resources are potentially affected, the Related Projects would be subject to the requirements of CEQA and the City's historic resource protection ordinance. It is further anticipated that the effects of cumulative
development on historic resources would be mitigated to the extent feasible in accordance with CEQA and other applicable legal requirements. Therefore, cumulative impacts on historical resources are less than significant.

2. Archaeological Resources and Human Remains

According to the South Central Coastal Information Center, no archaeological sites have been identified within the project site. The records search provided in the Draft EIR concluded that there is one archaeological resource within a ½ mile radius of the project site. However, no archaeological determinations of eligibility ("ADOE") are identified on the project site or within a ½ mile radius of the site. Therefore, impacts are less-than-significant. It is not known at this time if future development of the related project sites would involve cultural resources. However, similar to the project, the Related Projects are subject to the requirements of CEQA and City archaeological resource protection ordinances. As such, the Related Projects would be evaluated on a case-by-case basis and any potential impacts to archaeological resources would be addressed at that time. Therefore, cumulative impacts on archaeological resources are less than significant.

E. Geology and Soils

1. Seismic Fault Rupture, Strong Seismic Ground Shaking, Liquefaction, Subsidence and Expansive Soils

Seismic Fault Rupture: The project site is not included in a State of California Alquist-Priolo Earthquake Fault Zone or a City of Los Angeles Fault Rupture Study Area. Based on the available geologic data, active or potentially active faults with the potential for surface fault rupture are not known to be located beneath or projecting toward the project site. Therefore, the potential for surface rupture at the project site due to fault plane displacement propagating to the ground surface is considered low and less than significant.

Strong Seismic Ground Shaking: The project site is located in a seismically active region, and future users on the project site will be exposed to seismic ground shaking. Although the project is within the Puente Hills Blind Thrust Fault Zone, and is nearby many other faults on a regional level, the potential seismic hazard to the project site will not be higher than in most areas of the City or elsewhere in the region. In addition, conformance with current Building Code requirements will minimize the potential for structures on the project site to sustain damage during an earthquake event. Therefore, impacts are less than significant.

Liquefaction: The project site is not located in a liquefaction zone. Therefore, potential impacts from liquefaction are deemed less than significant.

Subsidence: Groundwater and petroleum are not currently being extracted from the project site and would not be extracted as part of the project. Thus, subsidence as a result of such activities will not occur and impacts are less than significant.

Expansive Soils: According to the preliminary geotechnical evaluation prepared for the project, the project is not affected by expansive soils. In addition, construction of the project is required to comply with the City UBC and the 2013 California Building Code, which include building foundation requirements appropriate to site-specific conditions, and the site-specific requirements identified in the Geotechnical Study that also address lateral spreading and settlement. Therefore, impacts are less than significant.
Cumulative Impacts: The geographic scope of the cumulative geology and soils analysis is the project vicinity. Geologic, soils and seismicity impacts tend to be localized; therefore, the area near the project site would be most affected by project activities (generally within a 500-foot radius) and, as there are no project impacts for geology and soils, the project does not contribute to cumulative impacts, and therefore, cumulative impacts are less than significant.

F. Hazards and Hazardous Materials

1. Construction and Operational Impacts of Hazardous Materials, Proximity to a School, and Emergency Response Plan

Construction (Except Radon): Construction of the project involves the use of those hazardous materials that are typically necessary for construction of mixed-use development (i.e., paints, building materials, cleaners, fuel for construction equipment, etc.). The project’s transport, use and disposal of construction-related hazardous materials conforms to all applicable local, State, and federal regulations governing such activities. In addition, the Phase I site assessment did not identify on- or off-site land uses that represent a potential recognized environmental condition to the project site. The 200-gallon-capacity Above Ground Storage Tank (AST) utilized for storage of diesel fuel for the 400-kws emergency Caterpillar generator within the Reef building does not show any signs of spillage and is properly registered and maintained. Redevelopment or renovation of spaces within the Reef could disturb previously identified Asbestos Containing Materials (ACMs). However, surveys of affected on-site structures and facilities are required to verify the presence or absence of ACMs, and remediation or abatement are required before any disturbance. Similarly, since the existing structures and facilities on-site may contain Lead Based Paint (LBP), surveys of affected on-site structures and facilities are required to verify the presence or absence of LBP and, if they are, remediation or abatement are required. Finally, since the project site is within a City-designated methane zone, the project is required to comply with the General Methane Requirements pursuant to Section 91.7103 of the LAMC and existing City regulations if methane gas is detected at pressures and/or concentrations of concern. Therefore, impacts are less than significant.

Operation: The project does not utilize hazardous materials during day-to-day operations, other than small quantities of typical household, vehicle, and landscape maintenance materials such as cleaning supplies, paints, oil, grease, and fertilizers, all in accordance with manufacturers’ instructions for use, storage, and disposal. In addition, the Phase I site assessment did not identify on- or off-site land uses that represent a potential recognized environmental condition to the project site. Therefore, impacts are less than significant.

Proximity to a School: Santee Education Complex and Frida Kahlo Continuation High School are approximately 0.10 mile east of the project site. The LATTC is approximately 0.15 mile west. There are no other schools within 0.25 miles. As the project complies with all standards, regulations, and good housekeeping practices, it does not emit any hazardous emissions during construction or operation that adversely affect schools located within one-quarter mile of the project site and, therefore, impacts are less than significant.

Emergency Response Plan: The project site is not located in the vicinity of a designated disaster route. The majority of construction activities are confined to the site, although the project may result in temporary closures of travel lanes during construction. Implementation of a Construction Staging and Traffic Management Plan described in
Section IV.N, Transportation, of the Draft EIR, and compliance with access standards reduce the potential for the impacts on emergency response during construction. In addition, drivers of emergency vehicles normally have a variety of options for avoiding traffic, such as using their sirens to clear a path of travel or driving in the lanes of opposing traffic. Therefore, construction and operation of the project does not significantly impair implementation of, or physically interfere with, any adopted or on-site emergency response or evacuation plans and impacts are less than significant.

Cumulative Impacts: The geographic scope of cumulative impacts related to hazardous materials is the area within one-quarter mile of the project site. The potential presence of hazardous substances would require evaluation on a case-by-case basis, in conjunction with the development proposals for each of the Related Projects. Compliance with all applicable local, state, and federal laws regarding hazardous materials would reduce cumulative impacts associated with the development of the Related Projects to less than significant.

G. Hydrology and Water Quality

1. Surface Water Quality, Groundwater, Surface Water Flood Hazards, Hydrology/Drainage

Surface Water Quality: Project construction involves potential sources of stormwater pollution, such as adhesives, cleaning agents, landscaping, plumbing, painting, heat/cooling, masonry materials, floor and wall coverings, and demolition debris. However, all hazardous materials are required to be stored, labeled and used in accordance with the OSHA regulations. In addition, Best Management Practices (BMPs) ensure that construction related water quality impacts will be lessened. Similarly, during operation, runoff may contain urban pollutants, such as auto fluids and oils, but the project is required to comply with County and City regulations, including the SUSMP and the City's LID ordinance, to retain and treat storm water and prevent additional flows into the City's stormwater system. The project also includes four storage tanks and drywell systems for stormwater runoff. Therefore, impacts are less than significant.

Groundwater: Direct additions or withdrawals of groundwater are not proposed by the project. Furthermore, the project decreases the amount of impervious surfaces with the inclusion of landscaped areas and provides facilities for groundwater recharge. Therefore, the project does not increase the amount of impervious surfaces and impacts are less than significant.

Flooding: The project site is in Flood Zone X, and therefore outside of the 50, 100 and 500-year flood zones. Accordingly, potential flood impacts hazard are less than significant.

Drainage: During project construction, a temporary alteration of the existing on-site drainage pattern may occur. Specifically, grading activities can increase erosion processes. However, these changes do not result in substantial erosion or siltation due to stringent controls imposed under the General Construction Activity Stormwater Permit, including implementation of a SWPPP, and the Los Angeles County MS4 Permit. Common measures for controlling fugitive dust emissions, such as covering truck loads and street sweeping, are also effective in controlling stormwater quality. Second, the construction area will be secured to control off-site migration of pollutants. Erosion control devices, including temporary diversion dikes/berms, drainage swales, and siltation basins, are typically required around construction areas to ensure that sediment is trapped and properly removed. During operation, the project does not modify the
manner in which the surrounding streets convey storm runoff to the City storm drain system. Furthermore, the project is required to comply with the SUSMP, MS4 permit and the City’s LID, which reduce the volume of runoff from the site after the project is constructed. Therefore, impacts are less than significant.

Cumulative Impacts: The geographic scope of cumulative hydrology and water quality impacts is the Los Angeles River watershed and associated receiving waters. Future development of the Related Projects and other development within the watershed could affect the amount, the rate, the velocity, and the quality of runoff within their respective local drainage areas. However, similar to the project, each of the Related Projects is required to prepare and implement a SUSMP and undergo a review by the City to ensure compliance with the MS4 permit and the LID Ordinance. The Related Projects also have to determine what drainage improvements and BMPs are required to ensure that the storm drain capacity of the system is adequate and that no downstream flooding occurs as a result of exceedance of storm drain capacity, and that no significant water quality issues occur. With compliance with regulatory requirements, the project does not result in any significant hydrology and water quality impacts. Therefore, cumulative impacts are less than significant.

H. Land Use and Planning

1. Community Division and Land Use Compatibility, and Consistency with Land Use Plans and Policies

Community Division and Land Use Compatibility: The project does not physically divide an established community because it is being constructed on a site that has been developed for over 50 years. In addition, the project site is within a densely developed urban area with a mix of institutional, educational, commercial, light industrial and residential uses. No existing streets will be eliminated and no existing residents will be displaced. Thus, the development does not separate the community from those elements that establish the area as a community. The project's physical characteristics do not prevent or substantially impair existing adjacent land uses to continue their function since the project includes uses compatible with those of the surrounding area. Specifically, the project site and the surrounding area are in a portion of the City undergoing a significant transition and many new developments, including mixed-use projects, are either built, under construction or proposed within or adjacent to Downtown Los Angeles. The project’s pedestrian, transit-oriented and mixed-use characteristics are compatible with the commercial, institutional, educational uses surrounding the site as well as the commercial, mixed-use and entertainment developments one mile north of the project site. Therefore, impacts are less than significant.

Consistency with Land Use Plans and Policies: The development of the project is subject to numerous state, regional and City land use plans and policies, such as the 2008 Regional Comprehensive Plan (RCP), the Southern California Compass Blueprint Growth Vision, the Regional Transportation Plan/Sustainable Communities Strategy, the City General Plan, the Southeast Los Angeles Community Plan, the Draft/Proposed Southeast Los Angeles Community Plan, the Plan For a Healthy Los Angeles, the Citywide Design Guidelines, the 2013-2021 Housing Element, and City Planning and Zoning Code requirements. The project is generally consistent with all land use plans and policies. Specifically, the project is consistent with SB 375, a state law targeting greenhouse gas emissions from vehicles, since it reduces vehicle miles traveled due to the fact that project residents, employees, and visitors may use public transit, such as the nearby Metro Blue Line, Metro Expo Line and various Metro bus lines. The project also conforms to the goals set forth in the 2008 RCP, including those goals related to
regional growth, mobility, and sustainability as shown in Table IV.J-1 (Project Consistency with Applicable Regional Comprehensive Plan Objectives) of the Draft EIR. Similarly, the project conforms to the Southern California Compass Blueprint Growth Vision goals related to the improvement of mobility for residents, the increase in livability in all communities, the increase in prosperity for all people, and the promotion of sustainability for future generations. The project achieves these goals due to its nature as an infill redevelopment project that creates an urban center with opportunities for people to live, work, and visit in this Downtown Los Angeles-adjacent area.

The project also conforms to the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) as shown in Table IV.J-2 (Consistency of the Project with the Applicable Goals of Regional Transportation Plan) of the Draft EIR. Similarly, the project is consistent with a Plan For A Healthy Los Angeles, as analyzed in Table IV.J-5 (Consistency of the Project with the Applicable Policies of the Plan For A Healthy Los Angeles). Specifically, the project is consistent with these plans by converting surface parking lots into a mixed-use project with significant open space and community amenities conducive to pedestrian use. In addition, the vertical integration of a mix of uses, and concentration of jobs and new development within walking distance of public transit options, reduce air pollution and greenhouse gas emissions.

In addition, the project is also consistent with General Plan, as shown in Table IV.J-3 (Project Consistency with the Applicable Objectives and Policies of the City of Los Angeles General Plan Framework Element) of the Draft EIR. Specifically, the project is consistent with 15 goals related to the provision of both commercial and residential uses close to significant public transit opportunities and the inclusion of open space, pedestrian amenities and bicycle facilities. The project is also consistent with several similar goals of the Southeast Los Angeles Community Plan, as shown in Table IV.J-4 (Comparison of Southeast Los Angeles Community Plan Objectives to Project Characteristics) of the Draft EIR.

As analyzed in Table IV.J-6 (Consistency of the Project with Applicable Objectives of the City of Los Angeles Citywide Design Guidelines), the project also implements Objectives 1 through 5 of the Citywide Guidelines. The project achieves these Objectives by being designed to provide direct paths of travel to multiple public transit facilities and through the incorporation of public bicycle spaces. In addition, the project employs high quality architecture with detail and articulation at all levels and provides mid-block paseos connecting the project uses internally as well as to the surrounding streets. Finally, the project creates 162,255 square feet of open space, of which 73 percent will be common public open space.

As analyzed in Table IV.J-7 (Consistency of the Project with Applicable Goals, Objectives and Policies of the City of Los Angeles Housing Element 2013-2021) of the Draft EIR, the project implements a number of the City of Los Angeles Housing Element Goals, Policies and Objectives. Namely, the project promotes housing production by providing a range of housing types in a new mixed-use development near public transit options. The project also promotes safe, livable and sustainable neighborhoods by converting surface parking lots into a new mixed use residential, commercial development.

Project uses would not be consistent with the existing General Plan land use designation and zoning of the project site and, thus, the applicant has requested a General Plan Amendment and corresponding Vesting Zone Change for the project site from [Q]M1-2-O and M1-2-O to C2-2-O. In accordance with Sections 12.14 of the City Planning and Zoning Code, with these requests, the proposed project uses are permitted in and
consistent with the C2 zone because this commercial zone allows for the construction of a variety of commercial uses, including retail stores, offices, restaurants, parking structures, as well as hotel and multi-family residential uses.

Therefore, impacts related to consistency with these land use plans are less than significant.

Cumulative Impacts: Development of the project, in conjunction with the Related Projects, results in an intensification of existing prevailing land uses in the project vicinity. However, these projects would be subject to specific findings and conditions. As such, development of the project and related projects is not anticipated to substantially conflict with the intent of the City's General Plan regarding the future development of the Southeast Los Angeles community, or with other land use regulations required to be consistent with the General Plan, such as the Planning and Zoning Code. Therefore, cumulative impacts are less than significant.

I. Noise

1. Traffic Noise and Vibration

Off-Site Construction: The major noise sources associated with off-site construction trucks would be associated with delivery/haul trucks during the project site excavation phase. The noise level generated by construction trucks during the peak period (excavation phase) will be approximately 75 dBA Leq along the haul routes. The estimated noise from the haul trucks is consistent with the existing daytime ambient noise levels at two sensitive receptors along Hill Street and Main Street. During other construction phases, the number of construction trucks will be lower, which will result in lower noise levels. Therefore, the construction traffic noise impacts is less than significant.

Operational Noise: Operational noise consists of noise from building mechanical systems, parking facilities, loading and trash areas and outdoor spaces. However, all on-site mechanical equipment are required to comply with the regulations under Section 112.02 of the LAMC, which prohibits noise from air conditioning, refrigeration, heating, pumping, and filtering equipment from exceeding the ambient noise levels on the premises of other occupied properties by more than 5 dBA. Noise impacts from parking facilities are also less than significant since the subterranean parking levels at the East Block will be fully enclosed on all sides. The loading docks and trash areas for the project are located within the West Block and East Block parking structures. Therefore, noise associated with the loading/unloading and trash collection activities will be attenuated from off-site sources by the parking structures walls. Noise could also emanate from the project's outdoor spaces, such as the restaurant and outdoor space on the roof of the Reef Building, the hotel outdoor pool area and other open spaces. Compliance with existing regulations ensures that amplified program sound would not exceed the significance threshold. Furthermore, as indicated in Table IV.K-14 of the Draft EIR, the estimated noise levels from outdoor spaces use will be below the significance threshold at all off-site sensitive receptors. Finally, compliance with existing regulatory measures ensure that necessary noise insulation features are included in the final building design to achieve an interior noise environment that do not exceed 45 dBA Leq, in accordance with the City's Building Code.

Additional off-site noise comes from traffic generated once the project is operating. Table IV.K-15 of the Draft EIR summarizes the off-site roadway noise in the future produced by the project. This table shows that the project results in a maximum of a 0.7 dBA increase
in traffic noise along Main Street between Venice Boulevard and Washington Boulevard. The projected increases in noise level are considered negligible in the existing exterior noise environment. In addition, the change will be below the 3 dBA CNEL significance threshold which is considered to be an increase just perceptible to the human ear. When compared with existing conditions, as shown in Table IV.K-16 of the Draft EIR, the project results in a maximum of a 1.8 dBA (CNEL) increase in traffic noise along Main Street, between Venice Boulevard and Washington Boulevard. The estimated increase in off-site traffic noise levels as compared to existing conditions is well below the 3 dBA CNEL significance threshold. Therefore, the traffic noise impact is less than significant.

Construction and Operational Related Ground-borne Vibration: The project will generate ground-borne construction vibration during site demolition and excavation/grading activities when heavy construction equipment, such as large bulldozers, will be used. As indicated in Table IV.K-11 of the Draft EIR, vibration velocities from typical heavy construction equipment during construction are below the significance thresholds. The project does not include uses that are expected to generate measurable levels of ground-borne vibration during operation. Therefore, vibration impacts are less than significant.

Cumulative Impacts (Except 17th Street, west of Hill Street and Related Project No. 53): It is anticipated that construction-related noise levels from the Related Projects would be intermittent and temporary. In addition, the Related Project are required to comply with time restrictions and other relevant provisions in the LAMC. In addition, noise associated with cumulative construction activities would be reduced to the degree reasonably and technically feasible through proposed mitigation measures for each individual related project and compliance with locally adopted and enforced noise ordinances. Off-site construction haul trucks would have a potential to result in cumulative impacts if the haul trucks for the Related Projects and the project utilize the same haul routes. However, the estimated noise levels from project haul trucks are below the significance threshold. Potential vibration impacts due to construction activities are generally limited to buildings/structures that are located in close proximity of the construction site (i.e., within 15 feet as related to building damage and 80 feet as related to human annoyance). However, the nearest Related Project is located approximately 95 feet from the project. Therefore, there would be less than significant cumulative impacts except for at 17th Street, west of Hill Street, and at Related Project No. 53, discussed below under Significant and Unavoidable Impacts.

J. Population, Housing and Employment

Construction of the project results in increased construction jobs, which could potentially result in increased permanent population and demand for housing in the vicinity of the project site. However, construction workers are unlikely to relocate their households. Operation of the project is projected to generate approximately 3,808 employees, a net increase of approximately 1,161 employees on the project site. This increase is within the parameters of SCAG’s forecast of 82,500 additional jobs in the City between 2008 and 2020. The project’s construction of 1,444 additional residential dwelling units is expected to accommodate between 2,224 and 6,309 new permanent residents in the City. The addition of these new residents is within the SCAG growth projection. Therefore, impacts to population, housing and employment are less than significant.

Operation Impacts: The project has no impact on displacement of housing or residents because there are currently no residential units on the project site. In addition, as discussed in Response to Comment 10-8 in the Final EIR (FEIR), which is incorporated into these Findings by reference herein, there is no correlation between the project and
any physical impact on the environment which could result in nearby residents and businesses being displaced and experiencing health impacts. Accordingly, since CEQA does not require an analysis of potential economic and social effects which are not caused by a project's physical change to the environment, nor an analysis of speculative impacts, the project does not create any environmental impacts due to displacement.

Cumulative Impacts: The projected cumulative employment growth associated with the project and Related Projects is 1,639 employees, within the parameters of SCAG's forecast. The projected increase in employment therefore does not require the construction or extension of major infrastructure that could accelerate unexpected development, as this projected growth is within developed urban areas. The projected cumulative housing growth associated with the project and Related Projects is 4,288 units, within the parameters of SCAG's forecast. The projected increase in housing units does not require the construction or extension of major infrastructure that could accelerate unexpected development, as this projected growth is within developed urban areas. The projected cumulative population growth associated with the project and Related Projects is 14,453 persons, within the parameters of SCAG's forecast. The projected increase in population does not require the construction or extension of major infrastructure that could accelerate unexpected development, as this projected growth is within developed urban areas. Therefore, the projects contribution to cumulative population growth impacts would be less than significant.

K. Public Services and Recreation

1. Fire Protection, Schools, Parks and Recreation, and Libraries

Fire Protection: Construction on the project site increases the potential for accidental on-site fires from such sources as the operation of mechanical equipment and use of flammable construction materials. However, the implementation of "good housekeeping" procedures by the construction contractors and the work crews minimizes these hazards. The increase in employees and visitors to the project site generated by the project also potentially increases demand for fire protection services. DWP has indicated the existing static water pressure in the project area ranges from 55 to 74 pounds psi, in excess of the minimum residual water pressure of 20 pounds PSI. The final fire flow required for the project will be established by the LAFD during its review of the project plot plan, prior to the issuance of a building permit by the City. The plot plan for the project is required to identify the minimum fire flow requirements and the location of fire hydrants. Approval of this plot plan and compliance with existing regulations ensure the requisite fire flow for the project site. The project site is approximately 0.6 mile from Fire Station 10, which houses a task force; therefore, the project site is within the LAMC maximum response distance for both residential and commercial land uses. In addition, based on the project's circulation, it is anticipated that the LAFD can respond to on-site areas within the established response time. Furthermore, a sprinkler system and conformance with applicable Fire Code and LAFD building requirements ensure adequate on-site fire protection. Therefore, project impacts on fire protection services are less than significant.

Schools: Schools that serve the project site are San Pedro Elementary School, Adams Middle School, and Santee Education Complex. The total increase of students as a result of the project is approximately 1,893 students. These students can be accommodated within the existing LAUSD system. Therefore, project impacts on schools are less than significant.
Parks and Recreation: The project site is served by the Hoover Recreation Center. The project provides open space in accordance with LAMC Section 12.21(G)(2) and supplements the existing parks and recreation facilities with 3.7 acres of common open space features and recreational amenities that serve the residents' recreational needs. Therefore, the project's inclusion of on-site open space and recreational facilities reduces the use of parks by project residents. Future impacts on park facilities are mitigated through the collection of Quimby fees to the City to satisfy its obligations under the Quimby Act and/or provide payment of the Dwelling Unit Construction Tax. Therefore, impacts to parks and recreation services are less than significant.

Libraries: The project site is served by the Central Library located at 630 5th Street. The project is expected to generate a maximum of approximately 6,309 residents, which is expected to generate the need for between approximately 1,112 and 3,155 square feet of library facility space. At 538,000 square feet, the Central Library exceeds the recommended standards for the number of residents at the project. Therefore, library impacts associated with project are less than significant.

Cumulative Impacts: It is anticipated that the additional population and commercial land use can increase the demand for fire protection services in the service areas for LAFD Fire Stations 9, 10, and 15. However, each of the Related Projects is required to install automatic fire sprinkler systems if located at a distance to the nearest fire station that exceeds the LAFD required response distance. In addition, each of the Related Projects is subject to LAFD review of site plans, hydrant location and fire flow requirements. Finally, through the allocation of City resources in the City's annual programming and budgeting processes, the cumulative demand for fire protection growth in residential population and commercial development is addressed and, thus, the project, in conjunction with growth in demand for fire protection services Citywide, does not represent a substantial contribution to a significant cumulative effect. Therefore, with incorporation of the Project Design Feature and compliance with existing regulatory measures, the project's contribution to cumulative fire protection impacts is less than significant.

The project, in combination with the related and other future projects, would be expected to increase the cumulative demand for schools in LAUSD as shown in Table IV.M.3-3 (Cumulative Student Generation) of the Draft EIR. However, pursuant to SB50, future impacts on school facilities are mitigated through the collection of development impact fees to the LAUSD Developer Fee office. In addition, LAUSD opened three new schools within the past five years to provide approximately 2,500 additional seats to supplement the schools that serve the project site.

The increase in residential population by the Related Projects increases the demand for parks and recreation facilities and further impacts the shortage of park/recreational space in the Southeast Los Angeles Community Plan area. In accordance with State CEQA Guidelines Section 15130(a)(3), the project's contribution to the cumulative impact is less than cumulatively considerable through adherence to the City's parks fee programs for new development. Adherence to the requirements of this program constitute implementation or funding of the project's fair share of measures designed to alleviate the cumulative impact and, therefore, impacts are less than significant.

The project is expected to increase demand for library services in the project vicinity. Under the terms of Measure L, libraries have been required to pay for their own direct and indirect costs since July 2014. This dedicated funding source is intended to address cumulative demand for library services throughout the City. Therefore, cumulative impacts are less than significant.
It is anticipated that the additional population and commercial land use creates an increase in the demand for police protection services in the Newton Station service area. Each of the Related Projects would be subject to LAPD review of site plans, and security measures. In addition, demands are met by LAPD through the allocation of available resources by LAPD management to meet varying needs throughout the LAPD's Bureaus and Community Police Stations, as well as through the allocation of City resources between LAPD and other City departments, accomplished through the City's annual programming and budgeting processes. Through this process, cumulative demand for police services within the Newton Station area would be managed, and the project, in conjunction with Related Projects, does not result in a substantial contribution to a significant cumulative impact. Impacts are therefore less than significant.

2. Project Design Feature

The City finds that Project Design Feature PDF-PS-1, which is incorporated into the project and is incorporated into these Findings as though fully set forth herein, would reduce the potential fire protection services impacts of the project. This Project Design Feature was taken into account in the analysis of potential impacts.

L. Transportation/Circulation

Construction: The number of construction workers and construction equipment vary throughout the construction process. Construction worker traffic occurs before the morning and afternoon peak commute hours. An average of 125 workers occur on-site with a peak of up to 500 workers. Because construction worker traffic occurs outside the peak hours, traffic from construction workers is not expected to create a significant impact on the street system. In addition, parking for construction workers is provided on-site, on the part of the project site that is not under construction (i.e., on the East Block during West Block construction, and vice versa). The traffic analysis showed that the level of traffic from truck hauling does not result in a significant traffic impact on the street system, as it would be well below the projected traffic from the project. In addition, haul traffic is temporary. The hourly volume of delivery trucks is less than the estimated level of truck activity during the excavation phase and does not create a significant traffic impact on the street system. Flagmen can also control traffic movement during the ingress and egress of trucks and heavy equipment. Any required lane closures are included in the Work Area Traffic Control Plan required for the project, which must be submitted and approved by LADOT prior to issuance of any construction permits. Therefore, transportation/circulation impacts associated with project construction are less than significant.

Operation: Traffic volume projections were developed to analyze the existing traffic conditions after completion of the project. Potential operational impacts were analyzed in the Draft EIR through the study of sixty-five intersections, in two traffic horizon years (Existing Year 2014 and Future Year 2035) using the City Department of Transportation (LADOT), guidelines and methodologies and the Highway Capacity Manual (HCM) Methodology for both signalized and unsignalized intersections. The intersection level of service analyses for the Existing With Project and the Future With Project conditions are summarized in Table 5.1, Table 5.2, Table 6.1 and in Table 6.2 of the Traffic Study. Figures illustrating these traffic forecasts are provided in the Appendix IV.N of the Draft EIR. With the exception of the intersections identified on page IV.N-24 of the Draft EIR and in the Significant and Unavoidable Impacts discussion below, the operational impacts at the remaining intersections are less than significant. Project trip volumes are less than the CMP threshold of 50 both in the AM and PM peak hours at all CMP arterial
monitoring locations closest to the project site. Similarly, the Traffic Study shows that the level of service would not change at any mainline freeway segment due to the project and that the project trips will not exceed the CMP threshold. All project driveways are designed in accordance with LADOT standards and approvals. Therefore, project driveways do not create any significant impacts. Therefore, impacts are less than significant.

Cumulative Impacts: With the exception of significant impacts discussed further below, the project’s remaining cumulative operational traffic impacts are less than significant. There are approximately seven Related Projects (Nos. 6, 42, 53, 54, 57, 63 and 71) within a quarter mile of the project site with most a block or two from the site and one (No. 57) directly across Main Street. Due to the close distance of these Related Projects, there may be some overlap with construction activities such as temporary lane or sidewalk closures along Washington Boulevard or Main Street. However, these impacts are temporary and limited to the construction phase of each project, and each of the Related Projects is required to submit a construction work site traffic control plan to LADOT for review and approval prior to the start of any construction work. In addition, with adherence to LADOT’s requirements and with compliance with existing regulations, the project’s contribution to cumulative construction traffic impacts is less than significant.

1. Project Design Feature

The City finds that Project Design Feature, PDF-TR-1, which are incorporated into the project and incorporated into these Findings as though fully set forth herein, reduce the potential transportation/circulation impacts of the project. This Project Design Feature was taken into account in the analysis of potential impacts.

M. Utilities

1. Wastewater, Water, Solid Waste, Electricity, Natural Gas

Wastewater: The project is anticipated to generate an increase of approximately 329,258 gpd of wastewater (0.33 mgd), within the design capacity of existing infrastructure. In addition, the Hyperion Treatment Plant (HTP) has sufficient treatment capacity to accommodate the project’s average daily total scenario wastewater generation. With the City’s implementation of the provisions of the Sewer Allocation Ordinance, the project’s wastewater generation is not projected to exceed the future scheduled capacity of the HTP. Also, based on current gauging, the 52-inch line beneath Jefferson Boulevard and the 12-inch line beneath Main Street, are operating at approximately 50 percent design capacity. Based on project wastewater flows, the sewer system can accommodate the projected flows. Further detailed gauging and evaluation, at the time of project connection to the system, is needed as part of the permit process to identify a specific sewer connection point, based on the flows in the multiple existing lines serving the project site at the time of connection. Therefore, project impacts on wastewater are less than significant.

Water: The average daily domestic net water demand of the project is estimated to be approximately 327,527 gpd (or 366.825 af/y), which is within the growth projections of the LADWP. Therefore, the LADWP can meet the project’s water demand, as indicated in the Water Supply Assessment (WSA) dated May 20, 2015. In addition, the project complies with the City’s mandatory water conservation measures that, relative to the City’s increase in population, have reduced the rate of water demand in recent years. Should it be determined during the plot plan review that the existing fire-flow is not
sufficient to serve the project site, and that the project requires the installation of new water lines, meters, private fire hydrants, or other fire safety features, these features are required to conform to the City’s Fire Code in consultation with the City Fire Department. Therefore, project impacts on water are less than significant.

Solid Waste: Construction debris consists primarily of debris from the removal of these existing surface parking lots located on the East and West Blocks and demolition of 11,150 square feet of existing warehouse/distribution building on the East Block. However, project-generated demolition and construction-related waste represents a small percentage of the inert waste disposal capacity in the region.

Operation of the project results in ongoing generation of solid waste. Over the long-term, the project is expected to generate approximately 8,032 net ppd of solid. The remaining combined intake of the Sunshine Canyon Landfill and the Chiquita Canyon Landfill is approximately 90.48 million tons. As such, they have adequate capacity to accommodate the daily operational waste generated by the project and, therefore, solid waste impacts are less than significant.

Electricity: The existing land uses on the project site consume approximately 26,519 kilowatt-hours (kWh) per day. Project consumption is approximately 121,698 kWh per day, a net increase of approximately 95,179 kWh per day over the existing uses. The LADWP has indicated that the project's demand for electricity can be served via existing infrastructure, and no improvements or additions to LADWP's off-site distribution system are needed. In addition, the project is designed in accordance with 2013 Title 24, California's Energy Efficiency Standards for Residential and Nonresidential Buildings. Therefore, project impacts on electricity are less than significant.

Natural Gas: The existing land uses on the project site consume approximately 82,189 cf of natural gas per day. The estimated net increase in demand is approximately 224,708 cf per day. Decreases in California natural gas demand and State Energy Conservation ensure there is not a significant effect on natural gas resources. Therefore, project impacts on natural gas are less than significant.

Cumulative Impacts: Implementation of the project in combination with the Related Projects increases the demand for wastewater conveyance infrastructure provided by LABS. Each of the Related Projects is required to obtain a final approval for a sewer capacity connection permit. In addition, sewer line capacity is to be evaluated on a case-by-case basis and addressed through project-specific gauging and provision of additional infrastructure as required, in accordance with existing permitting processes. Wastewater generation from the project and Related Projects are addressed in the total increased wastewater flows throughout the HTP in the IRP and are sufficient to handle the projected flows through 2020. Therefore, cumulative impacts associated with wastewater are less than significant.

Implementation of the project in conjunction with Related Projects increases demand for water supplied by the LADWP, but the demand falls within the UWMP's projected water supplies. LADWP has confirmed that there are no known infrastructure deficiencies in the project vicinity, therefore, it is anticipated that the local water infrastructure can adequately accommodate the increased demand to serve the project and the Related Projects. Implementation of the project in conjunction with Related Projects increases solid waste demands, but the Related Projects is subject to the Citywide Construction and Demolition Waste Recycling Ordinance and there is adequate capacity in the County for the disposal of waste. To address the total long range solid waste disposal needs of the City, the City is developing the Solid Waste Integrated Resources Plan.
(SWIRP), to develop and implement of a 20 year master plan for the City's solid waste and recycling programs. Implementation of the SWIRP therefore addresses the disposal of solid waste from the project and other development in the City. Implementation of the project in conjunction with Related Projects could create increased demand for electricity; however, the LADWP annually prepares a Power Integrated Resource Plan to ensure that current and future energy needs are met. Additionally, the project is designed to meet LEED certification requirements from USGBC and comply with State Building Energy Efficiency Standards outlined in Title 24 of the California Code of Regulations. Implementation of the project in conjunction with Related Projects could generate increased demand for natural gas; however, the Southern California Gas Company has the resources and infrastructure in place to plan for and meet the increased demand. Therefore, the project's cumulative impact on utilities is less than significant.

2. Project Design Features

The City finds that Project Design Features PDF-UT-1 PDF-UT-2, PDF-UT-3, PDF-UT-4, PDF-UT-5, PDF-UT-6, and PDF-UT-7, which are incorporated into the project and incorporated into these Findings as fully set forth herein, reduce the potential utilities impacts of the project related to Wastewater/Sewer, Water, Solid Waste, Electricity, Natural Gas and Cumulative Impacts. These project design features were taken into account in the analysis of potential impacts.

N. Land Use Equivalency Program and Design Guidelines

1. Land Use Equivalency Program

The full description of the Land Use Equivalency Program is contained in the Land Use Equivalency Program Technical Report in Appendix II-1 to the Draft EIR. The Land Use Equivalency Program is predicated on the requirement to avoid any additional impacts, with an emphasis in two areas – peak hour traffic and wastewater infrastructure. As discussed in the project's traffic study (Appendix IV-N to the Draft EIR), the most impactful time period with respect to project traffic is the Friday Evening Hour. However, as shown in the Traffic Study, the trip generation rates for the PM Peak Hour and the Friday Evening Hour are the same. Therefore, the PM Peak Hour/Friday Evening Hour trip rate is used in the Draft EIR analysis as the basis for potential land use exchanges. Accordingly, the Land Use Equivalency Program ensures that the project would not have any greater impacts than the project during either the PM Peak Hour or the Friday Evening Hour. LABS has identified Wastewater infrastructure that would serve the project and surrounding area as potentially constrained, particularly with respect to a 52-inch trunk line in Jefferson Boulevard that is currently operating at 50% capacity (see Section IV.O-1 of the Draft EIR). Accordingly, the Land Use Equivalency Program has been structured to ensure that no new wastewater generation beyond that associated with the project, and analyzed in the Draft EIR, would occur as a result of the land use exchanges that would be permitted under the Land Use Equivalency Program. These analyses in the Draft EIR show that no additional environmental impacts result from implementation of the Land Use Equivalency Program. The Land Use Equivalency Program includes a City discretionary review process if the property owner desires to use either the Land Use Equivalency Program or the Design Guidelines described below (collectively, the Equivalency Program). In the event the applicant or subsequent applicants should choose to utilize the Land Use Equivalency Program, the subsequent phase(s) of the project are subject to LAMC Section 106.5 (Site Plan Review) in addition to the provisions stated on page II-37 of the Draft EIR, which will be identified in a “Q” condition if the project is approved.
2. Design Guidelines

The Design Guidelines allow for flexibility in the project building design within a determined set of parameters. These parameters frame the analysis of the project in the Draft EIR and through the entitlement process. The project as developed conforms to the following design parameters:

- Building coverage of the combined site area between the heights of 22 feet and 100 feet shall be no more than 50 percent of the site area.
- Building coverage above a height of 100 feet shall be no more than 25 percent of the site area.
- The mid-block paseo, podium levels, parking structures, and the existing Reef building shall be included in the area not considered building coverage.
- Building separation above a height of 100 feet shall be a minimum of 70 feet.
- No building shall have a footprint above a height of 100 feet of greater than 30,000 square feet.
- The mid-block paseo shall be no smaller than 15,000 square feet and shall be generally oriented towards Broadway between Washington Boulevard and 21st Street.
- If the mid-block paseo is at grade, it may have auto circulation.
- There shall be, at a minimum, one pedestrian connection from Hill Street to Broadway, and one pedestrian connection from Broadway to Main Street.
- Within the mid-block paseo, at least 20 percent of the area shall be landscaped or included in a water feature, as distinct from the hardscape area.
- On each of the five frontages of the property, the following minimum proportions of the building faces, from sidewalk grade to 100 feet above, shall be transparent (i.e., openings or glass) rather than opaque: (i) Washington Boulevard – 50 percent; (ii) Broadway – 50 percent; (iii) Hill Street – 25 percent; (iv) Main Street – 25 percent; and (v) 21st Street – 25 percent.
- The existing Reef building shall not be included in the building façade calculations.
- No building above a height of 100 feet shall have any façade longer than 300 feet in length.
- Access points and site circulation shall be maintained in general conformance with the Conceptual Plan for the project.

In the event the applicant or subsequent applicants should choose to utilize the Design Guidelines, the subsequent phase(s) of the project are subject to LAMC Section 106.5 (Site Plan Review) in addition the provisions stated on page II-37 of the Draft EIR, which will be identified in a “Q” condition if the project is approved.

VII. ENVIRONMENTAL IMPACTS FOUND LESS THAN SIGNIFICANT PRIOR TO MITIGATION, WHERE MITIGATION NONETHELESS PROVIDED TO FURTHER REDUCE IMPACTS

The following impact areas were concluded by the Draft EIR to be less than significant prior to mitigation. However, mitigation measures described in the Final EIR nonetheless are provided to further reduce impacts. Based on that analysis and other evidence in the administrative record relating to the project, the City finds and determines that mitigation measures described in the Final EIR reduce impacts identified for the following environmental impact categories.
A. Greenhouse Gas Emissions

The SCAQMD’s draft 2020 target for project-level analysis is 4.8 MT/year CO2e per service population. The project’s efficiency metric is calculated to be 4.76 MT/year CO2e per service population which does not exceed the SCAQMD draft efficiency target. Details regarding the assumptions and calculations of GHG emissions associated with the project are contained in the GHG Report in Appendix IV.G-1 to the Draft EIR. The geographic extent of GHG emissions is global, and the effect of these emissions on global climate change is potentially world-wide. The contribution of the project to the cumulative effect of global climate change would not be cumulatively considerable. The project does not conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gasses. Specifically, the project is consistent with the goals of AB 32 and will meet the energy efficiency requirements of the 2013 Title 24 CALGreen Code, and the City Green Building Code. Therefore, project impacts are less than significant. Nonetheless, to reduce the less than significant impacts related to greenhouse gas emissions, MM-TR-13 is incorporated into the project to encourage the use of transit and reduce vehicle trips and to ensure that impacts remain less than significant.

1. Project Design Features

The City finds that Project Design Features PDF-GHG-1, PDF-GHG-2, PDF-GHG-3, and PDF-GHG-4, which are incorporated into the project and incorporated into these Findings as fully set forth herein, reduce the potential greenhouse gas emissions impacts of the project. These Project Design Features were taken into account in the analysis of potential impacts.

2. Mitigation Measure

The City finds that Mitigation Measure MM-TR-13, which is incorporated into the project and incorporated into these Findings as fully set forth herein, lessens the less-than-significant impacts related to greenhouse gases. This mitigation measure was taken into account in the analysis of potential impacts.

B. Public Services – Police Protection

Construction: While there is the potential for the construction of the project to increase the demand for police protection services, the project provides security to the site during the construction process as part of the Work Area Traffic Control Plan, thereby reducing the demand for LAPD services. Traffic generated by construction workers and trucks is primarily during off-peak hours. Emergency access is to be maintained to the project site during construction through marked emergency access points approved by the LAPD. Therefore, police protection impacts during construction are less than significant.

Operation: The project is served by the Newton Community Police Station. The average response time to emergency calls for service for the Newton Community Station in 2013 was approximately six minutes. This response time is slightly above the citywide average of 5.9 minutes recorded during 2013, but below the seven-minute response time that is a set standard for LAPD. Using the existing officer to population ratio for the Newton Station, the project could warrant the addition of 5 to 14 new officers to maintain the existing officer to population ratio in the Newton Community Police Station service area. However, it is not anticipated that this level of additional staffing requires the enlargement or the construction of a police station. In addition, project features that deter crime could include, but are not limited to, adequate and strategically positioned...
functional lighting to enhance public safety, minimizing visually obstructed and infrequently accessed "dead zones," and limiting public access to properly patrolled public areas. The building and layout design also include crime prevention features, such as nighttime security lighting, secured parking facilities, and provision of on-site security service, which comply with the design guidelines outlined in the LAPD Design Out Crime Guidelines and Mitigation Measure MM-PS-1. Response times should not be substantially affected given that the significant traffic impacts are at limited locations and given the availability of alternative routes within the street pattern in the area surrounding the project site. In addition, the police have a variety of options to avoid traffic, such as using sirens to clear a path of travel for driving in the lanes of opposing traffic. Furthermore, upon completion of the project, the Newton Area Commanding Officer has to provide a diagram of each portion of the property to show access routes and any additional information that may facilitate police response to the project site. Therefore, the project results in less than significant operational impacts on police protection services. Nevertheless, the following mitigation measures reduce the less-than-significant impacts.

1. Mitigation Measure

The City finds that Mitigation Measures MM-PS-1 and MM-PS-2, which are incorporated into the project and incorporated into these Findings as fully set forth herein, will lessen the less than significant impacts related to Public Services – Police Protection and that implementation of these mitigation measures ensure that impacts remain less than significant. These mitigation measures were taken into account in the analysis of potential impacts.

VIII. ENVIRONMENTAL IMPACTS FOUND TO BE LESS THAN SIGNIFICANT AFTER MITIGATION

The following impact area was concluded by the Draft EIR to be less than significant with the implementation of mitigation measures described in the Final EIR. Based on that analysis and other evidence in the administrative record relating to the project, the City finds and determines that mitigation measures described in the Final EIR reduce potentially significant impacts identified for the following environmental impact categories to below the level of significance.

A. Cultural Resources

Paleontological Resources (Construction Impacts): Construction of the project includes excavations for subterranean parking, foundations, and utilities installation, which have the potential to disturb any existing, but undiscovered, paleontological resources. If paleontological resources exist within the project site, they are likely to exist in native (i.e., undisturbed) sediments at depth, since previous development of the project site has likely displaced any resources on the surface. Therefore, the potential to encounter paleontological resources is low.

Cumulative Impacts: It is not known at this time if future development of the Related Project sites would involve paleontological resources. However, similar to the project, the Related Projects are subject to the requirements of CEQA, and City paleontological resource protection ordinances.
1. Mitigation Measures

The City finds that Mitigation Measures MM-CUL-1, MM-CUL-2, and MM-CUL-3, which are incorporated into the project and incorporated into these Findings as set forth herein, reduce the impacts related to paleontological resources to less than significant. These mitigation measures were taken into account in the analysis of project impacts.

2. Finding

Paleontological Resources: With implementation of the Mitigation Measures MM-CUL-1, MM-CUL-2 and MM-CUL-3, impacts related to paleontological resources are less than significant. No further mitigation measure is required. With implementation of MM-CUL-1, MM-CUL-2 and MM-CUL-3, the project’s contribution to cumulative impacts related to paleontological resources is less than significant.

3. Rationale for Finding

Paleontological Resources: There are no known paleontological sites within the project site. Furthermore, the project site is not in an area designated by the City General Plan Framework Element EIR or the Environmental and Public Facilities Maps of the Department of City Planning as a paleontological site or survey area. However, excavations are anticipated for the project for subterranean parking, foundations, and utilities installation – thereby creating the potential to disturb any existing, but undiscovered, paleontological resources. Nonetheless, changes or alterations and mitigation measures have been required in, or incorporated into, the project that avoid or substantially lessen potential significant environmental effects on paleontological resources. Mitigation Measure MM-CUL-1 calls for halting or diverting work if paleontological materials are encountered during the course of earth-moving activities to allow the resources and their significance to be assessed. MM-CUL-1 is to be memorialized with a covenant and agreement prior to obtaining a grading permit. Mitigation Measure MM-CUL-2 requires the project’s construction superintendent to be instructed by a paleontologist or other qualified paleontological monitor regarding identification of conditions whereby potential paleontological resources could occur. In addition, Mitigation Measure MM-CUL-3 requires all significant fossil specimens be prepared, identified, curated and catalogued in accordance with designated museum repository requirements. Therefore, the project’s paleontological impacts are less than significant with the implementation of mitigation measures MM-CUL-1, MM-CUL-2, and MM-CUL-3.

Cumulative Impacts: The geographic scope of the cumulative cultural resources analysis with respect to paleontological resources is the project vicinity. Paleontological resource impacts tend to be localized; therefore, the area near the project site could be most affected by project activities (generally within a 500-foot radius). Nevertheless, all of the Related Project sites were considered in the EIR analysis. It is not known at this time if future development of the Related Project sites would involve paleontological resources. However, similar to the project, the Related Projects are subject to the requirements of CEQA, and City paleontological resource protection ordinances. As such, the Related Projects are evaluated on a case-by-case basis and any potential impacts to paleontological resources are addressed at that time. It is further anticipated that the effects of cumulative development on paleontological resources would be mitigated to the extent feasible in accordance with CEQA and other applicable local cultural resource protection ordinances. If subsurface paleontological resources are protected upon discovery as required by law, impacts to those resources are expected to be
cumulatively less than significant and, thus, when evaluated in conjunction with the project, are not cumulatively considerable.

4. Reference

For a complete discussion of impacts associated with Cultural Resources, please see Section IV.E.3 of the Draft EIR.

B. Hazards and Hazardous Materials

Impacts of Hazardous Materials - Radon Only: Construction of the project involves the use of hazardous materials (i.e., paints, building materials, cleaners, fuel for construction equipment, etc.). Operation of the project does not include hazardous materials, other than small quantities of typical household, vehicle, and landscape maintenance materials such as cleaning supplies, paints, oil, grease, and fertilizers, all in accordance with manufacturers' instructions for use, storage, and disposal. The project site is within a zone designated by the California Geological Survey as having a Moderate potential to experience radon levels over 4.0 pCi/L, resulting in a potentially significant impact.

1. Mitigation Measures

The City finds that Mitigation Measure MM-HAZ-1, which is incorporated into the project and incorporated into these Findings as fully set forth herein, reduces the potentially significant impact related to radon to less than significant and is, therefore, required. This mitigation measure was taken into account in the analysis of potential impacts.

2. Findings

Changes or alterations and mitigation measures have been required in, or incorporated into, the project that avoid or substantially lessen potential significant environmental effects on hazards associated with radon exposure to less than significant levels with the implementation of mitigation measure MM-HAZ-1. No further mitigation is required.

4. Rationale for Findings

The project site is located within a zone designated by the California Geological Survey (CGS) as having a Moderate potential to experience radon levels over 4.0 pCi/L. According to the CGS, location within a Moderate radon potential zone indicates a less than 10% likelihood of encountering radon levels over 4.0 pCi/L. Nonetheless, the potential to encounter such radon levels at the project site is potentially significant. Measurement of radon gas levels prior to construction, and inclusion of modifications in the design of the project, if warranted, reduce the impact of radon levels over 4.0 pCi/L to less than significant, if levels over 4.0 pCi/L are encountered. Potential mitigation measures for radon levels over 4.0 pCi/L include installation of soil suction systems that prevent radon gas present in the surrounding soil from entering buildings, sealing of underground paths into project buildings, and installation of gas-impermeable barriers in project buildings. With implementation of MM-HAZ-1, requiring a mitigation program to be designed by a certified radon mitigator if radon levels over 4.0 pCi/L are encountered within, or immediately adjacent to, the project site, impacts related to radon hazards are less than significant.
5. Reference

For a complete discussion of impacts associated with Hazards and Hazardous Materials, please see Section IV.H of the Draft EIR.

C. Noise

Construction of the West Block, including demolition, grading and construction, is expected to require approximately 30 months, while construction of the East Block, including demolition, excavation and construction, would require approximately 32 months. These construction activities will result in potentially significant noise.

1. Mitigation Measures

The City finds that Mitigation Measures MM-NOI-1, MM-NOI-2, MM-NOI-3 and MM-NOI-4, which are incorporated into the project and incorporated into these Findings as fully set forth herein, reduce the potentially significant impacts related to construction noise to less than significant levels. In addition, MM-NOI-2 was amended to require the use of solar powered generators to offset the noise generated by reducing energy consumption. These mitigation measures were taken into account in the analysis of potential impacts.

2. Findings

The City finds that changes or alterations and mitigation measures have been required in, or incorporated into, the project that avoid or substantially lessen potential significant construction noise impacts to less than significant levels with the implementation Mitigation Measures MM-NOI-1, MM-NOI-2, MM-NOI-3, and MM-NOI-4. No further mitigation is required.

3. Rationale for Findings

Each stage of project construction involves the use of various types of construction equipment that have their own distinct noise characteristics. The Federal Highway Administration has compiled data regarding the noise generating characteristics of specific types of construction equipment and typical construction activities. These data are presented in Table IV.K-8 of the Draft EIR for the types of equipment that are expected to be used at the project site. To more accurately characterize construction-period noise levels, the average (Hourly Leq) noise level associated with each construction stage is calculated based on the quantity, type, and usage factors for each type of equipment that would be used during each construction stage. Table IV.K-9 and Table IV.K-10 of the Draft EIR provide the estimated construction noise levels for various construction stages at the off-site noise sensitive receptors for the construction of the West Block and East Block, respectively. As indicated in Table IV.K-9, the estimated construction related noise impacts from the West Block construction is less than significant at all off-site sensitive receptors. Even though the estimated construction noise levels at receptor R1 exceeds the existing ambient noise levels by more than 5 dBA, receptor R1 is not considered noise sensitive receptor. The estimated noise levels from the East Block construction, as indicated in IV.K-10, result in less-than-significant impacts at all off-site noise sensitive receptors, with the exception of receptor R2 – the residential building at the northwest corner of Washington Boulevard and Main Street. At receptor R2, the construction activities during demolition exceed the significance threshold by 1 dBA. Implementation of Mitigation Measure MM-NOI-1 reduce the construction-related noise levels Receptor R2 by a minimum of 5 dBA, making the noise
impact less than significant. In addition, compliance with regulatory measures, the noise regulations under Section 41.40 of the LAMC and implementation of Mitigation Measures MM-NOI-2 through MM-NOI-4 reduce construction noise impacts to the maximum extent feasible, in accordance with the City of Los Angeles Noise Ordinance.

Therefore, the project's short-term construction-related noise impacts are less significant with implementation of these mitigation measures.

4. Reference

For a complete discussion of impacts associated with Noise, please see Section IV.K of the Draft EIR.

IX. ENVIRONMENTAL IMPACTS FOUND TO BE SIGNIFICANT AND UNAVOIDABLE

The project results in the following impacts, which are found to be significant and unavoidable.

A. Aesthetics

Construction: Although temporary in nature, construction activities associated with the project are likely give the project site a visually unappealing quality for the duration of these activities.

Operation (Vertical Zone 3 Signage Only): Potential impacts of the project SUD signage depend on several factors, including the size, height, and location, the level of lighting and animation permitted, along with the concentration of signage (i.e., the location of multiple signs within the same area), and the locations of sensitive receptors relative to signs. High levels of animation are permitted in the Vertical Zone 3 signage on the Reef building and proposed hotel building, including Controlled Refresh I (changes every 8 seconds), and Limited Animation I (changes every two minutes). The Vertical Zone 3 signage on the Reef building is visible at some distance from the site, and be prominent because the signage can extend up to 194 feet and because of the high levels of animation permitted on this signage. The Vertical Zone 3 signage on the proposed hotel building extends up to 240 feet, and be prominent because of the permitted animation. Therefore, Vertical Zone 3 signage impacts are significant during the daytime and even operating hours.

Light and Glare: Even though the animation of the signage within Vertical Zones 1 and 2 would be less than permitted in Vertical Zone 3, impacts of permitted east-facing signage within Vertical Zones 1 and 2 on the Reef building are significant because of the prominence of the signage concentrated at this location. Accordingly, the substantial increase in lighting from this concentration of signage substantially and adversely affects the surrounding area.

Shade/Shadow: The project shadows during the Spring and Fall Equinox cover all or part of the Rutland Apartments, a shadow sensitive residential use, for more than three hours between the hours of 8:00 AM and 4:00 PM, resulting in a significant and unavoidable impact.

1. Project Design Features

The City finds that Project Design Features PDF-AES-1, PDF-AES-2, PDF-AES-3, PDF-AES-4 and PDF-AES-5, which are incorporated into the project and incorporated into
these Findings as fully set forth herein, further reduce light and glare impacts and reflect good planning and design practices currently promoted by the City. These Project Design Features were taken into account in the analysis of potential impacts.

2. Mitigation Measure

Light and Glare: The City finds that Mitigation Measure MM-AES-2, which is incorporated into the project and incorporated into these Findings as fully set forth herein, further reduces the light and glare impacts and reflects good planning and design practices currently promoted by the City and, therefore, is required. This mitigation measure was taken into account in the analysis of project impacts. However, this mitigation measure does not reduce the significant impact to a less-than-significant impact.

Shade/Shadow: There are no feasible mitigation measures the project could implement to avoid significant shadow impacts to the Rutland Apartments during the spring and fall equinox, which is caused by the angle of the sun in combination with the rotation and orbit of the earth around the sun.

3. Findings

Changes and alterations and mitigation measures, where available, have been required for or incorporated into the project to reduce unavoidable aesthetic impacts to the greatest extent possible. There are no additional measures which the City can impose to reduce aesthetic impacts to less-than-significant levels.

Construction: Even with compliance with existing regulatory measures, the temporary impacts related to construction of the project are significant and unavoidable.

Operation (Vertical Zone 3 Signage): Even with implementation of Project Design Features PDF-AES-1, 2, 3, 4, and 5, and Mitigation Measure MM-AES-2, impacts to visual character of the project site are significant and unavoidable with respect to Vertical Zone 3 animated signage during the daytime operating hours of the signage.

Light and Glare: Due to the concentration of signage on the Reef building in Vertical Zones 1, 2, and 3, including the number and size of signs permitted in these locations, impacts related to the concentration of signage on the Reef building, specifically Vertical Zone 3 signage, are significant and unavoidable.

Shade/Shadow: Shadow impacts of the project on the Rutland Apartments during the spring and fall equinox would be significant and unavoidable.

4. Rationale for Findings

Construction: Although temporary in nature, construction activities give the project site a visually unappealing quality for the duration of 60 months. Temporary fencing could partially shield views of construction activities and equipment. However, construction activities typically include both a disturbance in existing natural and man-made features and the development of structures, which, at least temporarily, are devoid of external treatments designed to improve visual character. Temporary construction-related towers and cranes could also interfere with existing view lines. Therefore, construction activities result in temporary changes as viewed from nearby viewsheds. Even with compliance with regulatory measures, the temporary impacts related to construction of the project are significant and unavoidable.
Operation (Vertical Zone 3 Signage Only): Project signage permitted under the Reef project SUD includes four large sign areas – the Reef (23,050 square feet in Vertical Zone 3, and 9,700 square feet in Vertical Zone 2); North Tower (14,858 square feet in Vertical Zone 2); and South Tower (15,480 square feet in Vertical Zone 2). Signage is visible in the surrounding area, including the Superior Court building, LATTC, Hill Street, Washington Boulevard, and other streets to the west. High levels of animation are permitted in the Vertical Zone 3 signage on the Reef building and proposed hotel building, including Controlled Refresh I (changes every 8 seconds), and Limited Animation I (changes every two minutes). The Vertical Zone 3 signage on the Reef building is visible at some distance, and is prominent because of high levels of animation and the elevation to which this signage can extend (up to 194 feet). The Vertical Zone 3 signage on the hotel building could extend to a greater height (up to 240 feet), and therefore be prominent because of the permitted animation. In addition, this signage does not contribute to the aesthetic image of an urban center. Therefore, impacts of permitted north-, east-, south-, and west-facing Vertical Zone 3 signage are significant. No feasible mitigation measures, other than reduction or limitation of animation of signage related to Sign Zone 3, are available to completely address the impact. Implementation of Mitigation Measure MM-AES-2, which limits the operating hours of Sign Level 3 signage to address the lighting impact associated with this signage, reduces the visual impact of this signage during nighttime hours to less than significant. However, the impact remains during the daytime and evening hours when the signage is in operation. Reduction of signage and limitation of animation as a means of mitigating this impact are discussed in Section VI, Alternatives, of the Draft EIR. However, the City finds these alternatives to be infeasible as more fully explained in the Sections X and XII of these Findings. Therefore, impacts to visual character of the project site are significant and unavoidable with respect to Vertical Zone 3 animated signage during the daytime and evening operating hours of the signage.

Shade/Shadow: Shadow figures for buildout of the project are shown in Figure IV.B-16 (Project Summer Solstice Shadows); Figure IV.B-17 (Project Winter Solstice Shadows); and Figure IV.B-18. While Summer and Winter shadows are less than significant, Equinox shadows are significant. As shown in Figure IV.B-18 of the Draft EIR, the project casts far-reaching shadows to the west through the east during the Spring and Fall Equinox. These shadows shade commercial uses directly north of the project site, a corner of the four-story mixed-use Da Capo building, which includes the Rutland Apartments, to the north, and portions of South Hill Street and West Washington Boulevard. At 4:00 PM spring and fall shadows from the project are cast in a northeasterly direction. These shadows shade commercial uses directly north of the project site, the Rutland Apartments, a portion of South Hill Street, portions of West Washington Boulevard, and extend to the Santa Monica Freeway. These shadow impacts exceed the LA CEQA Thresholds Guide shade/shadow thresholds and, therefore, impacts are significant and unavoidable.

5. Reference

For a complete discussion of impacts associated with Aesthetics, please see Section IV.B of the Draft EIR.

B. Air Quality

1. Violation of Air Quality Standards or Substantial Contribution to Air Quality Violations
Mass Daily Construction Emissions (VOC Only): Based on conservative assumptions, the mass daily construction-related emissions generated during the project construction phase exceeds the thresholds of significance recommended by the SCAQMD for VOC only.

Mass Daily Operational Emissions (VOC and NO\textsubscript{x} Only): The nearest sensitive receptors to the project site are the residents of the Rutland Apartments building located across Washington Boulevard from the East Block, approximately 100 feet north of the project site. The closest schools to the project site are the Santee Education Complex and Frida Kahlo Continuation High School located approximately one block east. VOC and NO\textsubscript{x} operational emissions are significant and unavoidable at these sites.

Mass Daily Construction and Operational Emissions Cumulative Impacts - VOC (Construction and Operation) and NO\textsubscript{x} (Operation Only): The mass daily construction-related and operational emissions generated by the project exceed thresholds of significance recommended by the SCAQMD for VOC (construction and operations) and NO\textsubscript{x} (operations). In accordance with SCAQMD guidance, these emissions are cumulatively considerable.

2. Freeway Adjacent Health Risk

The project is located in close proximity to the 10 Freeway and therefore a Health Risk Assessment was prepared to evaluate potential cancer risks associated with the project. The assessment found the cancer risk for the residential scenarios of the project ranges from 17.7 to 29.2 per one million, which exceeds the SCAQMD stationary source threshold of 10 in one million.

3. Project Design Features

The City finds that Project Design Features PDF-AQ-1, PDF-AQ-2, PDF-AQ-3, PDF-AQ-4, PDF-AQ-5 and PDF-AQ-6, which are incorporated into the project and incorporated into these Findings as fully set forth herein, reduce the potential air quality impacts of the project. These Project Design Features were taken into account in the analysis of potential impacts.

4. Mitigation Measures

Mass Daily Construction Emissions - VOC Only; Mass Daily Operational Emissions - VOC and NO\textsubscript{x} Only; and Mass Daily Construction and Operational Emissions Cumulative Impacts - VOC (Construction and Operation) and NO\textsubscript{x} (Operation Only): Since the project results in potentially significant air quality impacts related to VOC and NO\textsubscript{x}, and Mass Daily Construction and Operational Emissions Cumulative Impacts for VOC (Construction and Operation) and NO\textsubscript{x} (Operation) only, the City finds that Mitigation Measure MM-TR-13, which is incorporated into the project and incorporated into these Findings as fully set forth herein, further reduces the air quality impacts and reflects good planning and design practices currently promoted by the City and, therefore, is required. This mitigation measure was taken into account in the analysis of project impacts.

Freeway Adjacent Health Risk: Since the project results in potentially significant air quality impacts related to Freeway Adjacent Health Risk, the City finds that Mitigation Measures MM-AQ-1, MM-AQ-2, MM-AQ-3, MM-AQ-4 and MM-AQ-5, which are incorporated into the project and incorporated into these Findings as fully set forth herein, further reduce the air quality impacts and reflect good planning and design...
practices currently promoted by the City and, therefore, are required. These mitigation measures were taken into account in the analysis of project impacts.

5. Findings

The City finds that changes and alterations and mitigation measures were made to the project to reduce the significant air quality impacts of the project. No additional measures are available to reduce these impacts to less-than-significant levels. Specifically:

Mass Daily Construction Emissions (VOC Only): Mass daily construction emissions for VOC generated during project construction are significant and unavoidable.

Mass Daily Operational Emissions (VOC and NO\textsubscript{x} Only): Mass daily operational emissions for VOC and NO\textsubscript{x} are significant and unavoidable.

Mass Daily Construction and Operational Emissions Cumulative Impacts - VOC (Construction and Operation) and NO\textsubscript{x} (Operation) Only: Cumulative impacts with respect to VOC during construction and operation and NO\textsubscript{x} during operation only are significant and unavoidable.

Freeway Adjacent Health Risk: Freeway adjacent health risks are conservatively assessed to be significant and unavoidable, although these risks are associated with the existing environment, and are not a direct or indirect environmental effect of the project.

5. Rationale for Findings

Mass Daily Construction Emissions (VOC Only): The analysis of mass daily construction emissions was prepared utilizing CalEEMod recommended by the SCAQMD with the assumption that the project comply with the fugitive dust control requirements of SCAQMD Rule 403. The mass daily construction-related emissions are shown in Table IV.C-7 of the Draft EIR. As shown in Table IV.C-7, mass daily construction emissions for VOC generated during project construction exceed the thresholds of significance recommended by the SCAQMD. The SCAQMD threshold of significance for VOC is 75 pounds per day, and the estimated mass daily construction emissions of the project is 129 pounds per day. Therefore, construction emissions with respect to VOC only would be significant and unavoidable.

Mass Daily Operational Emissions (VOC and NO\textsubscript{x} Only): According to the analysis shown in Table IV.C.-8 (Estimated Mass Daily Operational Emissions) of the Draft EIR, the SCAQMD threshold of significance for VOC is 55 pounds per day, and the estimated project net increase in mass daily operational emissions is 76 pounds per day. Similarly, the SCAQMD threshold of significance for NO\textsubscript{x} is 55 pounds per day, and the estimated project net increase in mass daily operational emissions is 60 pounds per day. Therefore, VOC and NO\textsubscript{x} operational emissions are significant and unavoidable.

Mass Daily Construction and Operational Emissions Cumulative Impacts - VOC (Construction and Operation) and NO\textsubscript{x} (Operation) Only: Mass daily construction emissions for VOC generated during project construction exceed the thresholds of significance recommended by the SCAQMD. Therefore, the mass daily construction-related and operational emissions generated by the project exceed thresholds of significance recommended by the SCAQMD for VOC (construction and operations) and NO\textsubscript{x} (operations).
Freeway Adjacent Health Risk: As shown in Table 6 in Appendix IV.C-2 to the Draft EIR, the summation of carcinogenic risk from all primary Mobile Source Air Toxics (MSATs – diesel particulate matter (DPM), formaldehyde, 1,3 butadiene, benzene, acrolein, acetaldehyde, and naphthalene) for the worst-case ground level location at the project site totaled a carcinogenic risk of 17.7 per one million for the 9-year residential scenario, 24.8 per one million for the 30-year residential scenario, 29.2 per one million for the 70-year residential scenario, and 1.6 per one million for the 25-year worker scenario. The cancer risk of 1.6 per one million for the 25-year worker scenario is below the SCAQMD stationary source threshold of 10 in one million. However, the cancer risk for the residential scenarios ranges from 17.7 to 29.2 per one million, which exceeds the SCAQMD stationary source threshold of 10 in one million. Therefore, the EIR conservatively concludes that the cancer risk from freeway sources on project residents is significant because of the exceedance of the SCAQMD stationary source cancer risk threshold.

6. Reference

For a complete discussion of impacts associated with Air Quality, please see Section IV.C of the Draft EIR.

C. Noise

Cumulative Construction Impacts and Operation Impacts – 17th Street west of Hill Street: Development of the project in conjunction with the other Related Projects results in an increase in construction-related and traffic-related noise as well as on-site stationary noise sources in the already urbanized area of the City. If it was constructed concurrently with the project, construction of Related Project No. 53, a residential development located at 220 E. Washington Boulevard, approximately 600 feet east of the project site, could cause cumulative construction noise impacts. Additionally, the cumulative operational traffic noise impact on 17th Street west of Hill Street, where there are residential land uses, is significant and unavoidable.

1. Mitigation Measures

The City finds that all feasible mitigation measures to reduce cumulative construction noise and cumulative traffic noise impacts have been imposed and that there are no further feasible mitigation measures the project could implement to avoid significant cumulative traffic noise impacts at 17th Street west of Hill Street or the potential significant cumulative construction noise impacts if construction for Related Project 53 were to overlap with the construction schedule for the project.

2. Findings

Cumulative Construction Noise Impacts: The cumulative construction causes significant and unavoidable impacts if Related Project 53 is constructed concurrently with the project.

Cumulative Operation Noise Impacts: The cumulative operational traffic noise impact on the residential uses on 17th Street west of Hill Street is significant and avoidable.

3. Rationale for Findings

Cumulative Construction: The following Related Projects are within 1,000 feet of the project site and could cause cumulative construction noise impacts: (i) Related Project
No. 6, the LA Trade Technical College – 5-Year Master Plan is located at 400 W. Washington Boulevard, approximately 350 feet west; (ii) Related Project No. 42, a Mixed-Use Building development located at 233 W. Washington Boulevard, approximately 400 northwest; and (iii) Related Project No. 53, the Washington Boulevard Opportunity MU (Mercy Housing), a residential development located at 220 E. Washington Boulevard, approximately 600 feet east. The existing residential building at the northwest corner of Washington Boulevard and Main Street (represented by Receptor R2) has direct line-of-sight to both the project and the Related Project No. 53. Therefore, if construction of Related Project No. 53 were to occur concurrently with the project, cumulative noise impacts at Receptor R2 could occur.

The mitigation measures as specified for the Related Project No. 53 and the project would reduce the construction noise at the residential building at the northwest corner of Washington Boulevard and Main Street. Nonetheless, even with mitigation measures, if nearby Related Project No. 53 were to be constructed concurrently with the project, it is conservatively concluded that significant and unavoidable cumulative construction noise impacts could result.

Cumulative Operation: The noise levels associated with existing traffic volumes and future year 2035 traffic volumes with the project are provided in Table IV.K-17 of the Draft EIR. The traffic generated by the project and cumulative development increase the existing traffic noise levels by 3.3 dBA Leq along 17th Street (west of Hill Street), and by 3.1 dBA at the other two locations. With respect to the 3.1 dBA increase on the Pico Boulevard (east of Main Street), and Grand Avenue (between Venice Boulevard and Washington Boulevard) segments, this increase does not constitute a significant impact because these segments contain commercial land uses. Per the L.A. CEQA Thresholds Guide, the 3 dBA threshold applies when the projected noise is within the “normally unacceptable” or “clearly unacceptable” category. The land uses along the 17th Street (west of Hill Street) segment includes residential uses. The projected noise environment on this segment would be within the “normally unacceptable” category for residential land use and the 3dBA threshold would apply. Accordingly, cumulative noise impacts on this roadway segment are significant and unavoidable.

4. Reference

For a complete discussion of impacts associated with Noise, please see Section IV.K of the Draft EIR.

D. Transportation/Circulation

Operation: Even with Mitigation Measures MM-TR-1 through MM-TR-14, there is one remaining significant impact in the AM peak hour (with this impacted intersection operating at LOS D), eight remaining significant impacts in the PM peak hour (with one of the impacted intersections operating at LOS D, six operating at LOS E, and one operating at LOS F), seven remaining significant impacts in the Friday Evening peak hour (with two of the impacted intersections operating at LOS D or better, one operating at LOS E, and four operating at LOS F), and one remaining significant impact in the Saturday Midday peak hour (the impacted intersections operating at LOS C). Mitigation Measure MM-TR-14 reduces the significant impact at the project’s Main Street driveway to less than significant. However, this mitigation measure requires modifications to the Sports Museum driveways, which are located on private property outside the control of the project applicant, and would therefore require the concurrence of the Sports Museum property owner. In the event the Sports Museum property owner does not agree to the
modifications, Mitigation Measure MM-TR-14 are infeasible and impacts at this location are significant and unavoidable.

1. Project Design Features

The City finds that Project Design Feature PDF-TR-2, which is incorporated into the project and incorporated into the Findings as fully set forth herein, reduce the potential operational traffic impacts of the project. This Project Design Feature was taken into account in the analysis of potential impacts.

2. Mitigation Measures

The City finds that Mitigation Measures MM-TR1, MM-TR-2, MM-TR-3, MM-TR-4, MM-TR-5, MM-TR-6, MM-TR-7, MM-TR-8, MM-TR-9, MM-TR-10, MM-TR-11, MM-TR-12, MM-TR-13 and MM-TR-14, which are incorporated into the project and incorporated into these Findings as fully set forth herein, are included to further reduce the operational traffic impacts and reflect good planning and design practices currently promoted by the City. These mitigation measures were taken into account in the analysis of project impacts.

3. Findings

Changes and alterations and mitigation measures, where available, have been required for or incorporated into the project to reduce unavoidable operational traffic impacts to the greatest extent possible. There are no additional measures which the City can impose to reduce the unavoidable operational traffic impacts to less-than-significant levels. Specifically:

Operation – Intersections: Even with implementation of the mitigation measures, there is one remaining significant impact in the AM peak hour, eight remaining significant impacts in the PM peak hour, seven remaining significant impacts in the Friday Evening peak hour, and one remaining significant impact in the Saturday Midday peak hour.

Operation – Driveway: With implementation of Mitigation Measure MM-TR-14, impacts from the project’s Main Street driveway are less than significant. However, since this Mitigation Measure requires the approval of modifications to private property not within the control of the City, the City finds that without the cooperation of the Sports Museum Property Owner, this Mitigation Measure is infeasible and impacts at this location are significant and unavoidable.

4. Rationale for Findings

Operation: Tables 7.2 through 7.5 in the Traffic Study (Appendix N to the Draft EIR) show the change in V/C at the significantly impacted intersections after implementation of the mitigation measures, and compare these changes to LADOT significance criteria to determine whether the impacts at the intersections are significant after mitigation. Intersections identified in these tables as “Partially Mitigated” would not have their impacts reduced below the threshold of significance, and these impacts are significant and unavoidable. There are no additional feasible mitigation measures which can be imposed to reduce the operational traffic impacts to these intersections to a less-than-significant level.

Driveway: The project Main Street driveway adversely impacts the Sports Museum driveways, which are located across Main Street from the project site. Implementation of
Mitigation Measure MM-TR-14 reduces the impact at this location to less than significant. In the event the Sports Museum property owner does not agree to the modifications associated with Mitigation Measure MM-TR-14 on the Sports Museum property, Mitigation Measure MM-TR-14 is considered infeasible and impacts at this location are significant and unavoidable.

5. Reference

For a complete discussion of impacts associated with Transportation/Circulation, please see Section IV.N of the Draft EIR.

X. ALTERNATIVES TO THE PROJECT

In addition to the project, the Draft EIR evaluated a reasonable range of five alternatives to the project. These alternatives are: (1) No Project Alternative; (2) Alternative Use (Office Campus); (3) Reduced Height/Reduced Signage; (4) Reduced Density; and (5) Existing Zoning (Industrial). In accordance with CEQA requirements, the alternatives to the project include a “No Project” alternative and alternatives capable of eliminating the significant adverse impacts of the project. These alternatives and their impacts, which are summarized below, are more fully described in section VI of the Draft EIR.

A. Summary of Findings

Based upon the following analysis, the City finds, pursuant to CEQA Guidelines section 15096(g)(2), that none of the alternatives or feasible mitigation measures within its powers would substantially lessen or avoid any significant effect the project would have on the environment.

B. Project Objectives

An important consideration in the analysis of alternatives to the project is the degree to which such alternatives would achieve the objectives of the project. As more thoroughly described in the Draft EIR Section II, Project Description, both the City and applicant have established specific objectives concerning the project, which are incorporated by reference herein and discussed further below.

C. Project Alternatives Analyzed

1. Alternative 1 – No Project Alternative

Under the No Project Alternative, the project would not be constructed, and the project site would remain in its current condition with the existing 861,162 square foot, 12-story plus basement Reef building, surface parking lots with approximately 1,100 parking spaces, and an approximately 11,150 square foot warehouse building. The analysis of the No Project Alternative assumes the continuation of existing conditions, as well as development of the Related Projects described in Draft EIR Section III. Environmental Setting.

Impact Summary: The project results in significant and unavoidable impacts related to visual quality, light and glare, shade/shadow, air quality, traffic noise, and transportation, which would be avoided under the No Project Alternative. The No Project Alternative would avoid most of the project's less-than-significant impacts as well. The No Project Alternative does not have potentially beneficial impacts resulting from the project with respect to water quality, and would not implement any regional or local planning policies.
Findings: The No Project Alternative reduces adverse environmental impacts compared to the project. Therefore, the No Project Alternative is environmentally superior to the project. However, the No Project Alternative does not satisfy any of the Project Objectives, discussed below. It is found, pursuant to Public Resources Code section 21081, subsection (a)(3), that specific economic, legal, social, technological, or other considerations, including considerations identified in Section XII of these Findings (Statement of Overriding Considerations), make infeasible the No Project Alternative described in the Draft EIR.

Rationale for Findings: The No Project Alternative maintains the project site in its current condition with the existing 861,162 square foot, 12-story plus basement Reef building, surface parking lots with approximately 1,100 parking spaces, and an approximately 11,150 square foot warehouse building. However, there would be no renovation, construction, use and maintenance of a mixed-use project. As a result, the No Project Alternative does not create 1,444 housing units, nor generate approximately 3,808 employees. In addition, the No Project Alternative does not create community serving amenities such as: (i) 67,702 square feet of retail/restaurant uses; (ii) a 29,355 square-foot grocery store; (iii) a 17,507 square-foot gallery; (iv) a 7,879 square foot fitness/yoga studio. There also would not be approximately 1,906 bicycle parking spaces providing connectivity to the nearby bus and light rail lines. Therefore, the No Project Alternative would not meet any of the Project Objectives.

Reference: For a complete discussion of impacts associated with Alternative 1, please see Section VI of the Draft EIR.

2. Alternative 2 – Alternate Use (Office Campus)

Under the Alternate Use Alternative, the project site is developed with a mix of office and retail commercial uses at the same density as the project. The Reef building would remain in its current location and would be modified, similar to the project, to reconfigure up to 180,000 square feet of the space currently used for wholesale/showroom operations into creative office space to support design, collaboration and development of new products. In addition, up to 30,000 square feet of existing floor area on the ground floor may be converted to 20,000 square feet of retail space and 10,000 square feet of restaurant space. The addition of the 8,000 square foot rooftop restaurant in the Reef building would not be included under this alternative. Under the Alternate Use Alternative, 1,625,538 square feet of new office uses would be provided within five new buildings, including two six-story buildings, a 12-story building, and two high-rise buildings, 19 and 31 stories, respectively. Up to 54,364 square feet of new retail uses would be provided on the ground floors of the office buildings, located throughout the campus. Coupled with the square footage within the Reef building, the Alternate Land Use Alternative includes 2,017,932 square feet of office, 369,063 square feet of wholesale/showroom use, 69,705 square feet of event space, and 84,364 square feet of retail and restaurant uses. The development density of this alternative would be 6.0:1. Parking would be in a seven-story above-ground garage on the West Block, and in subterranean parking garages on the East Block, similar to the project. The Alternate Use Alternative includes the same Reef Project SUD signage program as would be provided under the project, with the same signs as identified in the Reef project SUD to be located on corresponding buildings under this Alternative (e.g., the two high rise office towers would be analogous to the North Tower and South Tower under the project, and the 12-story office building would be analogous to the project hotel building).

Impact Summary: The Alternate Use Alternative has higher significant and unavoidable impacts than the project with respect to air quality, freeway health risk, cumulative traffic
noise and transportation. The Alternate Use Alternative has similar significant and unavoidable impacts as the project with respect to visual quality, light and glare, and shade/shadow. The Alternate Use Alternative has higher less-than-significant impacts than the project with respect to utilities (solid waste, electricity), and lower less-than-significant impacts than the project with respect to biological resources (trees), public services (recreation and parks, libraries), and utilities (wastewater, water, natural gas).

Findings: The Alternate Use Alternative has higher significant and unavoidable impacts than the project with respect to air quality, freeway health risk, cumulative traffic noise and transportation. The Alternate Use Alternative has similar significant and unavoidable impacts as the project with respect to visual quality, light and glare, and shade/shadow. Also, the Alternate Use Alternative has higher less-than-significant impacts than the project with respect to utilities (solid waste, electricity), and lower less-than-significant impacts than the project with respect to biological resources (trees), public services (recreation and parks, libraries), and utilities (wastewater, water, natural gas). The Alternative Use Alternative implements some of the Project Objectives, but not to the same degree as the project. It is found, pursuant to Public Resources Code section 21081, subsection (a)(3), that specific economic, legal, social, technological, or other considerations, including considerations identified in Section XII of these Findings (Statement of Overriding Considerations), make infeasible the Alternate Use Alternative described in the Draft EIR.

Rationale for Findings: The Alternate Use Alternative would mean the absence of the development of, among other elements of the project, (i) 549 residential apartment units, including 21 live/work units, in eleven low- and mid-rise buildings; (ii) 895 residential condominium units in two high-rise buildings; and (iii) a 208-key hotel. In its place would be the development of a mix of office and retail commercial uses, at the same density as the project. In addition, daily trips associated with this alternative, upon which the calculations of greenhouse gas emissions are based, would be 17,649, compared with 12,737 under the project, an increase of approximately 39%. Project-related GHG emissions per service population would be only slightly below the SCAQMD significance threshold. Since traffic-related emissions are a large proportion of total GHG emissions, and traffic would increase approximately 39% under the Alternate Use Alternative, GHG emissions associated with the Alternate Use Alternative exceed the significance threshold. Accordingly, impacts of this Alternative with respect to GHG emissions are higher than the project, and are therefore significant and unavoidable. Also, under the Alternative Use Alternative, new project-related vehicle trips are generated that exceed the traffic generation associated with the project, as shown in Draft EIR Table VI-4 (Trip Generation by Land Use – Alternate Use Alternative). Accordingly, impacts of this alternative would be higher than the project’s significant and unavoidable impacts related to traffic.

The Alternate Use Alternative implements the following Project Objectives to a lesser degree than the project: (i) To provide the amenities necessary for the Magic Box to attract top-notch events to the City of Los Angeles (i.e., Hotel not included); (ii) To create an urban center that is compatible with and complementary to currently ongoing growth in the resident population of Downtown Los Angeles (i.e., reduced mix of uses); (iii) To generate additional annual tax revenues to the City of Los Angeles, including property taxes, sales taxes, transient occupancy taxes, and gross receipts taxes; and, (iv) To provide an integrated mixed-use project that is economically viable and serves the needs of the community and the region.

The Alternate Use Alternative does not implement the following Project Objectives because this alternative does not include housing nor create a dynamic 24-hour activity
center and not have a hotel nor the restaurants, entertainment, or resident- and community-serving retail components of the project: (i) To provide for the development of an underutilized site near public transportation through the replacement of surface parking lots with new housing, retail uses, restaurants, and a hotel to meet anticipated market demands; and, (ii) To construct a complementary, integrated set of land uses and signage that promotes the creation of a vibrant and dynamic 24-hour activity center that provides the opportunity for people to live, work, and entertain.

Reference: For a complete discussion of impacts associated with Alternative 2, please see Section VI of the Draft EIR.

3. Alternative 3 – Reduced Height/Reduced Signage

Under the Reduced Height/Reduced Signage Alternative, the same uses as the project are included (residential, hotel, retail, grocery), at a slightly lower density than the project. The Reduced Height/Reduced Signage Alternative limits building heights to 12 stories/143 feet, which is generally equivalent to the prevailing heights of the tallest buildings located in the vicinity, specifically the commercial building located immediately across Washington Boulevard to the north, and the Superior Court building located immediately across Hill Street to the west. Under the Reduced Height/Reduced Signage Alternative, the Reef building remains and is modified, similar to the project, to reconfigure up to 180,000 square feet of the space currently used for wholesale/showroom operations into creative office space. In addition, up to 30,000 square feet of existing floor area on the ground floor may be converted to 20,000 square feet of retail space and 10,000 square feet of restaurant space. The addition of the 8,000 square-foot rooftop restaurant in the Reef building is included under this alternative.

Under the Reduced Height/Reduced Signage Alternative, the same number of residential units (1,444) is provided as under the project. However, because of the different configurations of the residential buildings that occur under this alternative, the mix of apartments and condominiums is different. Under the Reduced Height/Reduced Signage Alternative, a total of 1,010 apartments and live /work units, and 434 condominiums are provided. Up to 101,941 square feet of new retail uses, including a 34,705 square-foot grocery store, and a 127-room hotel are included in this alternative. Coupled with the square footage within the Reef building, the development density of this alternative is approximately 5.15:1. The development under this alternative is accommodated in nine new buildings up to 12 stories in height. Parking is provided in a seven-story above-ground garage on the West Block, and in subterranean parking garages on the East Block.

Under the Reduced Height/Reduced Signage Alternative, signage follows the same framework as the project. However, because of the reduced height of buildings included in this alternative, signage within Vertical Sign Zone 3 is substantially reduced in visibility. Under the Reduced Height/Reduced Signage Alternative, signage on the Reef building is reduced in size by 50% compared to the project, and highly animated signage is not be permitted in Vertical Sign Zone 3 on the Reef building.

Impact Summary: The Reduced Height/Reduced Signage Alternative avoids the significant and unavoidable impacts of the project with respect to visual quality, light and glare, and cumulative traffic noise. The Reduced Height/Reduced Signage Alternative has the same significant and unavoidable temporary construction visual quality impacts as the project. The Reduced Height/Reduced Signage Alternative has lower, but still significant and unavoidable impacts compared to the project with respect to shade/shadow, air quality, freeway health risk, and transportation. The Reduced
Height/Reduced Signage Alternative has lower less-than-significant impacts than the project with respect to public services and utilities.

Findings: The Reduced Height/Reduced Signage Alternative avoids the significant and unavoidable impacts of the project with respect to visual quality, light and glare, and cumulative traffic noise. The Reduced Height/Reduced Signage Alternative has the same significant and unavoidable temporary construction visual quality impacts as the project. The Reduced Height/Reduced Signage Alternative has lower, but still significant and unavoidable impacts compared to the project with respect to shade/shadow, air quality, freeway health risk, and transportation. The Reduced Height/Reduced Signage Alternative has lower less-than-significant impacts than the project with respect to public services and utilities. The Reduced Height/Reduced Signage Alternative implements some of the Project Objectives, but not to the same degree as the project. It is found, pursuant to Public Resources Code section 21081, subsection (a)(3), that specific economic, legal, social, technological, or other considerations, including considerations identified in Section XII of these Findings (Statement of Overriding Considerations), make infeasible the Reduced Height/Reduced Signage Alternative described in the Draft EIR.

Rationale for Findings: The Reduced Height/Reduced Signage Alternative reduces building heights to 12 stories/143 feet. Under the Reduced Height/Reduced Signage Alternative, a total of 1,010 apartments and live /work units, and 434 condominiums are provided. Up to 101,941 square feet of new retail uses, including a 34,705 square-foot grocery store, and a 127-room hotel, rather than a 208-room hotel, are included in Reduced Height/Reduced Signage Alternative. Coupled with the square footage within the Reef building, the development density of this alternative is approximately 5.15:1. The development under this Alternative is accommodated in nine new buildings up to 12 stories in height. Parking is provided in a seven-story above-ground garage on the West Block, and in subterranean parking garages on the East Block. Under the Reduced Height/Reduced Signage Alternative, signage on the Reef building is reduced in size by 50% compared to the project, and highly animated signage is not be permitted in Vertical Sign Zone 3 on the Reef building.

As shown in Draft EIR Table VI-11 (Reduced Height/Reduced Signage Alternative Net Employee Generation), the Reduced Height/Reduced Signage Alternative generates approximately 3,689 employees, which results in a net increase of approximately 1,042 employees on the project site from existing conditions. The project results in a net increase of approximately 1,161 employees; therefore, this alternative results in a lower level of employment generation than the project. The Reduced Height/Reduced Signage Alternative implements the following Project Objectives to a lesser degree than the project because this alternative does not include a dynamic 208-room hotel: (i) To provide the amenities necessary for the Magic Box to attract top-notch events to the City of Los Angeles (i.e., smaller Hotel); and, (ii) To generate additional annual tax revenues to the City of Los Angeles, including property taxes, sales taxes, transient occupancy taxes, and gross receipts taxes (i.e., smaller project).

Reference: For a complete discussion of impacts associated with Alternative 3, please see Section VI of the Draft EIR.

4. Alternative 4 – Reduced Density

Under the Reduced Density Alternative, the same uses are included as in the project (residential, hotel, retail, grocery), at a lower density than the project. Under this Alternative, the Reef building remains and is modified, similar to the project, to
reconfigure up to 180,000 square feet of the space currently used for
wholesale/showroom operations into creative office space. In addition, up to 30,000
square feet of existing floor area on the ground floor may be converted to 20,000 square
feet of retail space and 10,000 square feet of restaurant space. The addition of the 8,000
square-foot rooftop restaurant in the Reef building is included under this alternative.
Under the Reduced Density Alternative, the uses are reduced by approximately 25%
compared to the project. For instance, restaurant uses are reduced from 45,657 square
feet under the project to 17,959 square feet under this alternative and retail uses are
reduced from 60,045 square feet under the project to 45,701 under this alternative. This
alternative does not have the 17,507 square-foot Gallery or fitness/gym/yoga studio. A
total of 1,069 residential units, 93 hotel rooms, and 80,406 square feet of retail uses,
including a 34,705 square-foot grocery store, are included under this alternative.
Because of the different configurations of the residential buildings that occur under this
alternative, the mix of apartments and condominiums is different. Under the Reduced
Density Alternative, a total of 535 apartments and live/work units, and 534
condominiums (rather than 895 under the project) are provided. Coupled with the square
footage within the Reef building, the development density of this alternative is
approximately 4.37:1. The development under this alternative is accommodated in eight
new buildings up to 10 stories/121 feet in height, and a single residential tower up to 420
feet in height. Parking is provided in a seven-story above-ground garage on the West
Block, and in subterranean parking garages on the East Block.

Under the Reduced Density Alternative, signage follow the same framework as the
project. However, because of the reduced height of buildings included in this alternative,
signage within Vertical Sign Zone 3 is substantially reduced in visibility, except for the
high-rise residential tower, which includes the same signage as permitted for the South
Tower under the project.

Impact Summary: The Reduced Density Alternative avoids the significant and
unavoidable impacts of the project with respect to shade/shadow, and cumulative traffic
noise. The Reduced Density Alternative has lower, but still significant and unavoidable
impacts compared to the project with respect to air quality, freeway health risk, and
transportation. The Reduced Density Alternative has similar significant and unavoidable
impacts as the project with respect to visual quality, and light and glare. The Reduced
Density Alternative would have lower less-than-significant impacts than the project with
respect to public services and utilities, and construction impacts.

Findings: The Reduced Density Alternative avoids the significant and unavoidable
impacts of the project with respect to shade/shadow, and cumulative traffic noise. The
Reduced Density Alternative has lower, but still significant and unavoidable impacts
compared to the project with respect to air quality, freeway health risk, and
transportation. The Reduced Density Alternative has similar significant and unavoidable
impacts as the project with respect to visual quality, and light and glare. The Reduced
Density Alternative has lower less-than-significant impacts than the project with respect
to public services and utilities, and construction impacts.

In addition, the Reduced Density Alternative implements some of the Project Objectives,
but not to the same degree as the project. It is found pursuant to Public Resources
Code section 21081, subsection (a)(3), that specific economic, legal, social,
technological, or other considerations, including considerations identified in Section XII
of these Findings (Statement of Overriding Considerations), make infeasible the
Reduced Density Alternative described in the Draft EIR.
Rationale for Findings: The Reduced Density Alternative provides the same uses as the project (residential, hotel, retail, grocery), at a lower density than the project. The Reef building remains in its current location and is modified, similar to the project. Also under the Reduced Density Alternative, the uses are reduced by approximately 25% compared to the project. For instance, restaurant uses are reduced from 45,657 square feet under the project to 17,959 square feet under this alternative and retail uses are reduced from 60,045 square feet under the project to 45,701 under this alternative. Similarly, there is no 17,507 square-foot Gallery nor a fitness/gym/yoga studio. A total of 1,069 residential units, 93 hotel rooms (rather than 208 rooms under the project), and 80,406 square feet of retail uses, including a 34,705 square-foot grocery store, are included under this alternative. Under the Reduced Density Alternative, a total of 535 apartments and live/work units, and 534 condominiums are provided. Coupled with the square footage within the Reef building, the development density of this alternative is approximately 4.37:1. The development under this Alternative is accommodated in eight new buildings up to 10 stories/121 feet in height, and a single residential tower up to 420 feet in height. Parking is provided in a seven-story above-ground garage on the West Block, and in subterranean parking garages on the East Block. Also, project signage follows the same conceptual framework as the project. However, because of the reduced height of buildings included in this alternative, signage within Vertical Sign Zone 3 is substantially reduced in visibility, except for the high-rise residential tower, which includes the same signage as permitted for the South Tower under the project.

This alternative implements the following Project Objectives to a lesser degree than the project because there is a smaller hotel, fewer housing units, fewer community- and resident-serving entertainment uses, and less commercial square footage, which generates less annual tax revenue for the City as compared to the project: (i) To provide the amenities necessary for the Magic Box to attract top-notch events to the City of Los Angeles (i.e., smaller Hotel); (ii) To create an urban center that is compatible with and complementary to currently ongoing growth in the resident population of Downtown Los Angeles; (iii) To provide for the development of an underutilized site near public transportation through the replacement of surface parking lots with new housing, retail uses, restaurants, and a hotel to meet anticipated market demands; (iv) To provide an integrated mixed-use project that is economically viable and serves the needs of the community and the region; (v) To support regional mobility goals and local and regional growth policies by encouraging development in and around activity centers, reducing vehicle trips and public infrastructure costs; and, (vi) To generate additional annual tax revenues to the City of Los Angeles, including property taxes, sales taxes, transient occupancy taxes, and gross receipts taxes (i.e., smaller project).

Reference: For a complete discussion of impacts associated with Alternative 4, please see Section VI of the Draft EIR.

5. Alternative 5 – Existing Zoning (Industrial)

Under the Existing Zoning Alternative, the project site is developed with an industrial building at the density permitted by the existing M1-2 zoning. Under this alternative, the Reef building remains in its current location, and is modified similar to the Project. In addition, up to 30,000 square feet of existing floor area on the ground floor may be converted to 20,000 square feet of retail space and 10,000 square feet of restaurant space. Under the Existing Zoning Alternative, 1,679,357 square feet of industrial development is provided in a single building located on the East Block. Parking for all uses contained within this Alternative is provided in a single above-ground parking structure located on the West Block. This alternative does not provide, as compared to the project: (i) a 29,355 square-foot grocery store; (ii) a 17,507 square-foot gallery; (iii) a
7,849 fitness/gym/yoga studio; (iv) a 208-room hotel; (v) 895 condominiums; (vi) 528 apartments; and (vii) 21 live/work units.

Impact Summary: The Existing Zoning Alternative avoids the significant and unavoidable impacts of the project with respect to visual quality, light and glare, freeway health risk, cumulative traffic noise, and the project driveway. The Existing Zoning Alternative has the same temporary significant and unavoidable impact as the project with respect to visual quality during construction. The Existing Zoning Alternative has lower significant and unavoidable impacts compared to the project with respect to shade/shadow, air quality and transportation. The Existing Zoning Alternative has lower less-than-significant impacts than the project with respect to public services and utilities (water, wastewater, natural gas), and construction impacts, and higher less-than-significant impacts with respect to utilities (solid waste, electricity).

Findings: The Existing Zoning Alternative avoids the significant and unavoidable impacts of the project with respect to visual quality, light and glare, freeway health risk, cumulative traffic noise, and the project driveway. The Existing Zoning Alternative has the same temporary significant and unavoidable impact as the project with respect to visual quality during construction. The Existing Zoning Alternative has lower significant and unavoidable impacts compared to the project with respect to shade/shadow, air quality and transportation. The Existing Zoning Alternative has lower less-than-significant impacts than the project with respect to public services and utilities (water, wastewater, natural gas), and construction impacts, and higher less-than-significant impacts with respect to utilities (solid waste, electricity).

In addition, the Existing Zoning Alternative does not implement some of the Project Objectives to the same degree as the project. It is found, pursuant to Public Resources Code section 21081, subsection (a)(3), that specific economic, legal, social, technological, or other considerations, including considerations identified in Section XII of these Findings (Statement of Overriding Considerations), make infeasible the Existing Zoning Alternative described in the Draft EIR.

Rationale for Findings: The Existing Zoning Alternative develop the project site with 1,679,357 square feet of industrial development in a single building located on the East Block. The industrial building is developed at the density permitted by the existing M1-2 zoning. The Reef building remains in its current location, and is modified similar to the project. In addition, up to 30,000 square feet of existing floor area on the ground floor may be converted to 20,000 square feet of retail space and 10,000 square feet of restaurant space. Parking for all uses contained within this alternative is provided in a single above-ground parking structure located on the West Block. This alternative would not provide, as compared to the project: (i) a 29,355 square-foot grocery store; (ii) a 17,507 square-foot gallery; (iii) a 7,849 square-foot fitness/gym/yoga studio; (iv) a 208-room hotel; (v) 895 condominiums; (vi) 528 apartments; and (vii) 21 live/work units.

Operation of the Existing Zoning Alternative also results in ongoing generation of solid waste. Over the long-term, the Existing Zoning Alternative generates approximately 8,743 net ppd of solid waste over existing conditions (see Draft EIR Table VI-34 [Estimated Solid Waste Generation for Existing Zoning Alternative]). As such, this alternative generates approximately 623 ppd more solid waste than the project, resulting in a net generation of 8,120 ppd over existing conditions.

This alternative implements the following Project Objectives to a lesser degree than the project due to the absence of the grocery store, gallery, fitness studio, hotel and housing units: (i) To preserve and promote the Reef as a creative environment that supports the
design, rapid prototyping, production, sales, innovation, and exhibition of new products; (ii) To provide a design that emphasizes pedestrian and public transit opportunities, and that integrates linkages between pedestrians, public transit facilities, and the public roadways; (iii) To support regional mobility goals and local and regional growth policies by encouraging development in and around activity centers, reducing vehicle trips and public infrastructure costs; and, (iv) To generate additional annual tax revenues to the City of Los Angeles, including property taxes, sales taxes, transient occupancy taxes, and gross receipts taxes (i.e., smaller project). This Alternative would not implement the following Project Objectives due to the absence of the grocery store, gallery, fitness studio, hotel and housing units: (i) To construct a complementary, integrated set of land uses and signage that promotes the creation of a vibrant and dynamic 24-hour activity center that would provide the opportunity for people to live, work, and entertain; (ii) To provide the amenities necessary for the Magic Box to attract top-notch events to the City of Los Angeles; (iii) To create an urban center that is compatible with and complementary to currently ongoing growth in the resident population of Downtown Los Angeles; (iv) To provide for the development of an underutilized site near public transportation through the replacement of surface parking lots with new housing, retail uses, restaurants, and a hotel to meet anticipated market demands; and, (v) To provide an integrated mixed-use project that is economically viable and serves the needs of the community and the region.

Reference: For a complete discussion of impacts associated with Alternative 5, please see Section VI of the Draft EIR.

D. Alternatives Rejected as Being Infeasible

In addition to the five alternatives listed above, another alternative was considered and rejected. Specifically, this alternative would consider an alternate site. This alternative was rejected as being infeasible because no other site could accommodate the project (e.g. with an existing commercial building suitable for adaptive reuse, adjoining surface parking lots, and in the vicinity of a transit station) that is owned or under control of the applicant in the City. Accordingly, this alternative was considered but rejected as infeasible.

E. Environmentally Superior Alternative

Section 15126.6(e)(2) of the CEQA Guidelines indicates that an analysis of alternatives to a proposed project shall identify an environmentally superior alternative among the alternatives evaluated in an EIR. In addition, Section 15126.6(e)(2) of the CEQA Guidelines states that: “If the environmentally superior alternative is the ‘no project’ alternative, the EIR shall also identify an environmentally superior alternative among the other alternatives.”

The 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.

Of the alternatives evaluated, the No Project Alternative is considered the overall environmentally superior alternative as it would avoid nearly all of the impacts that would occur under the project. However, although most impacts are avoided under the No Project Alternative, the beneficial aspects of the project, such as the new 1,444 housing units, the new jobs created by the project, the improvement of the project site with distinctive design, architecture and landscaping, and the fulfillment of numerous regional
and City plan and policy goals for the area would not occur. Without development of the project at the project site, the No Project Alternative would not meet any of the Project Objectives.

Among the other alternatives, the Reduced Height/Reduced Signage Alternative is environmentally superior to the project. The Reduced Height/Reduced Signage Alternative reduces building heights to 12 stories/143 feet. Under the Reduced Height/Reduced Signage Alternative, a total of 1,010 apartments and live /work units, and 434 condominiums are provided instead of the 1,444 units in the project. Up to 101,941 square feet of new retail uses, including a 34,705 square-foot grocery store, and a 127-room hotel, rather than a 208-room hotel, are included in Reduced Height/Reduced Signage Alternative. Coupled with the square footage within the Reef building, the development density of this alternative is approximately 5.15:1. The development under this alternative is accommodated in nine new buildings up to 12 stories in height. Parking is provided in a seven-story above-ground garage on the West Block, and in subterranean parking garages on the East Block. Under the Reduced Height/Reduced Signage Alternative, signage on the Reef building is reduced in size by 50% compared to the project, and highly animated signage is not permitted in Vertical Sign Zone 3 on the Reef building.

Because the Reduced Height/Reduced Signage reduces the building heights, signage program and development density, as compared to the project, the Reduced Height/Reduced Signage Alternative avoids the significant and unavoidable impacts of the project with respect to visual quality, light and glare, and cumulative traffic noise. The Reduced Height/Reduced Signage Alternative has the same significant and unavoidable temporary construction visual quality impacts as the project. The Reduced Height/Reduced Signage Alternative has lower, but still significant and unavoidable impacts compared to the project with respect to shade/shadow, air quality, freeway health risk, and transportation. The Reduced Height/Reduced Signage Alternative has lower less-than-significant impacts than the project with respect to public services and utilities.

The Reduced Height/Reduced Signage Alternative implements all but the two following Project Objectives: (i) To provide the amenities necessary for the Magic Box to attract top-notch events to the City of Los Angeles (i.e., smaller Hotel); and (ii) To generate additional annual tax revenues to the City of Los Angeles, including property taxes, sales taxes, transient occupancy taxes, and gross receipts taxes (i.e., smaller project).

XI. OTHER CEQA CONSIDERATIONS

A. Growth Inducing Impacts

Section 15126.2(d) of the CEQA Guidelines requires a discussion of the ways in which a proposed project could induce growth. This includes ways in which a project would foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment.

The project generates approximately 3,808 employees, which results in a net increase of approximately 1,161 employees on the project site over existing conditions. This increased employee population could patronize local businesses and services in the area, and foster economic growth. The potential concentration of employment in this area of the City under the project is consistent with the regional growth management policies discussed in detail in Section IV.J (Land Use & Planning) of the Draft EIR. These policies promote development activity in existing developed areas, especially
ones near existing transit and transportation infrastructure, such as the project site. The project fosters economic growth and revitalizes an underutilized area by adding businesses to the project site. The employees associated with the project could, in turn, patronize existing local businesses and services in the area. Additionally, short-term and long-term employment opportunities are expected to be provided during construction and operation of the project.

The City’s Southeast Community Plan policies also encourage new growth and development in areas with diverse economic and physical needs that do not require extension of other major infrastructure systems. Specifically, the Community Plan encourages the development of projects with mixed-use commercial and residential development. The goal is to provide housing close to jobs, to reduce vehicular trips, to reduce congestion and air pollution, to assure adequate sites for housing, and to stimulate Pedestrian Oriented Districts to enhance the quality of life in the Plan area. Therefore, this projected employment growth is not expected to cause growth (i.e., new housing or employment generators) or accelerate development in an undeveloped area that exceeds projected/planned levels, and that results in an adverse physical change in the environment; or introduces unplanned infrastructure that was not previously evaluated in the adopted Community Plan. Therefore, projected employment growth associated with the project is less than significant.

The project results in a net increase of 1,161 employees over existing conditions, which could result in induced housing growth on and in the vicinity. The project could include some high-skilled jobs, and those employees may choose to relocate or the project site or nearby in Downtown Los Angeles to be closer to their jobs. The types of jobs, which include office, commercial, and hotel, at the project site could enable employees to have wide range of housing options. However, some of the new employees are likely to be drawn from the local labor force readily available in the Southeast Community Plan Area and surrounding communities. In addition, it is likely that many of the employees associated with uses to be located or relocating to the project site are long-term residents of other nearby communities and are unlikely to relocate. According to the Draft/Proposed Southeast Los Angeles Community Plan, the population in the Southeast Los Angeles Community Plan area is expected to increase by 28,422 persons between 2008 and 2035. The construction of 1,444 additional residential dwelling units on the project site is expected to accommodate between 2,224 and 6,309 new permanent residents in the City. The addition of these new residents is within the Community Plan growth projection, representing between approximately 8 percent and approximately 22 percent of the Community Plan total growth for the period of 2008 to 2035. Since the population growth associated with the project is within the projected growth for the Southeast Los Angeles Community Plan area, impacts related to population growth are projected to be less than significant.

**B. Significant Irreversible Environmental Changes**

Section 15126.2(c) of the CEQA Guidelines provide an EIR is required to address any significant irreversible environmental changes that would occur should the proposed project be implemented. The types and level of development associated with the project would consume limited, slowly renewable, and non-renewable resources. This consumption would occur during construction of the project and would continue throughout its operational lifetime. The development of the project would require a commitment of resources that would include (1) building materials, (2) fuel and operational materials/resources and (3) the transportation of goods and people to and from the project site.
Construction of the project requires consumption of resources that are not replenishable or that may renew slowly as to be considered non-renewable. These resources include certain types of lumber and other forest products, aggregate materials used in concrete and asphalt (e.g., sand, gravel and stone), metals (e.g., steel, copper and lead), petrochemical construction materials (e.g., plastics), and water. Fossil fuels, such as gasoline and oil, are be consumed in the use of construction vehicles and equipment. The consumption of these resources are out through the construction period. The commitment of resources required for the type and level of development would limit the availability of these resources for future generations for other uses during the operation of the project. However, this resource consumption would be consistent with growth and anticipated growth in the Los Angeles area.

Concurrently, the project contributes to a land use pattern that reduces reliance on private vehicles and the consumption of non-renewable resources in a larger context. The project is within walking distance of the Blue Line and includes 1,906 bicycle parking spaces, thereby fostering the use of alternate modes of transit. Further, the project includes design features and be subject to building regulations that reduce demands for energy resources needed to support project operations. For instance, Project Design Features PDF-UT-1, PDF-UT-2, PDF-UT-3, PDF-UT-7 provide measures by which the project conserves water and energy and be built in accordance with LEED standards. In addition, with compliance with existing regulatory measures, the project is required to confirm that the capacity of the local and trunk lines are sufficient to accommodate the project and implement any upgrades to the sewer system serving the project. The project is also expected to comply with the 2013 Title 24 part 6 building code and the City's Green Building Code, and existing measures related to recycling construction and operational waste and the conservation of natural gas.

Continued use of non-renewable resources is expected to be on a relatively small scale and consistent with regional and local growth forecasts in the area, as well as state and local goals for reductions in the consumption of such resources. The project would not affect access to existing resources, nor interfere with the production or delivery of such resources. The project site contains no energy resources that would be precluded from future use through project implementation. In addition, consumption of resources are justified because the project provides much needed housing, job opportunities to area residents, and open space, retail and restaurant amenities to the community. The project's irreversible changes to the environment related to the consumption of nonrenewable resources would not be significant.

C. CEQA Considerations

1. The City, acting through the Department of City Planning is the "Lead Agency" for the project evaluated the EIR. The City finds that the EIR was prepared in compliance with CEQA and the CEQA Guidelines. The City finds that it has independently reviewed and analyzed the EIR for the project, that the Draft EIR which was circulated for public review reflected its independent judgment and that the Final EIR reflects the independent judgment of the City.

2. The EIR evaluated the following potential project and cumulative environmental impacts: Aesthetics; Air Quality; Biological Resources; Cultural Resources; Geology and Soils; Greenhouse Gas Emissions; Hazards and Hazardous Materials; Hydrology and Water Quality; Land Use and Planning; Noise; Population, Housing, and Employment; Public Services; Transportation; and Utilities. Additionally, the EIR considered Growth Inducing Impacts and Significant Irreversible Environmental Changes. The significant environmental impacts of the project and the alternatives were identified in the EIR.
3. The City finds that the EIR provides objective information to assist the decision makers and the public at large in their consideration of the environmental consequences of the project. The public review period provided all interested jurisdictions, agencies, private organizations, and individuals the opportunity to submit comments regarding the Draft EIR. The Final EIR was prepared after the review period and responds to comments made during the public review period.

4. Textual refinements and errata were compiled and presented to the decision makers for review and consideration. The City staff has made every effort to notify the decision makers and the interested public/agencies of each textual change in the various documents associated with project review. These textual refinements arose for a variety of reasons. First, it is inevitable that draft documents would contain errors and would require clarifications and corrections. Second, textual clarifications were necessitated in order to describe refinements suggested as part of the public participation process.

5. The Department of City Planning evaluated comments on environmental issues received from persons who reviewed the Draft EIR. In accordance with CEQA, the Department of City Planning prepared written responses describing the disposition of significant environmental issues raised. The Final EIR provides adequate, good faith and reasoned response to the comments. The Department of City Planning reviewed the comments received and responses thereto and has determined that neither the comments received nor the responses to such comments add significant new information regarding environmental impacts to the Draft EIR. The Lead Agency has based its actions on full appraisal of all viewpoints, including all comments received up to the date of adoption of these findings, concerning the environmental impacts identified and analyzed in the EIR.

6. The Final EIR documents changes to the Draft EIR. The Final EIR provides additional information that was not included in the Draft EIR. Having reviewed the information contained in the Draft EIR and the Final EIR and in the administrative record, as well as the requirements of CEQA and the CEQA Guidelines regarding recirculation of Draft EIRs, the City finds that there is no new significant impacts, substantial increase in the severity of a previously disclosed impact, significant information in the record of proceedings or other criteria under CEQA that would require recirculation of the Draft EIR, or preparation of a supplemental or subsequent EIR.

Specifically, the City finds that:

a. The Responses To Comments contained in the Final EIR fully considered and responded to comments claiming that the project would have significant impacts or more severe impacts not disclosed in the Draft EIR and include substantial evidence that none of these comments provided substantial evidence that the project would result in changed circumstances, significant new information, considerably different mitigation measures, or new or more severe significant impacts than were discussed in the Draft EIR.

b. The City has thoroughly reviewed the public comments received regarding the project and the Final EIR as it relates to the project to determine whether under the requirements of CEQA, any of the public comments provide substantial evidence that would require recirculation of the EIR prior to its adoption and has determined that recirculation of the EIR is not required.
c. None of the information submitted after publication of the Final EIR, including testimony at the public hearings on the project, constitutes significant new information or otherwise requires preparation of a supplemental or subsequent EIR. The City does not find this information and testimony to be credible evidence of a significant impact, a substantial increase in the severity of an impact disclosed in the Final EIR, or a feasible mitigation measure or alternative not included in the Final EIR.

7. The mitigation measures identified for the project were included in the Draft and Final EIRs. As revised, the final mitigation measures for the project are described in the Mitigation Monitoring Program (MMP). Each of the mitigation measures identified in the MMP is incorporated into the project. The City finds that the impacts of the project have been mitigated to the extent feasible by the mitigation measures identified in the MMP.

8. CEQA requires the Lead Agency approving a project to adopt a MMP or the changes to the project which it has adopted or made a condition of project approval in order to ensure compliance with the mitigation measures during project implementation. The mitigation measures included in the EIR as certified by the City as adopted by the City serves that function. The MMP includes all of the mitigation measures and project design features adopted by the City in connection with the approval of the project and has been designed to ensure compliance with such measures during implementation of the project. In accordance with CEQA, the MMP provides the means to ensure that the mitigation measures are fully enforceable. In accordance with the requirements of Public Resources Code Section 21081.6, the City hereby adopts the MMP.

9. In accordance with the requirements of Public Resources Section 21081.6, the City hereby adopts each of the mitigation measures expressly set forth herein as conditions of approval for the project.

10. The custodian of the documents or other material which constitute the record of proceedings upon which the City's decision is based is the City Department of City Planning.

11. The City finds and declares that substantial evidence for each and every finding made herein is contained in the EIR, which is incorporated herein by this reference, or is in the record of proceedings in the matter.

12. The City is certifying an EIR for, and is approving and adopting findings for, the entirety of the actions described in these Findings and in the EIR as comprising the project.

13. The EIR is a Project EIR for purposes of environmental analysis of the project. A Project EIR examines the environmental effects of a specific project. The EIR serves as the primary environmental compliance document for entitlement decisions regarding the project by the City and other regulatory jurisdictions.

14. The City finds that the Design Guidelines and Equivalency Program which is part of the project were fully disclosed and analyzed in the EIR and that this program for potential future changes to the project will occur, if requested, only after subsequent environmental review pursuant to CEQA through the Site Plan Review process.

15. The City finds that none of the public comments to the Draft EIR or subsequent public comments or other evidence in the record, including the changes in the project in response to input from the community and the Council Office, include or constitute substantial evidence that would require recirculation of the Final EIR prior to its
certification and that there is no substantial evidence elsewhere in the record of proceedings that would require substantial revision of the Final EIR prior to its certification, and that the Final EIR need not be recirculated prior to its certification.

XII. STATEMENT OF OVERRIDING CONSIDERATIONS

The Final EIR identified the following unavoidable significant impacts: 1) Aesthetics – Sign Vertical Zone 3 animated signage; lighting associated with the total level of signage on the Reef building; visual impacts during construction; shade/shadow impacts on the Rutland Apartments; 2) Air Quality – construction VOC emissions; construction and operations VOC emissions; operation NOx emissions, and freeway adjacent health risks; 3) Noise – cumulative traffic noise on 17th Street west of Hill Street; and 4) Transportation/Circulation – cumulative construction traffic and operational traffic at two intersections in the AM peak hour, nine intersections at PM peak hour, 10 intersections at the Friday PM peak hour, and one intersection at the Saturday Midday peak hour.

Section 21081 of the California Public Resources Code and Section 15093(b) of the CEQA Guidelines provide that when the decisions of the public agency allows the occurrence of significant impacts identified in the Final EIR that are not substantially lessened or avoided, the lead agency must state in writing the reasons to support its action based on the Final EIR and/or other information in the record. Article I of the City’s CEQA Guidelines incorporates all of the State CEQA Guidelines contained in Title 15, California Code of Regulations, Sections 15000 et seq. and thereby requires, pursuant to Section 15093 (b) of the CEQA Guidelines, that the decision maker adopt a Statement of Overriding Considerations at the time of approval of a Project if it finds that significant adverse environmental effects identified in the Final EIR cannot be substantially lessened or avoided. These findings and the Statement of Overriding Considerations are based on substantial evidence in the record, including but not limited to the Final EIR, the source references in the Final EIR, and other documents and material that constitute the record of proceedings.

Accordingly, the City adopts the following Statement of Overriding Considerations. The City recognizes that significant and unavoidable impacts will result from implementation of the project. Having (i) adopted all feasible mitigation measures, (ii) rejected as infeasible alternatives to the project, (iii) recognized all significant, unavoidable impacts, and (iv) balanced the benefits of the project against the project’s significant and unavoidable impacts, the City hereby finds that the each of the project’s benefits, as listed below, outweighs and overrides the significant unavoidable impacts of the project.

Summarized below are the benefits, goals and objectives of the project. These provide the rationale for approval of the proposed project. Any one of the overriding considerations of economic, social, aesthetic and environmental benefits individually would be sufficient to outweigh the significant unavoidable impacts of the project and justify the approval, adoption or issuance of all of the required permits, approvals and other entitlements for the project and the certification of the completed Final EIR. Despite the unavoidable aesthetics, air quality, noise, and transportation/circulation impacts caused by the construction and operation of the project, the City approves the project based on the following contributions of the project to the community:

- Construct a mixed-use center with an integrated set of land uses, the first of its kind in the Southeast Los Angeles Community Plan area, with a 208-key hotel to serve the project and area attractions.
- Provide publicly accessible mid-block paseos on the project’s West Block (the Exchange) and East Block (the Strand), with a terrace, café, outdoor seating, a
performance space and landscaping.

- Add a new cultural amenity to the area in the form of a 17,507 square-foot public gallery designed to host local, national, and international exhibitions and expositions.
- Provide benefits to underserved neighborhoods in Los Angeles through school and cultural programs.
- Contribute to the expansion of the City’s economic base through the development of currently underutilized property, generating a one-time sum of $2.07 million in construction revenues to the City and approximately $5.58 million in recurring City General Fund revenues.
- Provide significant job creation by generating a net increase of 1,161 employees on the project site, including, but not limited to, 174 hotel employees, 80 grocery store employees and 163 employees for the retail uses.
- Add opportunities for local entrepreneurs to set up shop at the project site by proving micro-retail shop spaces at the outer edge of the West Lot parking structure.
- Create employment-generating land uses close to existing and proposed residential uses that provide opportunities for residents of the surrounding area to shorten regular commutes and, thus, reduce vehicle miles traveled and air emissions.
- Reinforce the City’s commitment to facilitate a reduction in traffic impacts by locating the project in an area well served by public transportation, including, but no limited to, the Metro Blue Line and Expo Line, LADOT DASH bus and Metro Local buses.
- Promote multimodal transit by providing 1,906 bicycle parking spaces that will be serviced by a bicycle hub with bicycle lockers, bicycle repair shop and showers.
- Incorporate various Green Building/Sustainability Measures and features to enhance air quality and support Los Angeles’ sustainability goals and polices. The project is designed to meet the Leadership in Energy and Environmental Design (LEED) Green Building Rating System Silver standard to reduce energy consumption.
- Provide 1,444 new housing units to help meet the market demand for housing in Los Angeles.
- Promote affordable housing by contributing a significant financial contribution to develop new affordable housing and maintain existing affordable units.
- Activate the streets along the project by creating a pedestrian-friendly environment through sidewalk widening and infrastructural improvements. The project creates pedestrian access from Washington Boulevard into and through the new development.
- Provide needed retail shopping and dining opportunities in the form of 67,702 square feet of retail/restaurant uses and a 29,355 square-foot grocery store for the local community.
- Preserve and promote the Reef as a creative environment that supports the design, rapid prototyping, production, sales, innovation, and exhibition of new products by potentially converting 180,000 square feet into creative office space, thereby fostering existing economic endeavors in the community.
- Partner with local non-profits to promote local hiring and/or manage a local hiring program, including facilitating hiring and the dissemination of employment information.
- Provide the City with needed improvements and upgrades to transportation infrastructure where feasible, including, but not limited to, funding the upgrade of the signal controllers at intersections (MM-TR-9), making street improvements (MM-TR-1 through MM-TR-8), and funding the installation of CCTV cameras at intersections (MM-TR-10).

Finding: For all the foregoing reasons, the City finds that the benefits of the project, as approved, outweigh and override the significant and unavoidable impacts identified above.
1. Mitigation Monitoring. Prior to the recordation of the final map, the subdivider shall prepare and execute a Covenant and Agreement (Planning Department General Form CP-6770) in a manner satisfactory to the Planning Department, binding the subdivider and all successors to the following:

This Mitigation Monitoring Program ("MMP") has been prepared pursuant to Public Resources Code Section 21081.6, which requires a Lead Agency to adopt a "reporting or monitoring program for changes to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment." In addition, Section 15097(a) of the State CEQA Guidelines requires that:

In order to ensure that the mitigation measures and project revisions identified in the EIR or negative declaration are implemented, the public agency shall adopt a program for monitoring or reporting on the revisions which it has required in the project and measures it has imposed to mitigate or avoid significant environmental effects. A public agency may delegate reporting or monitoring responsibilities to another public agency or to a private entity which accepts the delegation; however, until mitigation measures have been completed the lead agency remains responsible for ensuring that implementation of the mitigation measures occurs in accordance with the program.

The City of Los Angeles is the Lead Agency for the project and therefore is responsible for administering and implementing the MMP. Where appropriate, the project's Draft and Final EIRs identified mitigation measures and project design features to avoid or to mitigate potential impacts identified to a level where no significant impact on the environment would occur, or impacts would be reduced to the extent feasible. This MMP is designed to monitor implementation of the project's mitigation measures as well as its project design features.

As shown on the following pages, each required mitigation measure and proposed project design feature for the project is listed and categorized by impact area, with an accompanying identification of the following:

- **Enforcement Agency:** The agency with the power to enforce the Mitigation Measure/Project Design Feature.
- **Monitoring Agency:** The agency to which reports involving feasibility, compliance, implementation and development are made.
- **Monitoring Phase:** The phase of the project during which the Mitigation Measure/Project Design Feature shall be monitored.
- **Monitoring Frequency:** The frequency at which the Mitigation Measure/Project Design Feature shall be monitored.
- **Action Indicating Compliance:** The action of which the Enforcement or Monitoring Agency indicates that compliance with the required Mitigation Measure/Project Design Feature has been implemented.

The project's MMP will be in place throughout all phases of the project. The project applicant will be responsible for implementing all mitigation measures unless otherwise noted. The applicant shall also be obligated to provide a certification report to the appropriate monitoring agency and the appropriate enforcement agency that compliance with the required mitigation measure or project design feature has been implemented. The City's existing planning, engineering, review, and inspection processes will be used as the basic foundation for the MMP procedures and will also serve to provide the documentation for the reporting program.
The certification report shall be submitted to the Major Project's Section at the Los Angeles Department of City Planning. Each report will be submitted to the Major Project's Section annually following completion/implementation of the applicable mitigation measures and project design features and shall include sufficient information and documentation (such as building or demolition permits) to reasonably determine whether the intent of the measure has been satisfied. The City, in conjunction with the applicant, shall assure that project construction and operation occurs in accordance with the MMP.

After review and approval of the final MMP by the City, minor changes and modifications to the MMP are permitted, but can only be made by the applicant subject to the approval by the City. The City, in conjunction with any appropriate agencies or departments, will determine the adequacy of any proposed changes or modification. The flexibility is necessary due to the nature of the MMP, the need to protect the environment in the most efficient manner, and the need to reflect changes in regulatory conditions, such as but not limited to changes to building code requirements, updates to LEED “Silver” standards, and changes in Secretary of Interior Standards. No changes will be permitted unless the MMP continues to satisfy the requirements of CEQA, as determined by the City.

2. Mitigation Measures And Project Design Features. The development of the project site is hereby bound to the following Mitigation Measures and Project Design Features, which are conditions of approval for the project.

**Aesthetics/Visual Quality**

Mitigation Measure

MM-AES-1: All new sidewalks along the project’s street frontages shall be paved with pervious (permeable) concrete or interlocking pavers to create a distinctive pedestrian environment and to increase the opportunity for stormwater infiltration on the site.

**Monitoring Phase:** Pre-construction, Construction and Occupancy  
**Enforcement Agency:** Department of City Planning  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Field inspection(s) following construction  
**Action Indicating Compliance:** Field inspection sign-off

**Aesthetics/Light and Glare**

Project Design Features

PDF-AES-1: The proposed lighting displays (at all levels) shall have a wattage draw not to exceed 12 watts/square feet to meet Title 24 2013 requirements.

**Monitoring Phase:** Pre-construction, Construction and Occupancy  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits
The proposed lighting displays (at all levels) shall be fully dimmable and controlled by a programmable timer so that luminance levels may be adjusted according to the time of day.

**Monitoring Phase:** Pre-construction, Construction and Occupancy  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits

The proposed lighting displays (at all levels) shall have a maximum lumen output that does not exceed the maximum levels as shown in Table IV.B-2.

**Monitoring Phase:** Pre-construction, Construction and Occupancy  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits

Table IV.B-2 Summary Calculations of Allowable Sign Luminance to Achieve Standard of 2.0 Foot-Candles at Sensitive Receptors
Table 6 Summary Calculations of Allowable Sign Luminance to Achieve Standard of 2.0 Foot-Candles at Sensitive Receptor

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<th>Height Above Ground (ft)</th>
<th>Area (SF)</th>
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PDF-AES-4: Light emitting diodes on signs shall be oriented down towards the street, rather than up towards the sky, or signs should be provided with a method of shielding diodes so that lighting is not wasted shining into the night sky.

Monitoring Phase: Pre-construction, Construction and Occupancy Enforcement Agency: Department of Building and Safety Monitoring Agency: Department of City Planning Monitoring Frequency: Once, prior to issuance of building permits Action Indicating Compliance: Issuance of building permits

PDF-AES-5: The proposed displays shall transition smoothly at a consistent rate of speed from the daytime brightness to the permitted nighttime brightness levels, beginning at 45 minutes prior to sunset and concluding the transition to nighttime brightness 45 minutes after sunset. Where applicable, they shall also transition smoothly at a consistent rate of speed from the permitted nighttime brightness to the permitted daytime
brightness levels, beginning 45 minutes prior to sunrise and concluding the transition to daytime brightness 45 minutes after sunrise.

**Monitoring Phase:** Pre-construction, Construction and Occupancy  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Field inspection(s) following construction  
**Action Indicating Compliance:** Field inspection sign-off

**Mitigation Measure**

**MM-AES-2:** Operating hours for lighted Limited Animation I and Controlled Refresh I signage within Vertical Sign Zone 3 shall be limited to 7:00 a.m. to 10:00 p.m.

**Air Quality**

**Project Design Features**

**PDF-AQ-1:** The project will use low-emission Tier 3 off-road construction equipment.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Construction bid document verification and periodic field inspections during construction  
**Action Indicating Compliance:** Construction bid document sign off; Compliance Certification report by project contractor

**PDF-AQ-2:** The project will include watering of active construction areas at least three times daily to minimize fugitive dust emissions.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Periodic field inspection(s)  
**Action Indicating Compliance:** Field inspection sign-off

**PDF-AQ-3:** The project will not include any fireplaces (i.e., hearths) in the residential land uses.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety
Mitigation Measures

**MM-AQ-1:** The project shall install a sealed HVAC system in conjunction with MERV 13 or higher rated filters for all residential development within the project site. The sealed air system will be designed so that all ambient air introduced into the interior living space would be filtered through MERV 13 or higher rated filters to remove diesel particulate matter (DPM) and other particulate matter. The owner/property manager shall maintain and replace MERV 13 or greater filters in accordance with the manufacturer's recommendations.

**Monitoring Phase:** Construction, Operations  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Prior to issuance of building permits; Periodic field inspections during operations  
**Action Indicating Compliance:** Issuance of building permits; Field inspection sign off

**MM-AQ-2:** The project shall locate open space areas (courtyards, patios, recreation areas) in locations that are screened from the freeway by project buildings to the maximum extent feasible.

**Monitoring Phase:** Pre-construction  
**Enforcement Agency:** Department of City Planning  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Prior to issuance of building permits  
**Action Indicating Compliance:** Plan review sign-off

**MM-AQ-3:** The project shall plant vegetation between receptors and freeway sources in those locations where open space areas are not already screened from the freeway by buildings.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of City Planning  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Field inspection(s) following construction  
**Action Indicating Compliance:** Field inspection sign-off

**MM-AQ-4:** To the extent allowed by Code, the project will minimize operable windows facing the freeway.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of City Planning  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Prior to issuance of building permits
Action Indicating Compliance: Plan review sign-off

MM-AQ-5: The project shall locate air intakes for ventilation equipment as far from freeway sources as possible.

Monitoring Phase: Construction
Enforcement Agency: Department of City Planning
Monitoring Agency: Department of City Planning
Monitoring Frequency: Prior to issuance of building permits
Action Indicating Compliance: Plan review sign-off

Cultural Resources/Paleontological Resources

Mitigation Measures

MM-CUL-1: If any paleontological materials are encountered during the course of the earth-moving activities, the project shall be halted or the work shall be diverted to avoid the potential paleontological resources in order to allow the resources and their significance to be assessed. The services of a paleontologist shall be secured by contacting the Center for Public Paleontology at the University of Southern California; University of California, Los Angeles; California State University, Long Beach; or the Los Angeles County Natural History Museum to assess the resources and evaluate the impact. Copies of the paleontological survey, study, or report shall be submitted to the Los Angeles County Natural History Museum. If paleontological resources are identified and determined to be significant, the paleontologist shall formulate a mitigation plan to mitigate impacts, which may include removing and preserving the paleontological resources in an appropriate manner. A covenant and agreement shall be recorded prior to obtaining a grading permit.

Monitoring Phase: Construction
Enforcement Agency: Department of City Planning
Monitoring Agency: Department of City Planning
Monitoring Frequency: At time of resource discovery, should it occur
Action Indicating Compliance: Submittal of report by a qualified paleontologist

MM-CUL-2: The project’s construction superintendent shall be instructed by a paleontologist or other qualified paleontological monitor regarding identification of conditions whereby potential paleontological resources could occur. The construction superintendent shall be sufficiently informed that he or she will be able to recognize when paleontological resources have been uncovered and require that grading be temporarily diverted around the resource site until the monitor has evaluated and, if warranted, recovered the resources. Other contractor personnel shall be briefed by the superintendent or other trained personnel on procedures to be followed in the event that paleontological resources or previously unrecorded resources are encountered by earth-moving activities. The briefing shall be presented to new contractor personnel as necessary. The name and telephone number of the paleontological monitor shall be provided to appropriate contractor personnel. Similarly, and if necessary, the monitor shall be empowered to temporarily divert
grading around an exposed fossil specimen to facilitate evaluation and, if warranted, recovery.

Monitoring Phase: Construction  
Enforcement Agency: Department of City Planning  
Monitoring Agency: Department of City Planning  
Monitoring Frequency: Prior to issuance of grading permits, periodic during excavation  
Action Indicating Compliance: Issuance of grading permits

MM-CUL-3:  All significant fossil specimens recovered at the project site as a result of the mitigation program shall be prepared, identified, curated, and catalogued in accordance with designated museum repository requirements.

Monitoring Phase: Construction  
Enforcement Agency: Department of City Planning  
Monitoring Agency: Department of City Planning  
Monitoring Frequency: At time of resource discovery, should it occur  
Action Indicating Compliance: Submittal of report by a qualified paleontologist

Greenhouse Gases

Project Design Features

PDF-GHG-1: The project will not include any fireplaces (i.e., hearths) in the residential land uses.

Monitoring Phase: Construction  
Enforcement Agency: Department of Building and Safety  
Monitoring Agency: Department of City Planning  
Monitoring Frequency: Once, prior to issuance of building permits  
Action Indicating Compliance: Issuance of building permits

PDF-GHG-2: Where appliances are offered by builders, Energy Star appliances will be installed in the residential and non-residential buildings.

Monitoring Phase: Construction  
Enforcement Agency: Department of Building and Safety  
Monitoring Agency: Department of City Planning  
Monitoring Frequency: Once, prior to issuance of building permits  
Action Indicating Compliance: Issuance of building permits

PDF-GHG-3: Where lighting is provided by builders, high efficiency light bulbs and lighting fixtures will be installed in residential and non-residential buildings.

Monitoring Phase: Construction  
Enforcement Agency: Department of Building and Safety  
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once, prior to issuance of building permits
Action Indicating Compliance: Issuance of building permits

PDF-GHG-4: The project will reduce potable water use by 20 percent compared to baseline water use levels through the use of water saving fixtures and or flow restrictors consistent with the California Green Building Standards.

Monitoring Phase: Construction
Enforcement Agency: Department of Water and Power
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once, prior to issuance of building permits
Action Indicating Compliance: Issuance of building permits

Hazards and Hazardous Materials
Mitigation Measure

MM-HAZ-1: Prior to construction, soils at the project site shall be tested for the presence and levels of radon. Testing shall be conducted by a Radon Tester who is certified in accordance with California Health and Safety Code Sections 106750-106795. If radon levels of over 4.0 pCi/L are encountered within or immediately adjacent to the project site, a mitigation program shall be designed by a Certified Radon Mitigator, and incorporated into the design of the project, subject to the review and approval of LADBS.

Monitoring Phase: Construction
Enforcement Agency: Department of Building and Safety
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once prior to construction; prior to issuance of building permits, if elevated levels of radon are found
Action Indicating Compliance: Approval of radon report by LADBS; approval of radon mitigation program by LADBS, if warranted

Noise
Mitigation Measures

MM-NOI-1: The project applicant, or successor in interest, shall install a temporary noise control barrier in the northern area of the East Block construction site. The noise control barrier shall be designed to reduce construction-related noise levels at the adjacent multi-family residential structure (on Washington Boulevard across the project site) by minimum 5 dBA.

Monitoring Phase: Construction
Enforcement Agency: Department of Building and Safety
Monitoring Agency: Department of City Planning
Monitoring Frequency: Periodic field inspection(s)
Action Indicating Compliance: Field inspection sign-off; compliance certification report submitted by project contractor
MM-NOI-2: All construction equipment engines shall be properly tuned and muffled according to manufacturers' specifications. The project contractor shall use power construction equipment with state-of-the-art noise shielding and muffling devices and shall include the use of plug-in electrical or solar-powered generators only.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Periodic field inspection(s)  
**Action Indicating Compliance:** Field inspection sign-off; compliance certification report submitted by project contractor

MM-NOI-3: Construction activities whose specific location on the project site may be flexible (e.g., operation of compressors and generators, cement mixing, general truck idling) shall be conducted as far as possible from the nearest noise-sensitive land uses, and natural and/or manmade barriers (e.g., intervening construction trailers) shall be used to screen such activities from these land uses to the maximum extent possible.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Periodic field inspection(s)  
**Action Indicating Compliance:** Field inspection sign-off; compliance certification report submitted by project contractor

MM-NOI-4: Construction and demolition activities shall be scheduled so as to avoid operating several pieces of equipment simultaneously, which causes high noise levels. Examples include the use of drills and jackhammers.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Periodic field inspection(s)  
**Action Indicating Compliance:** Field inspection sign-off; compliance certification report submitted by project contractor

**Public Services/Fire Protection**

Project Design Feature

PDF-PS-1: The project shall be equipped with a sprinkler system meeting the requirements of LAMC Section 57.09.07(A).

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Fire Department  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits
Public Services/Police Protection

Mitigation Measures

MM-PS-1: The project shall comply with the design guidelines outlined in the LAPD Design Out Crime Guidelines, which recommend using natural surveillance to maximize visibility, natural access control that restricts or encourages appropriate site and building access, and territorial reinforcement to define ownership and separate public and private space. Specifically, the project would:

- Provide on-site security personnel whose duties shall include but not be limited to the following:
  - Monitoring entrances and exits;
  - Managing and monitoring fire/life/safety systems; and
  - Controlling and monitoring activities in the parking facilities.
- Install security industry standard security lighting at recommended locations including parking structures, pathway options, and curbside queuing areas;
- Install closed-circuit television at select locations including (but not limited to) entry and exit points, loading docks, public plazas and parking areas;
- Provide adequate lighting of parking structures, elevators, and lobbies to reduce areas of concealment;
- Provide lighting of building entries, pedestrian walkways, and public open spaces to provide pedestrian orientation and to clearly identify a secure route between parking areas and points of entry into buildings;
- Design public spaces to be easily patrolled and accessed by safety personnel;

- Design entrances to, and exits from buildings, open spaces around buildings, and pedestrian walkways to be open and in view of surrounding sites; and
- Limit visually obstructed and infrequently accessed “dead zones.”

Monitoring Phase: Construction
Enforcement Agency: Los Angeles Police Department
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once, prior to issuance of building permits
Action Indicating Compliance: LAPD sign off on reviewed plans; issuance of building permits

MM-PS-2: Prior to the issuance of a certificate of occupancy for each construction phase and on-going during operations, the applicant shall develop an Emergency Procedures Plan to address emergency concerns and practices. The plan shall be subject to review by LAPD.

Monitoring Phase: Construction, Operations
Enforcement Agency: Los Angeles Police Department
Monitoring Agency: Department of City Planning
Monitoring Frequency: Prior to issuance of building permits; periodic field
Transportation

Project Design Feature

PDF-TR-1: The project design includes the following features to improve pedestrian facilities and to provide a safe and walkable pedestrian environment, to increase the number of walking trips, and provide for on-site facilities to reduce the need to make vehicle trips off-site.

- Provide sidewalks fronting the site according to the Downtown Street Standards.
- Improve sidewalks adjacent to and within the project according to the Downtown Design Guide.
- Add pedestrian amenities such as: shade, benches, pedestrian-scale lighting, etc.
- Provide mid-block paseos, pedestrian plazas/courtyards, and elevated terrace walkways as detailed in the Project Description.
- Provide a variety of land uses (mixed use) within the project, as set forth in the Project Description.
- Provide pedestrian-scale retail commercial uses along street frontages.
- Provide on-site facilities such as ATM machines, cafeterias, and convenience shopping.
- Install additional safety measures (such as caution signage for bicyclists and pedestrians) near driveways and access points.
- Provide a bike valet at the hotel to serve all project visitors.

Monitoring Phase: Pre-construction

Enforcement Agency: Department of City Planning

Monitoring Agency: Department of City Planning

Monitoring Frequency: Prior to issuance of building permits

Action Indicating Compliance: Plan review sign-off

Mitigation Measures

MM-TR-1: Hill Street, Existing: Hill Street is currently a Modified Secondary and has a 31’ half roadway width in a 46’ right-of-way, with 15’ sidewalk. There are two travel lanes in each direction, with left turn lanes at intersections, and on-street parking. There is no midblock central turn lane. Proposed: No changes are proposed to either the right-of-way or roadway curb to curb widths for this stretch of Hill Street, as the standard is currently exceeded by 1’. However the roadway configuration would be changed to accommodate a central turn lane and the bike lanes planned by the City. (The City’s Bicycle Plan identifies bike lanes on Hill Street, but there are currently no design plans available as the improvement is not yet scheduled). On-street parking could not be allowed on either side of Hill Street adjacent to the project.
Current Roadway Standards: City standards require a 35' half roadway in a 45' half right-of-way with 10' sidewalk. The proposed half roadway would remain at 31' so would fall short of the half roadway standard by 4'. The proposed sidewalk of 15' would exceed the standards by 5'. The proposed half right-of-way would exceed the half right-of-way standard by 1'. Updated Mobility Element Standards: The new City standards for an Avenue II roadway (on adoption of the Updated Mobility Element) will require a 28' half roadway width, in a 43' half right of way with 15' sidewalk. The proposed configuration would meet or exceed all these standards.

Monitoring Phase: Construction of Adjacent Parcels
Enforcement Agency: Los Angeles Department of Transportation (LADOT)
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once prior to occupancy
Action Indicating Compliance: Field inspection sign-off and compliance certification report submitted by project contractor

MM-TR-2: Broadway, Existing: Broadway currently has a 60' roadway width in a 90' right-of-way, with 15' sidewalks. There are two travel lanes in each direction, with left turn lanes at intersections, and on-street parking. There is no midblock central turn lane. Proposed: No changes are proposed for this stretch of Broadway. Reducing sidewalk widths would be inconsistent with the project's goals of enhancing the pedestrian environment and supporting a transit corridor for Broadway adjacent to the project. In support of these goals, curb extensions are proposed for midblock (around an enhancement of the existing signalized mid-block pedestrian crossing) and at 21st Street. These would be 7' sidewalk extensions - which would provide a 22' sidewalk and leave a 13' travel lane adjacent to the curb. On-street parking would remain at other locations – which would provide a buffer between travel lanes and sidewalks as well as convenient short-stay parking. Bus stops are also proposed along this stretch of Broadway – locations to be determined. A proposed subterranean parking garage would extend under the public sidewalk by 7' from the property line (to 8' from the existing roadway curb).

Current Roadway Standards: Broadway meets current right-of-way requirements, but is 5' less than the half roadway curb-curb standards. Widening the roadway by 5' to meet standards would require reducing sidewalk widths by 5' from 15' to 10'.

Updated Mobility Element Standards: The new City standards for an Avenue II roadway (on adoption of the Updated Mobility Element) will require a 28' half roadway width, in a 43' half right of way with 15' sidewalk. The proposed configuration would meet or exceed all these standards.

Monitoring Phase: Construction of Adjacent Parcels
Enforcement Agency: Los Angeles Department of Transportation (LADOT)
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once prior to occupancy
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-3:** Main Street, Existing: Main Street currently has a 35' half roadway width in a 50' half right-of-way, with 15' sidewalk. There are two travel lanes in each direction with left turn lanes at intersections and a central turn lane midblock. On-street parking is allowed. Proposed: No roadway changes are proposed for this stretch of Main Street. Reducing sidewalk widths would be inconsistent with the project's goals of enhancing the pedestrian environment. On-street parking would remain — which would provide a buffer between travel lanes and sidewalks as well as convenient short-stay parking. Some curb space would be allocated to passenger loading zones for the residential buildings. A proposed subterranean parking garage would extend under the public sidewalk by 9' from the new property line (to 8' from the existing roadway curb).

Current Roadway Standards: Current City standards require a 40' half roadway in a 52' half right-of-way with 12' sidewalk. Widening the roadway by 5' to meet roadway standards would require reducing the sidewalk width by 3' from 15' to 12'. Updated Mobility Element Standards: The new City standards for an Avenue I roadway (on adoption of the Updated Mobility Element) will require a 35' half roadway width, in a 50' half right of way with 15' sidewalk.

The proposed configuration would exactly meet all these standards.

**Monitoring Phase:** Construction of Adjacent Parcels
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)
**Monitoring Agency:** Department of City Planning
**Monitoring Frequency:** Once prior to occupancy
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-4:** Washington Boulevard, Existing: Washington Boulevard currently has an 84' roadway width in a 100' right-of-way. It includes a 26' foot "median" for the Blue Line light rail line — which results in a 29' half roadway and 8' sidewalk in a 50' half right-of-way. There are two travel lanes in each direction, with left turn lanes at intersections, and no on-street parking. Proposed: No changes are proposed to the roadway curb-curb section (the required roadway section for a Major Highway Class II cannot be achieved because of the Blue Line). The project cannot meet the right-of-way dedication on the West Block due to the existing Reef building. The project will provide a 5' dedication on the East Block, for a 15' sidewalk and 57' half right-of-way. (The Proposed Updated South East Los Angeles Community Plan (SELACP) anticipates a 5' easement requirement for a 15' sidewalk). A proposed subterranean parking garage would extend under the public sidewalk by 7' from the new property line (to 3' from the roadway curb).

Current Roadway Standards: City standards currently require a 40' roadway in a 52' right-of-way with 12' sidewalk. The half roadway width standard cannot be met because of the LRT line. A 2-foot dedication
would be required to meet the 52'-half right-of-way standard. The proposed 5' dedication would result in a 15' sidewalk which would meet requirements and a 57'-half right of way which would exceed requirements. Updated Mobility Element Standards: The new City standards for a Boulevard II roadway (on adoption of the Updated Mobility Element) will require a 40' half roadway width, in a 55'-half right of way with 15' sidewalk. The proposed configuration would be unable to meet the roadway standard because of the rail line, but would meet the sidewalk requirement and exceed the right-of-way requirement.

**Monitoring Phase:** Construction of Adjacent Parcels  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy  
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-5:**  
21st Street, Existing: 21st Street currently has a 20'-half roadway width in a 30'-right-of-way, with 10'-sidewalk, which meets City standards. There is one travel lane in each direction, with no left turn lanes at intersections, and on-street parking is allowed. Project Mitigation: No changes are proposed to 21st Street. On-street parking shall remain where possible.

Current Roadway Standards: Current City standards for a Noncontinuous Local Street require an 18'-half roadway in a 27'-half right-of-way with 9'-sidewalk. The current roadway exceeds all these standards. Updated Mobility Element Standards: The new City standards for a Noncontinuous Local Street (on adoption of the Updated Mobility Element) will require a 15'-half roadway width, in a 25'-half right of way with 10'-sidewalk. The proposed configuration would meet or exceed all these standards.

**Monitoring Phase:** Construction of Adjacent Parcels  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy  
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-6:**  
Prior to the issuance of certificate of occupancy, the project applicant shall implement new traffic signals, subject to LADOT approval, at the following locations adjacent to the project:

- Main Street & Project Garage Driveway  
- Main Street & 21st Street  
- Broadway & 21st Street  
- Hill Street & 21st Street

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-7:** Feasible mitigation improvements were identified at a number of locations, which shall be implemented when enough project development has occurred to reach 55% of the total project PM peak hour trips. The project applicant shall implement the following physical mitigation measures to enhance intersection levels of service:

- **The 17th Street Corridor Between Los Angeles Street and Grand Avenue:** This mitigation measure would enhance the capacity of 17th Street. The project shall restripe 17th Street from the existing two lanes to three lanes between Los Angeles Street and Grand Avenue.

  The current curb-to-curb right of way along 17th Street is wide enough to accommodate an additional thru lane in the westbound direction. This improvement would require that on-street parking, located along the southern edge of the roadway, either be permanently removed or restricted during peak periods from Los Angeles Street to Grand Avenue.

  This measure would require the removal (temporary or permanent) of 15 metered parking spaces and 7 non-metered spaces along 17th Street. An analysis (per LADOT guidelines, and summarized in Traffic Study Appendix E) showed that there are sufficient unoccupied parking spaces in the adjacent area (within two blocks and for the majority of spaces within one block) to accommodate the loss of these on-street parking spaces, so this measure would cause less than significant impacts on parking in this corridor.

  Specific improvements included under this Mitigation Measure are as described below. These improvements have been included in the mitigation analysis. Except where identified, these measures could be implemented within the existing curb-to-curb roadway widths and within existing rights-of-way. Improvement concept plans are shown in The Traffic Study, Appendix F (Figure F.1 and Figure F.2) which is located in Appendix IV.N of this EIR.

- **Main Street at 17th Street Intersection:** The project shall restripe the westbound approach on 17th Street to add an additional thru lane. This would modify the existing configuration of one shared left-thru lane and one shared thru-right lane, to a configuration of one shared left-thru lane, one thru lane and one shared thru-right lane.

- **Broadway at 17th Street Intersection:** The project shall restripe the westbound approach on 17th Street to add an additional thru lane. This would modify the existing configuration of one shared left-thru lane and one shared thru-right lane, to a configuration of one shared left-thru lane, one thru lane and one shared thru-right lane.
- **Hill Street at 17th Street Intersection**: The project shall restripe the westbound approach on 17th Street to add an additional thru lane. This would modify the existing configuration of one shared left-thru lane and one shared thru-right lane, to a configuration of one shared left-thru lane, one thru lane and one shared thru-right lane.

- **Olive Street at 17th Street Intersection**: The proposed mitigation measure at this intersection is to restripe the westbound approach on 17th Street to add an additional thru lane. This would modify the existing configuration of one thru lane and one shared thru-right lane, to a configuration of two thru lanes and one shared thru-right lane.

- **Grand Avenue at 17th Street Intersection**: The project shall restripe the westbound approach on 17th Street to add an additional thru lane. This would modify the existing configuration of one shared left-thru lane and one thru lane, to a configuration of one shared left-thru lane and two thru lanes.

**Monitoring Phase**: Construction of East Parcel when enough project development has occurred to reach 55% of the total project PM peak hour trips  
**Enforcement Agency**: Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency**: Department of City Planning  
**Monitoring Frequency**: Once prior to occupancy  
**Action Indicating Compliance**: Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

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MM-TR-8: Two additional roadway improvement measures shall be implemented by the project applicant on the 18th Street corridor, at Hill and at Broadway, to provide an additional eastbound through lane, when enough project development has occurred to reach 70% of the total project PM peak hour trips, as follows:

- **Hill Street at 18th Street Intersection**: The project shall restripe the eastbound approach on 18th Street to add an additional thru lane. This would modify the existing configuration of one left turn lane, one thru lane and one shared thru-right lane, to a configuration of one shared left-thru lane, one thru lane, and one shared thru-right lane.

- **Broadway at 18th Street Intersection**: The project shall restripe the eastbound approach on 18th Street to add an additional thru lane. This would modify the existing configuration of one left turn lane, one thru lane and one shared thru-right lane, to a configuration of one shared left-thru lane, one thru lane, and one shared thru-right lane.

**Monitoring Phase**: Construction of East Parcel when enough project development has occurred to reach 70% of the total project PM peak hour trips  
**Enforcement Agency**: Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency**: Department of City Planning  
**Monitoring Frequency**: Once prior to occupancy  
**Action Indicating Compliance**: Field inspection sign-off and compliance certification report submitted to LADOT by project contractor
MM-TR-9: **Intersection Traffic Signal Upgrades:** The traffic signal controllers at some study intersections are currently older model Type 170 Controllers. Where possible, the City is implementing upgrades to newer Type 2070 Controllers which provides for enhanced real time operation of traffic signal timing. The newer controllers allow LADOT to respond to real time traffic situations by making immediate adjustments to an intersection's signal timing and providing for more efficient traffic flows.

The project shall fund the upgrade of the signal controllers at the following intersection locations:

- Intersection No. 14: Main Street & 17th Street
- Intersection No. 15: Los Angeles Street & 17th Street
- Intersection No. 61: Los Angeles Street & 16th Street

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy  
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

MM-TR-10: **Closed Circuit Television (CCTV) Cameras:** An integral part of the City's ATSAC/ATCS traffic signal control system is CCTV cameras at key intersection locations. These provide visual information to the City's ATSAC Traffic Control Center, and allow LADOT to monitor traffic operations and respond in real time to traffic conditions that delay vehicles and transit service.

The project shall fund the installation of new CCTV cameras (including necessary mounting poles, fiber optic and electrical connections) at the following locations:

- Intersection No. 13: Broadway & 17th Street
- Intersection No. 37: Adams Boulevard & Figueroa Street
- Intersection No. 41: Adams Boulevard & Broadway
- Intersection No. 57: Venice Boulevard & Figueroa Street
- Intersection No. 59: Venice Boulevard & Grand Avenue

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy  
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

MM-TR-11: **System Detection Loops:** Another integral part of the City's ATSAC/ATCS traffic signal control system is system detection loops at key intersection locations. These provide real-time information to the City's ATSAC Traffic Control Center, and allow LADOT to monitor traffic operations and respond in real time to traffic conditions that delay vehicles and transit service.
The project would fund the installation of new system detection loops (including necessary fiber optic and electrical connections) at the following locations:

- Intersection No. 21: Los Angeles Street & 18th Street
- Intersection No. 61: Los Angeles Street & 16th Street

The locations for traffic signal upgrades, CCTV cameras, and system detector loops have been agreed to by LADOT. The applicant will either install the upgrades or pay LADOT a fixed amount of $210,000 to provide for LADOT to design and install the improvements.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy  
**Action Indicating Compliance:** Field inspection sign-off and compliance certification report submitted to LADOT by project contractor

**MM-TR-12:** Vehicle trip reduction measures are proposed to encourage the use of non-auto modes and reduce vehicle trips. These measures shall be implemented as each parcel of the project site is developed. The financial contribution to LADOT for the Mobility Hub shall be implemented when project development has occurred to reach 40% of the total project PM peak hour trips. The financial contribution to the City's Bicycle Trust Fund should be implemented when project development has occurred to reach 50% of the total project PM peak hour trips. These measures include the following:

- Provide sidewalk bike racks on the project site, including areas near bus stops.
- Coordinate with LADOT to provide the physical space (approximately 1,000 square feet rent free in a strategic location visible to the public) for a Mobility Hub/Bikeshare Station at the project site that could include space for:
  - secure, long-term parking;
  - maintenance and repair, and/or potential small Bicycle Store; and/or
  - area for bike share.
- Make a one-time financial contribution of $250,000 to the City of Los Angeles Department of Transportation, the monies to be used in the implementation of the Mobility Hub on the site of the project.
- Make a one-time financial contribution of $250,000 to the City's Bicycle Trust Fund, the monies to be used to improve bicycle facilities in the area of the project.
- Participate in a Car-Share Program, and provide a minimum of 10 (ten) off-street car share parking spaces in the project's parking garage.
- Facilitate rideshare through an on-site transportation coordinator.
- Facilitate carpools and vanpools for project employees, students, etc., by providing locations for carpool and vanpool parking.
- Provide on-site facility with information on car-sharing, vanpools, taxis (e.g. kiosk, concierge, or transportation office).
- Provide emergency or late-night ride homes for transit users or carpoolers who reasonably and unexpectedly leave work early or late and can't take bus/train/carpool.

**Monitoring Phase:** Construction of Individual Parcels; At 40% of Total PM Peak Hour Trips; At 50% of Total PM Peak Hour Trips

**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)

**Monitoring Agency:** Department of City Planning

**Monitoring Frequency:** Periodic field inspections

**Action Indicating Compliance:** Field inspection sign-off

**MM-TR-13:** The project shall incorporate the following mitigation measures to encourage the use of transit and reduce vehicle trips. These measures shall be implemented as each parcel of the project site is developed. The financial contribution to LADOT for the DASH Bus shall be implemented at the first occupancy of development on the East Block of the project.

- Provide transit information center/concierge/store/kiosks on-site (include sale of transit passes).
- Provide bus shelters in area of the project site, as determined by Metro.
- Unbundle parking from housing cost.
- Implement parking cash-out programs for project land uses as appropriate.
- Make a one-time financial contribution of $500,000 to LADOT for the purchase of one DASH bus, to facilitate modifying slightly the route of Route D to include the project site. LADOT to pay for the operating costs of the vehicle.

**Monitoring Phase:** Construction of Individual Parcels; At Occupancy of East Block

**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)

**Monitoring Agency:** Department of City Planning

**Monitoring Frequency:** Periodic field inspections

**Action Indicating Compliance:** Field inspection sign-off

**MM-TR-14:** The project shall install a new traffic signal on Main Street at the main project driveway midblock between Washington Boulevard and 21st Street. Installation of a signal at this location would also entail modifications to the driveways for the Sports Museum on the east side of Main Street, opposite the project site. The Sports Museum currently has two driveways on Main Street. The northernmost of the two driveways is presently configured for inbound traffic, and the southernmost driveway is presently configured for outbound traffic. The existing south driveway of the Sports Museum would be closed, and a new driveway would be provided as the east leg of the new traffic signal, with full turning movements provided to access both the project and the Sports Museum. The existing north Sports Museum driveway on Main Street would not be modified by the project, and could remain as a right turn-in driveway. The existing Sports Museum driveway on
Washington Boulevard would not be modified by the project, and would remain as a right turn-out driveway.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Los Angeles Department of Transportation (LADOT)  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once prior to occupancy

**Action Indicating Compliance:** Field inspection sign-off and compliance  
Certification report submitted to LADOT by project contractor

**Utilities/Sewer**

Project Design Feature

**PDF-UT-1:** The project shall implement the water-conserving project design features listed in Section IV.O.2 of this EIR, which will also reduce wastewater generation.

**Monitoring Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits

**Utilities/Water**

Project Design Features

**PDF-UT-2:** The project would implement the following Project Design Features (PDFs) to reduce water consumption. These measures are in addition to those required by codes and ordinances that would be applicable to the project:

- High Efficiency Toilets with flush volume of 1.0 gallons of water per flush
- Kitchen Faucets with flow rate of 1.5 gallons per minute or less
- High Efficiency Clothes Washers (Residential) – water factor of 4.0 or less.
- Waterless Urinals
- Showerheads with flow rate of 1.5 gallons per minute or less
- Rotating Sprinkler Nozzles for Landscape Irrigation – 0.5 gallons per minute
- Drought Tolerant Plants – 70% of total landscaping
- High Efficiency Clothes Washers (Commercial) – water factor of 4.5 or less
- Cooling Tower Conductivity Controllers or Cooling Tower pH Conductivity Controllers
- Water-Saving Pool Filter
- Leak Detection System for swimming pools and Jacuzzi
- Drip/ Subsurface Irrigation (Micro-Irrigation)
- Micro-Spray
- Proper Hydro-zoning (groups plants with similar water requirements
**Zoned Irrigation**

- Water Conserving turf (3,325 square feet of turf with 0.7 plant factor)

**Monitoring**

**Phase:** Construction  
**Enforcement Agency:** Department of Building and Safety  
**Monitoring Agency:** Department of City Planning  
**Monitoring Frequency:** Once, prior to issuance of building permits  
**Action Indicating Compliance:** Issuance of building permits

**PDF-UT-3:** The project applicant shall complete a LEED Checklist, and submit to the Department of City Planning for review, prior to issuance of building permits.

**Utilities/Solid Waste**

Project Design Feature

**PDF-UT-4:** During occupancy and operations, the project shall have a solid waste diversion rate target of 50 percent of non-hazardous materials.

**Utilities/Electricity**

Project Design Feature

**PDF-UT-5:** The project applicant shall complete a LEED Checklist, and submit to the Department of City Planning for review, prior to issuance of building permits.

- DCP sign off of reviewed checklist
Utilities/Natural Gas

Project Design Features

PDF-UT-6: The project would include the following Project Design Features:

- The applicant shall comply with State Energy Conservation Standards for New Residential and Non-Residential Buildings (Title 24, Part 6, Article 2, California Administrative Code, 2008) and exceed Title 24, Part 6, Article 2, California Administrative Code, 2005 by 15 percent.
- The applicant shall install energy efficient heating and cooling systems, appliances (e.g., Energy Star®), equipment, and control systems.
- The applicant shall specify low-flow water-usage fixtures, reducing water consumption and water heating fuel (natural gas).
- The applicant shall use energy-efficient pumps and motors for, waste and storm water conveyance, fire water, and domestic water.

Monitoring Phase: Construction
Enforcement Agency: Department of Building and Safety
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once, prior to issuance of building permits
Action Indicating Compliance: Issuance of building permits

PDF-UT-7: The project applicant shall complete a LEED Checklist, and submit to the Department of City Planning for review, prior to issuance of building permits.

Monitoring Phase: Pre-Construction
Enforcement Agency: Department of City Planning
Monitoring Agency: Department of City Planning
Monitoring Frequency: Once, prior to issuance of building permits
Action Indicating Compliance: DCP sign off of reviewed checklist
Luciralia Ibarra  
Department of City Planning  
200 N. Spring Street, Room 750  
Los Angeles, CA 90012  

Re: The Reef Project - Project Labor Agreement  

Dear Mrs. Ibarra,  

During the August 11, 2016 City Planning Commission hearing regarding the Reef project, the City Planning Commission requested that a copy of the project labor agreement executed for the Reef project be included as an exhibit to the development agreement to demonstrate the project's local hire provisions.  

Due to confidentially provisions, we are unable to provide the City a copy of the project labor agreement. However, the purpose of this letter is to confirm that on July 27, 2015, the Los Angeles/Orange Counties Building and Construction Trades Council entered into a project labor agreement for the Reef project. The project labor agreement includes the following local hire provisions:  

The Parties hereby establish a goal that 30% of all of the labor and craft positions (journeyman and apprentices) shall be either from workers residing within the boundaries of Council District 9 (the “CD9 Residents”) as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment “B”, veterans or from part-time or full-time students enrolled at an accredited college or university located within a five (5) mile radius of the Project (the “Local Students”), as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment “B”. In the attainment of this goal, the Unions and Contractors will exert their best efforts, to the extent allowed by law, to refer and/or recruit sufficient numbers of skilled craft CD9 Residents, veterans and Local Students to fulfill the requirements of the Employers performing Project Work. If the 30% local hire is not attained utilizing CD9 Residents, veterans or Local Students, the outreach shall expand to workers residing within a five (5) mile radius of the Project (the “Local Residents”), as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment “B”. If the 30% local hire is not attained utilizing CD9 Residents, veterans, Local Students, or Local Residents, the outreach shall expand to qualified employees who reside within the City of Los Angeles. If the 30% local hire is still not attained utilizing the CD9 Residents, veterans, Local Students, or Local Residents, the outreach shall expand to qualified employees who reside within the County of Los Angeles.
The Unions recognize the importance to the City of Los Angeles of providing Los Angeles Trade Tech student and graduates with the opportunity to participate both in the Unions' apprenticeship programs and work of the Project under this Agreement, and will cooperate fully in encouraging the establishment of such recognitions by the Joint Apprenticeship Committees of which they are a part.

Attachment “B” to the project labor agreement is attached hereto.

Thanks, and please do not hesitate to contact me if you have any questions or want to discuss.

Ron Miller
Executive Secretary
ATTACHMENT B -
Zip Codes

CD9 Zip Codes

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5 Mile Radius Zip Codes

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ORDINANCE NO.

An ordinance authorizing the execution of the development agreement by and between the City of Los Angeles and PHR LA MART, LLC, a California limited liability company relating to real property in the Southeast Los Angeles Community Plan area, and located at 1900 South Broadway and ancillary locations.

WHEREAS, the City Planning Commission on August 11, 2016, approved and recommended that the City Council approve the development agreement which is attached to Council File No. __________ by and between the City of Los Angeles and ______________ (Development Agreement) which Development Agreement is hereby incorporated by reference and which is hereby incorporated into the provisions of this ordinance; and

WHEREAS, after due notice the City Planning Commission and the City Council did conduct public hearings on this matter; and,

WHEREAS, pursuant to California Government Code sections 65864, et. seq., the City Planning Commission has transmitted to the City Council its Findings and recommendations; and,

WHEREAS, the Development Agreements is in the public interest and is consistent with the City's General Plan, and the Southeast Los Angeles Community Plan; and,

WHEREAS, the City Council has reviewed and considered the Development Agreement and the Findings and recommendations of the City Planning Commission.

NOW, THEREFORE,

THE PEOPLE OF THE CITY OF LOS ANGELES

DO ORDAIN AS FOLLOWS:

Section 1. The City Council finds, with respect to the Development Agreement, that:

(a) It is consistent with the City’s General Plan, policies and programs specified in the Southeast Los Angeles Plan, and is compatible with the uses authorized in, and the regulations prescribed for, the zone in which the real property is located;

(b) The intensity, building height and uses set forth in the development agreement are permitted by or are consistent with the Southeast Los Angeles Community Plan;

(c) It will not be detrimental to the public health, safety and general welfare since it encourages the construction of a project which is desirable and beneficial to the public. Furthermore, the development agreement specifically permits application to the project of rules and regulations under the Los Angeles Municipal Code Section 91.101.1 to 98.0605 relating to public health and safety;

(d) It complies with all applicable City and State regulations governing development agreements; and,
(e) It is necessary to strengthen the public planning process to reduce the public and private costs of development uncertainty.

Sec. 2. The City Council hereby approves the Development Agreement, and authorizes and directs the Mayor to execute the Development Agreement in the name of the City of Los Angeles.
Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in the 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 _______________________.

HOLLY L WOLCOTT, City Clerk

Approved _______________________

__________________________________
Mayor

Approved as to Form and Legality
MICHAEL N. FEUER, City Attorney

By______________________________

LAURA M. CADOGAN HURD
Deputy City Attorney

Date: ______________________

File No. __________

Pursuant to Charter Section 559, I approve/disapprove this ordinance on behalf of the City Planning Commission and recommend that it be adopted/not be adopted.....

[DATE]

See attached report.

Vincent P. Bertoni, AICP
Director of Planning
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<td>Ara Tavitian</td>
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<td>Los Angeles, CA 90012</td>
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