



DEPARTMENT OF CITY PLANNING

RECOMMENDATION REPORT

City Planning Commission

Date: September 14, 2017
Time: After 8:30 AM*
Place: Los Angeles City Hall
Council Chamber
200 North Spring Street, Room 340
Los Angeles, CA 90012

Public Hearing

Completed: May 24, 2017
Appeal Status: Not Further Appealable

Case No.: CPC-2015-1160-DA
CEQA No.: ENV-2015-1159-EIR
SCH No. 2016021013
Incidental Cases: CPC-2015-1158-SN-TDR-
MCUP-CUX-SPR and
VTT-73422-CN
Related Cases: N/A
Council No.: 14 – Jose Huizar
Plan Area: Central City
Specific Plan: N/A
Certified NC: Downtown Los Angeles
Applicant: Jia Yuan USA Co., Inc.
Representative: Jeffer Mangels Butler &
Mitchell, LLP; and, Liner,
LLP.

PROJECT LOCATION: 1020 S. Figueroa Street (716-730 W. Olympic Boulevard); 1016-1060 S. Figueroa Street; 607-613 W. 11th Street; and, 1041-1061 S. Flower Street

PROPOSED PROJECT: Development Agreement for the provision of community benefits with a combined value of \$1,131,692 in exchange for a proposed term of 10 years.

REQUESTED ACTION:

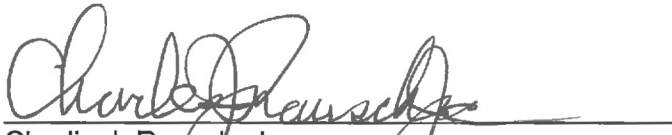
1. Pursuant to CEQA Guidelines, Sections 15162 and 15164, in consideration of the whole of the administrative record, that the project was assessed in the previously certified 1020 S. Figueroa Street Project EIR No. ENV-2015-1159-EIR, SCH No. 2016021013 certified on August 18, 2017; and no subsequent EIR or addendum is required for approval of the project; and
2. Pursuant to California Code Sections 65865-65869.5 a Development Agreement between the Developer and the City of Los Angeles, for a term of 10 years.

RECOMMENDED ACTIONS:


1. **Find**, based on the independent judgment of the decision-maker, after consideration of the whole of the administrative record, the project was assessed in the 1020 S. Figueroa Street Project EIR No. ENV-2015-1159-EIR, SCH No. 2016021013, certified on August 18, 2017; and pursuant to CEQA Guidelines, Sections 15162 and 15164, no subsequent EIR or addendum is required for approval of the project.
2. **Recommend** that the City Planning Commission **Approve and Recommend** that the City Council **Adopt** the Development Agreement, pursuant to California Government Code Sections 65864-65869.5, by the Developer and the City of Los Angeles, subject to the terms and recommendations as Exhibit 'A', for a combined public benefit value of \$1,131,692 and a term of approximately 10 years;
3. **Recommend** that the City Council **Adopt** an ordinance, attached as Exhibit 'B', and 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.

5. **Advise** that the applicant that, pursuant to California State Public Resources Code Section 21081.6, the City shall monitor or require evidence that mitigation conditions are implemented and maintained throughout the life of the project and the City may require any necessary fees to cover the cost of such monitoring; and
6. **Advise** the applicant that pursuant to State Fish and Game Code Section 711.4, a Fish and Game Fee and/or Certificate of Game Exemption is now required to be submitted to the County Clerk prior to or concurrent with the Environmental Notice of Determination (NOD) filing.

VINCENT P. BERTONI, AICP
Director of Planning



Charlie J. Rausch, Jr.
Interim Chief Zoning Administrator



Luciralia Ibarra
Senior City Planner



Christina Toy Lee
City Planner

ADVICE TO PUBLIC: *The exact time this report will be considered during the meeting is uncertain since there may be several other items on the agenda. Written communications may be mailed to the *Commission Secretariat, Room 532, City Hall, 200 North Spring Street, Los Angeles, CA 90012* (Phone No. 213-978-1300). While all written communications are given to the Commission for consideration, the initial packets are sent out the week prior to the Commission's meeting date. If you challenge these agenda items in court, you may be limited to raising only those issues you or someone else raised at the public hearing agendized herein, or in written correspondence on these matters delivered to this agency at or prior to the public hearing. As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability, and upon request, will provide reasonable accommodation to ensure equal access to this programs, services and activities. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or other services may be provided upon request. To ensure availability of services, please make your request not later than three working days (72 hours) prior to the meeting by calling the Commission Secretariat at (213) 978-1300.

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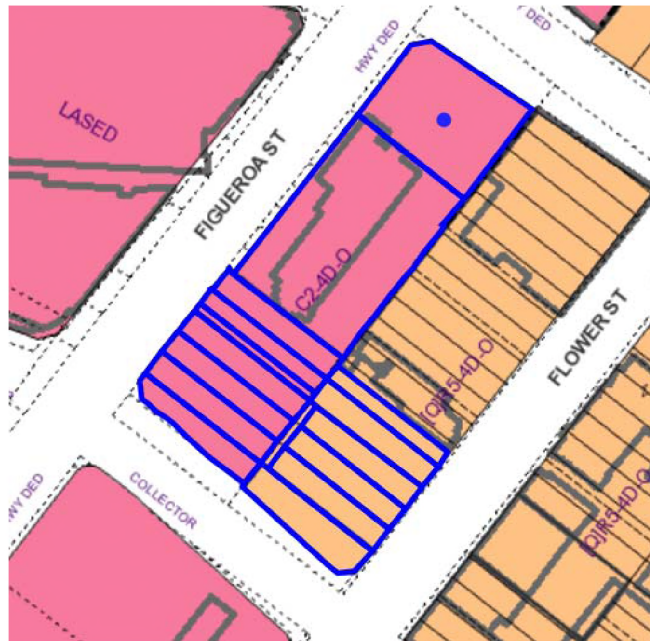
Exhibit B – Proposed Ordinance

EIR - <https://planning.lacity.org/eir/1020SoFigueroa/1020SoFigCoverPg.html>

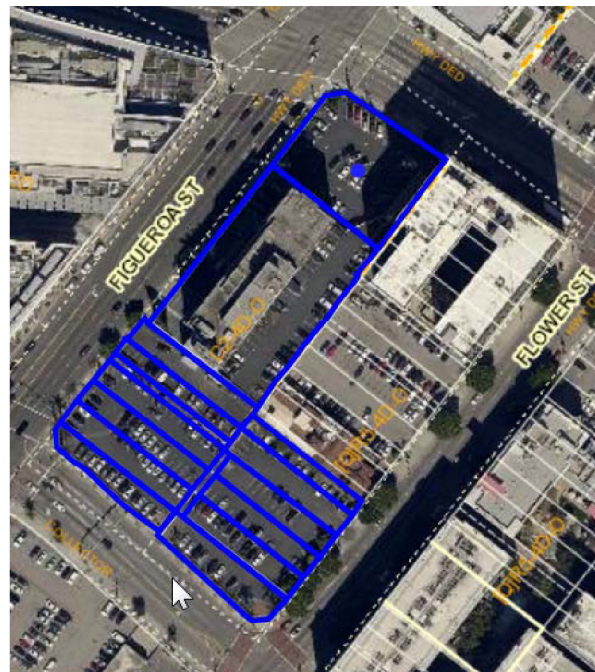
PROJECT ANALYSIS

Project Location and Existing Uses

The project site is an L-shaped 2.7 net acre lot bordered on the north by Olympic Boulevard, on the south by 11th Street, on the West by Figueroa Street, and on the east by Flower Street. The Central City Community Plan Map designates the property for Regional Center Commercial and High Density Residential land uses with the corresponding zones of CR, C1.5, C2, C4, C4, R3, R4, R5, RAS3, and RAS4. The project site is zoned C2-4D-O and [Q]R5-4D-O.



The project site is currently improved with the Luxe City Center Hotel and surrounding surface parking lots. As part of the project, the existing on-site hotel and parking lots will be demolished.



Project Description

As part of the proposed project, the existing Luxe City Center Hotel and surface parking lots will be demolished. The proposed project will result in a total floor area of 936,712 square feet, with a maximum floor area ratio (FAR) of 8.03:1. The mixed-use project will consist of a 300-room hotel, 435 residential units, and 58,959 square feet of commercial uses within two towers (Residential Tower and Hotel Tower) and a podium structure. The project will be built in two phases. Phase 1 will include construction of the new hotel with its podium, commercial uses, and terraces. Phase 2 will start after the completion of Phase 1 and will include the demolition of the existing hotel and the construction of the residential tower, retail uses, and podium terraces. The project includes a total of 738 parking spaces and 654 bicycle spaces.

EIR and Prior Approvals

The City of Los Angeles released the Final Environmental Impact Report (FEIR) ENV-2015-1159-EIR (SCH No. 2016021013), on May 12, 2017, detailing the relevant environmental impacts resulting from the project.

The EIR further identified the following areas where impacts would result in significant and unavoidable impacts:

- Cultural (historic);
- Noise and Vibration (construction)
- Traffic (construction, cumulative, operation)

The EIR was certified by the Deputy Advisory Agency on August 18, 2017 in conjunction with Errata dated May 2017 and Errata 2 dated August 2017, with the approval of Case No. VTT-73422-CN.

PROJECT BENEFITS – Applicant Proposed

The provision of public benefits, as proposed by the applicant, is as follows:

Benefit	Value	Recipient(s)	Purpose	Delivery
Blight removal, beautification	\$1,000,000	CD 14 – Public Benefits Trust Fund	To be used to towards neighborhood beautification efforts, including blight removal, façade improvements, etc. in CD 14.	To be paid in installments annually, \$100,000 per year.
Workforce Housing (For-Sale)	22 dwelling units on-site	Los Angeles Housing and Community Investment Department (HCIDLA)	5% of 435 for-sale units reserved household incomes not exceeding 150% AML.	Prior to issuance of Building Permit for any structure including residential condos. Subject to 55-year covenant.
Covenant Preparation, Recording, & Monitoring Fees	\$131,692*	HCIDLA	\$5,770.00 Covenant Preparation; \$43.00 Covenant Recordation \$173.00 Annual Monitoring p/affordable unit *As may be amended by LAHCID	
TFAR	N/A	LA Streetcar and LANI – Bringing Back Broadway	Upfront payment.	To be paid 90 days from the effective date of the DA in lieu of building permit
TOTAL	\$1,131,692			

PUBLIC HEARING

In accordance with Section 12.32 of the LAMC and California Government Code Section 65867, notification was provided in the manner of a hearing notice mail-out within a 500-foot radius of the project site for a public hearing that was held on May 24, 2017.

CONCLUSION/RECOMMENDATION

After careful consideration of the proposed benefits, Planning staff recommends that the City Planning Commission recommend that the City Council adopt the Development Agreement as proposed.

FINDINGS

1. Pursuant to State Government Code Section 65868, a development agreement be entered into by mutual consent of the parties. An application for a Development Agreement was filed on September 27, 2016, 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 out on April 28, 2017 to all occupants and property owners, neighborhood council and others as 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 1, 2017; verification of which is provided in the administrative record. In accordance with Section 12.32-C,4(c), posting for the site was completed on September 1, 2017.
4. Pursuant to Section 65867.5 of the Government Code, the Development Agreement is consistent with the objectives, policies, and programs specified in the City of Los Angeles General Plan, including the Central City Community Plan adopted by City Council on January 8, 2003. Orderly development of the project site is further governed by Department of City Planning Case No. CPC-2015-1158-SN-TDR-MCUP-CUX-SPR and VTT-73422-CN, wherein the project is seeking the establishment of a Sign District, a Transfer of Floor Area, Master Conditional Use for Alcohol Sales, Master Conditional Use to permit dancing and live entertainment, and Site Plan Review. The Sign District will be considered for adoption by resolution by the City Council.
5. This Development Agreement is administrative and technical in nature and will have no impact on the project under the EIR prepared for the project, 1020 S. Figueroa Street Project and Erratas, SCH No. 2016021013, to be considered by the City Council upon their consideration of the 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 recognize the life of the entitlements to a specified term in exchange for the provision of public benefits. 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 job training for local residents and the creation and/or acquisition of recreation and parks within the council district boundaries.
6. The Development Agreement provides extraordinary public benefits in the form of affordable housing, services for the homeless, and initiatives aimed at the revitalization of Downtown Los Angeles.
7. The Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements.

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

9. Findings of Fact (CEQA)

A. Introduction

The Environmental Impact Report (EIR), consisting of the Draft EIR, Final EIR, and Errata, 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 located at 1020 S. Figueroa Street Project (the Project). Jia Yuan USA Co., Inc., the Applicant, proposes to develop a mixed-use residential, hotel, and commercial Project on an approximately 2.7 acre (116,660 square feet [sq. ft.]) 'L'- shaped site (project site). The project site is bounded by S. Figueroa Street to the west, S. Flower Street to the east, Olympic Boulevard to the north, and 11th Street to the south. The project site is located in the southwest portion of the Downtown community of the City of Los Angeles (City) which falls within the South Park district of the Central City Community Plan Area. The project site is in a highly urbanized and active area adjacent to LA LIVE, Staples Center Arena, Microsoft Theater, and in close proximity to the Los Angeles Convention Center. The project site is currently developed with the nine-story, 178-room Luxe City Center Hotel (Luxe Hotel) and surrounding surface parking lots.

To evaluate the environmental impacts of the project in accordance with the California Environmental Quality Act ("CEQA"), the City of Los Angeles ("City") prepared a Draft Environmental Impact Report ("Draft EIR" or "DEIR"). The Project would demolish the Luxe Hotel, surface parking, and related improvements on the project site in order to construct a new mixed-use residential, hotel, and commercial development.

The Original Project included up to approximately 1,129,284 sq. ft. of floor area (approximately 9.7:1 FAR) in three towers atop a seven level podium (Podium) with four levels above grade and three levels below grade. The Original Project would include a total of up to 300 hotel rooms, 650 residential condominium units, and up to approximately 80,000 sq. ft. of restaurant, retail, and other commercial uses.

In the Final EIR, the City evaluated the Modified Project as Alternative 4. The Modified Project is a reduced project with approximately 936,712 sq. ft. of floor area (approximately 8.03:1 FAR) in two towers atop a seven level podium (Podium) with four levels above grade and three levels below grade (65 feet below grade). The Project would include a total of up to 300 hotel rooms, 435 residential condominium units, and up to approximately 58,959 sq. ft. of restaurant, retail, and other commercial uses.

Retail, restaurant and other commercial uses would be located at the first and second level of the Podium along all street frontages. Parking for vehicles would be provided within three subterranean levels of the Podium with primary access from Olympic Boulevard, S. Flower Street, and 11th Street. More than 5,000 square feet of public open plazas would connect the Project to the pedestrian streetscape on N. Figueroa Street, directly across from LA Live and Staples Center.

The Modified Project includes a proposed sign district with on and off-site signage; however, the total proposed signage is reduced by 63 percent from that of the proposed Original Project. The proposed signage includes 21,200 square feet of on and off-site signage, with the off-site and digital signage primarily facing west towards LA Live on the Olympic, Figueroa and 11th Street facades.

With the certification of the EIR and approval of the Tract Map, the City considered and approved Alternative 4 – Modified Project.

A. Environmental Documentation Background

The project was reviewed by the Los Angeles Department of City Planning (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 31-day period commencing on February 3, 2016. 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.

The NOP included notification that a public scoping meeting would be held to further inform public agencies and other interested parties of the Project and to solicit input regarding the Draft EIR. The public scoping meeting was held on February 18, 2016 from 6:00 P.M. to 8:00 P.M. at the LUXE City Center Hotel within the project site, located at 1020 S. Figueroa Street, Los Angeles, CA 90015.

Written comment letters responding to the NOP were submitted to the City by public agencies and interested organizations. Comment letters were received from various public agencies. The NOP and NOP comment letters are included in Appendix A 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. 2016021013), 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 California Environmental Quality Act Guidelines). The Draft EIR was circulated for a 48-day public comment period beginning on September 8, 2016, and ending on October 25, 2016. A notification of the release of the Draft EIR was published by the City in the Los Angeles Times newspaper notifying interested parties of the availability of the Draft EIR for the Project. This notice was also mailed to government agencies, interested parties, entities that commented on the Draft EIR, and owners and occupants residing within 500 feet of the project site. The notice included information on how to access the Draft EIR. A NOC was also submitted to the State Clearinghouse. 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 and Recirculated Draft EIR and responded to each comment in Section III of the Final EIR.

The City released a Final EIR for the project on May 12, 2017, 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). The Final EIR was also made available for review on the City’s Department of City Planning 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 and the Notice of Public Hearing 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. On May 17, 2017, an Errata to the EIR was published on the City's website. On August 8, 2017, a second Errata was published on the City's website.

A duly noticed public hearing for the project was sent out for the Hearing Officer/Deputy Advisory Agency on behalf of the City Planning Commission scheduled for May 24, 2017.

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).

B. Findings Required to Be Made by a Lead Agency Under CEQA

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

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR. (State CEQA Guidelines Section 15091, subd. (a)(1)).
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency. (State CEQA Guidelines Section 15091, subd. (a)(2)).
- Specific 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. (State CEQA Guidelines Section 15091, subd. (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 Environmental Impact Report (EIR) for the project as fully set forth therein. Although Section 15091 of the CEQA Guidelines does not require findings to address environmental impacts that an EIR identifies as merely "potentially significant," these findings nevertheless fully account for all such effects identified in the Final EIR for the purpose of better understanding the full environmental scope of the Proposed Project. For each environmental issue analyzed in the Draft EIR and Revised Draft EIR, the following information is provided:

- Description of Effects - A specific description of the environmental effects identified in the EIR.
- Project Design Features - Identified project design features or actions that are included as part of the Proposed Project (numbering of the Project Design Features corresponds to the Mitigation Monitoring Program, which is included as Section 4.0 of the Final EIR).
- Mitigation Measures - Identified mitigation measures or actions that are required as part of the Proposed Project (numbering of the Mitigation Measures corresponds to the Mitigation Monitoring Program, which is included as Section 4.0 of the Final EIR).

- Finding - One or more of three specific findings in direct response to CEQA Section 21081 and CEQA Guidelines Section 15091 as discussed in the previous paragraph.
- Rationale for Finding - A summary of the reasons for the finding(s).
- Reference - A notation on the specific section of the Draft EIR and Revised Draft EIR, which includes the evidence and discussion of the identified impact.

C. Description of the Project

1. Project Location and Surrounding Uses

The project site is generally referenced to be located at 1020 S. Figueroa Street within the South Park district of the Central City Community Plan Area in Downtown Los Angeles. The project site is served by a network of regional transportation facilities that provide access to the greater metropolitan area. Regional access to the project site is provided by the Pasadena/Harbor Freeway (I-110/SR 110), the Hollywood Freeway (US-101), the Golden State/Santa Ana Freeway (I-5) to the north, and the San Bernardino Freeway (I-10) and the Pomona Freeway (SR-60) to the east and southeast, respectively.

The project site is located approximately 0.2 miles north of the Pico Station operated by the Los Angeles County Metropolitan Transportation Authority (Metro). The project site is also located approximately 0.4 miles from the 7th Street/Metro Center Station which provides rail service to the Blue, Expo, Red, and Purple Lines. The project site is also served by multiple bus and shuttle lines, including multiple Metro bus lines and the DASH Downtown Shuttle Route.

The project site is located in a Regional Center which serves as a commercial center for Los Angeles and the surrounding communities, and as an entertainment center of regional importance that is a popular destination for visitors, local workers and area residents. The Project area is characterized by a mix of entertainment, commercial, restaurant, bar, office, and residential uses. Adjacent to the project site and to the west across S. Figueroa Street is LA LIVE; an entertainment, hotel, and residential complex that includes the Microsoft Theater, Microsoft Square, the JW Marriott Los Angeles at LA LIVE (Marriott Hotel), the Ritz-Carlton Hotel, the Ritz-Carlton Residences, and the Marriott Courtyard and Residence Inn at Los Angeles LA LIVE. LA LIVE also includes more than twenty restaurants as well as other entertainment venues such as the Conga Room, Lucky Strike bowling alley, and Regal Cinemas. Further south is the Staples Center Arena and the Los Angeles Convention Center.

To the north of the project site across W. Olympic Boulevard are several high-rise mixed-use residential and commercial buildings. These include the 28-story 717 Olympic project, which includes apartments over six stories of parking and ground floor commercial uses. To the northwest is a car wash building that also encompasses two restaurants and a ticket agency. This Project is proposed to be developed as a mixed-use tower (Olympic Tower). Further north along S. Figueroa Street across W. Olympic Boulevard is the 13-story Hotel Figueroa. To the immediate east of the project site fronting W. Olympic Boulevard is the 11-story Petroleum Building, a designated City Cultural-Historic Monument (HCM No. 596), which includes office above ground level commercial uses. Also immediately east of the Project fronting on S. Flower Street is a surface parking lot and the one-story El Cholo restaurant, with mid-and high-rise multi-family residential and mixed use buildings further east across S. Flower Street. To the south of the project site across 11th Street, is Oceanwide Plaza (previously known as Fig Central); a high rise mixed-use residential, commercial, and hotel project that is currently under construction and is estimated to be completed in 2018/19. Further south is another mixed-use project under construction, known as Circa (1200 Fig Project) and is estimated to be completed

in 2017, the Metro Pico Station and new and recently rehabilitated high-rise residential and mixed-use buildings.

2. Existing Conditions

a. Site Conditions

The 2.7 acre project site is currently developed with the Luxe City Center Hotel (Luxe Hotel) on the northwest portion of the project site with the remainder of the project site developed with surface parking. The Luxe Hotel is a 112,748 square foot, nine story, 100 foot tall building that includes 178 guest rooms, a main lobby, meeting rooms, an interior restaurant, an indoor/outdoor bar and lounge area (Nixon Bar and Lounge), a fitness center, and a one-level parking deck with parking below and above the deck. The Luxe Hotel is a franchise of Luxe Hotels, but had originally been constructed as the Doric Hotel in 1964. During the 1970's, the hotel became a Holiday Inn, that was later expanded in 1989 and renovated in 2002. In 2008, the hotel transitioned from a Holiday Inn to a Luxe Hotel and underwent additional renovations in 2008 through 2013. The Luxe Hotel is situated between two surface parking lots which are also on the project site. The parking lot on the north corner of the project site at W. Olympic Boulevard and S. Figueroa Street is used for hotel guest parking and special event parking. A fenced portion of the parking lot at the south end of the project site is used by the Luxe Hotel for "overflow" parking, limousine staging, and construction/maintenance vehicle parking. The portion of this parking lot that fronts on 11th Street is bordered by trimmed shrubbery and low fencing. This area is leased and operated by Flower Holdings, LLC as a paid parking lot for special event and public parking. Parking is also provided on the project site just east of the Luxe Hotel building on and below a one-level parking deck that serves as hotel guest and employee parking. The main entry drive for hotel visitors is accessed from S. Figueroa Street.

Existing landscaping on the project site is limited, and includes a small number of ornamental street trees along S. Figueroa Street, 11th Street, W. Olympic Boulevard, and S. Flower Street, a small tree and a few landscaped areas with artificial grass in the surface parking lot in the north end of the project site and trees adjacent to the parking lot at the south end of the project site adjacent to the El Cholo restaurant. A small landscaped area is located at the hotel entrance that includes a planter area with palm trees, grass, flowers, and low level landscaping. No protected trees, as defined by the City of Los Angeles Municipal Code (LAMC), are present on-site.

b. Existing Planning and Zoning

The project site is located within the Central City Community Plan Area, the City Center Redevelopment Project Area, and the Los Angeles State Enterprise Zone. Although not located in the Los Angeles Sports and Entertainment District Specific Plan (LASED), the Project is surrounded to the west and south by the LASED and is subject to the Los Angeles Sports and Entertainment District Streetscape Plan. The Project is bordered by S. Figueroa Street, 11th Street, W. Olympic Boulevard, and S. Flower Street. Under the Central City Community Plan, the majority of the property is designated as Regional Center Commercial on the western lots and High Density Residential on the southeastern lots. The project site is zoned C2-4D-O on the western lots which permits hotel, residential and commercial uses. The southeastern lots are zoned [Q] R5-4D-O, which permits high density residential development. The D limitation has a maximum floor area ratio (FAR) of 6:1, with an allowable increase to a maximum FAR of 13:1 with a Transfer of Floor Area Rights (TFAR). The Applicant intends to transfer up to 429,324 square feet of floor area from the Los Angeles Convention Center, located at 1201 S. Figueroa Street, Los Angeles, CA 90015, owned by the City of Los Angeles, which will permit a

maximum FAR of 9.7:1 on the Property. For the Modified Project, 160,161 square feet of transfer of floor area is requested to permit a maximum FAR of 8.03:1 on the Property.

3. Project Characteristics

The Project would demolish the Luxe Hotel, surface parking, and related improvements on the project site in order to construct the new mixed-use residential, hotel, and commercial development. The Original Project proposed a floor area of 1,129,284 sq. ft. of floor area (approximately 9.7:1 FAR) in three towers atop a seven level podium.

The Modified Project includes a floor area of 936,712 square feet of floor area (approx. 8.03:1 FAR) in two towers atop a seven level podium. The Project would include a total of up to 300 hotel rooms, 435 residential condominium units, and up to approximately 58,959 sq. ft. of restaurant, retail, and other commercial uses. The residential tower (Residential Tower) at the intersection of S. Figueroa Street and Olympic Boulevard would be 540 feet above a 55 foot podium and would include up to 435 residential units. Located on the southwest portion of the project site directly across from Staples Center at the corner of Figueroa Street and 11th Street, the 430 foot Hotel Tower above a 75 foot high podium would include up to 300 hotel rooms, along with banquet facilities, conference space and amenities. Retail, restaurant and other commercial uses would be located at the first and second level of the Podium along all street frontages. Parking for vehicles would be provided within four subterranean levels of the Podium at a depth of up to 65 feet, with primary access from Olympic Boulevard, S. Flower Street, and 11th Street. More than 5,000 square feet of public open plazas would connect the Project to the pedestrian streetscape on N. Figueroa Street, directly across from LA Live and Staples Center.

For purposes of these Findings, "Project" shall refer to the approved Alternative 4 – Modified Project. The terms "Original Project" and "Modified Project" are used throughout to differentiate the analysis undertaken in the Draft EIR, and the approved project (Modified Project).

D. Impacts Determined in the Initial Study to Have No Impacts, to be Less than Significant, or Less than Significant with Mitigation.

1. Environmental Categories the Initial Study Determined Had No Impacts

The City prepared an Initial Study in 2016 that evaluated the Project's development program for the project site at that time. This Initial Study determined that an Environmental Impact Report (EIR) was required and the City issued a Notice of Preparation (NOP) of an EIR in February 3, 2016. The Initial Study provides a discussion of the potential environmental impacts by topic and the reasons that each topical area is or is not analyzed further in the Draft EIR. As further described in the Initial Study, the City determined that the Project would not result in significant impacts related to (i) Agriculture, (ii) Biological Resources, (iii) Geology, (iv) Hydrology and (v) Mineral Resources.

The rationale for the conclusion that no significant impact will occur in each of these issue areas is summarized below (and set forth in Appendix A-1 of the Draft EIR). Based on that rationale and other evidence in the administrative record, the City finds and determines that the Proposed Project will not result in any significant impacts in the following environmental impact categories and that no mitigation measures are needed.

2. Environmental Categories the Initial Study Determined May Have Significant Impacts

The Initial Study determined that the Project may have significant impacts in the following environmental categories: (i) Aesthetics, (ii) Air Quality, (iii) Cultural Resources, (iv) Greenhouse Gases, (v) Hazards, (vi) Land Use, (vii) Noise, (viii) Population and Housing, (ix) Public Services, (x) Parks and Recreation, (xi) Transportation and Traffic, and (xii) Utilities.

E. Impacts the EIR Found to be Less Than Significant

Based on the analysis in the Draft EIR 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.

1. Aesthetics/Visual Resources

a. Description

The Modified Project includes the demolition of the Luxe Hotel and construction of a mixed-use project with 435 residential units, 300 hotel rooms and 58,959 square feet of commercial space in a complex on a 55 to 75 foot high podium with two towers extending up at each corner of the site on N. Figueroa Street. The Project also included on and off-site signage with large scale digital signage. The Aesthetic/Visual resources analysis included an evaluation of impacts related to views, light and glare, and shade/shadow on surrounding buildings and uses. The analysis was based on a Lighting Study and revised Lighting Study, attached to the Draft EIR and Final EIR, respectively.

b. Project Design Features

PDF-AES-1: Construction Fencing: Where Project construction is visible from pedestrian locations adjacent to the project site and perimeter walls or fencing do not already exist, temporary construction fencing shall be placed along the periphery of the development sites to screen construction activity from view at the street level.

The Applicant shall ensure through appropriate postings and regular visual inspections that no unauthorized materials are posted on temporary construction barriers or temporary pedestrian walkways, and that such temporary barriers and walkways are maintained in a reasonable manner in a reasonable throughout the construction period.

PDF-AES-2: Screening of Utilities: The Project shall visually screen new transformers and other utilities associated with the Project from public view.

PDF-AES-3: Illuminated Signs: Illuminated signs will be designed to comply with the requirements of CALGreen, including requiring 65 percent dimming at night.

PDF-AES-4: Glare. Glass used in building facades shall minimize glare in a manner consistent with applicable energy and building code requirements.

PDF-AES-5: Glare. Glass used in building facades shall minimize glare (e.g., minimize the use of glass with mirror coatings) in a manner consistent with applicable energy and building code requirements, including Section 140.3 of the California Energy Code as may be amended, glass with coatings required to meet the Energy Code requirements shall be permitted.

c. Mitigation Measures

No mitigation measures are required for Aesthetics/Visual Resources.

d. Findings

Project Design Features have been incorporated into the Project which avoid or substantially lessen the potentially significant impacts related to Aesthetics/Visual Resources to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR. No mitigation is required.

e. Rational for Findings

Section 21099(d)(1) of the CEQA Statute (SB 743) provides that aesthetic impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment. The Project qualifies as an infill project as it lies a previously developed parcel in an urban area where the entire parcel is surrounded by developed uses or improved public rights-of-way adjacent to parcels with qualified urban uses. The project site qualifies as a transit priority area as it is located less than one-half mile from the Pico Metro Station, a Major Transit Stop (as defined by Public Resources Code Section 21064.3). Therefore, pursuant to State Law the Project's aesthetic impacts would not be significant impacts on the environment.

Nevertheless, analyses were undertaken to determine whether the Project's impacts would exceed thresholds normally used by the City for analyzing the significance of a Project's impacts on aesthetics.

The analysis of Modified Project impacts on shading indicates that the Modified Project would not shade shadow-sensitive uses for more than three hours between the hours of 9:00 a.m. and 3:00 p.m. PST, or more than four hours between the hours of 9:00 a.m. and 5:00 p.m. PDT. Therefore, shade/shadow impacts would be less than significant.

The Modified Project includes substantial reductions in the amount of signage from that of the Original Project. Approximately 77 percent of the signage that would be provided is in the form of digital display signs located in a band along the Podium facades facing W. Olympic Boulevard, Figueroa Street and 11th Street. The amount of digital display signage has been reduced from approximately 60,000 square feet to approximately 21,200 square feet square feet, a reduction of 63 percent, with reductions in signage height as well as area.

The key differences in the signage program from that proposed for the Original Project include breaking up the Project's continuous ribbon of digital display signs over the retail uses into discrete signs with spacing between. The resulting digital display signage would include approximately 1,425 square feet on W. Olympic Boulevard, 13,869 square feet on S. Figueroa Street, and approximately 1,650 square feet on 11th Street (as well as a 258 square foot Hotel wall sign). The changes to signage on W. Olympic Boulevard represent a reduction of 85 percent from that of the Original Project's 9,825 square feet and represents a reduction of approximately 53 percent from the Project's 29,315 square feet along Figueroa Street. The other types of signage associated with the Project, e.g. signs for building identification and wayfinding, would be similar for the Alternative, although the Alternative would not include open panel roof signs. The Modified Project, pursuant to PDF-AES-4, would not use highly reflective materials that would cause adverse glare impacts.

Construction lighting for the Modified Project would be similar to that of the Original Project and would also not substantially impact residential uses, alter the character of off-site areas or interfere with the performance of an off-site activity; and would also be less than significant. The lighting for the Modified Project during operation, has been evaluated in a Supplemental Lighting Technical Study, included as Appendix D, of the Final EIR. Based on a maximum surface illuminance of 200 cd/m², the Supplemental Lighting Technical Study determined that the Modified Project would also not exceed three foot-candles at a residential use; and the Modified Project's reduction in signage would result in a notable reduction in the amount of lighting being emitted at the project site.

In summary, the analyses indicate that the Project's impacts fall below the standards normally used by the City for determining impacts, with respect to the following aesthetics components: aesthetic character, views, light and glare, shading and consistency with adopted plans. Therefore, it may be further concluded that the Project would have a less than significant impact on aesthetics.

f. Reference

For a complete discussion of Aesthetics, please see Section 4.A of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(1) of the Final EIR.

2. Air Quality

a. Description

The Modified Project would represent an urban infill development, since it would be undertaken on a currently developed site, and would be located near existing off-site commercial and retail destinations and in close proximity to existing public transit stops.

The analysis in Section 4.B., Air Quality of the Draft EIR, indicated that the Original Project would emit regional and localized construction emissions below the SCAQMD daily numeric thresholds across applicable pollutants; and that the impacts of the Original Project would be less than significant. As provided in the Final EIR, construction activity on a daily basis would remain similar to the Project, the maximum daily construction emissions under the Modified Project would also be less than significant.

The Modified Project would require a construction program similar to that of the Original Project, inclusive of demolition, excavation, foundation placement, building construction, and paving. The general construction activities would be similar to those of the Original Project. The total building volumes would be similar to those of the Original Project. However, deeper excavation from approximately 45 feet with the Original Project, to 65 feet with the Modified Project, would increase the amount of excavation materials from approximately 202,000 cubic yards of soil to approximately 254,300 cubic yards of soil: an increase of approximately 26 percent. As the length of the excavation period would be extended for up to approximately 23 days during Phase 1 and up to approximately 16 days during Phase 2, which would result in approximately the same daily truck trips as the Project.

The California Air Pollution Control Officers Association (CAPCOA) has provided guidance for mitigating or reducing emissions from land use development projects. In September 2010, CAPCOA released a guidance document titled Quantifying Greenhouse Gas Mitigation Measures which provides emission reduction values for recommended reduction measures. The following land use characteristics are consistent with the CAPCOA guidance document, and

would reduce vehicle trips to and from the project site compared to the statewide and South Coast Air Basin average: (i) increased density, (ii) location efficiency, (iii) increased land use diversity and mixed uses, (iv) increased destination accessibility, (v) increased transit accessibility, (vi) improved design of development, (vii) providing pedestrian network improvements.

The Draft EIR and Final EIR also identify project design features related to air quality, including (i) green building measures to meet LEED Silver Certification Level, (ii) Construction Measures to utilize off road diesel powered construction equipment that meets or exceeds the CARB and USEPA Tier 4 off road emissions standards, and (iii) utilizing low emitting VOCs.

b. Project Design Features

PDF-AQ-1: Green Building Measures: The Project shall be designed and operated to meet or exceed the applicable requirements of the State of California Green Building Standards Code and the City of Los Angeles Green Building Code and achieve the equivalent of the USGBC LEED Silver Certification level. Green building measures would include, but are not limited to the following:

- The Project would implement a construction waste management plan to divert all mixed construction and demolition debris to City certified construction and demolition waste processors, consistent with the Los Angeles City Council approved Council File 09-3029.
- The Project would be designed to optimize energy performance and reduce building energy cost by 14 percent for new construction compared to the Title 24 Building Energy Efficiency Standards as specified in the LEED 2009 Energy and Atmosphere credit 1 (EA1).
- The Project would be designed to optimize energy performance and reduce building energy cost by installing energy efficient appliances that meet the USEPA ENERGY STAR rating standards or equivalent.
- The Project would include double-paned windows to keep heat out during summer months and keep heat inside during winter months.
- The Project would include lighting controls with occupancy sensors to take advantage of available natural light.
- The Project would reduce outdoor potable water use by a minimum of 50 percent compared to baseline water consumption. Reductions would be achieved through drought-tolerant/California native plant species selection, artificial turf, irrigation system efficiency, alternative water supplies (e.g., rainwater harvesting for use in landscaping), and/or smart irrigation systems (e.g., weather-based controls). Baseline water consumption is measured consistent with the methodology in the USGBC LEED water efficient landscaping measure (i.e., credit WEC1 for LEED 2009).
- The Project would reduce indoor potable water use by a minimum of 40 percent compared to baseline water consumption by installing water fixtures that exceed applicable standards. Baseline water consumption is measured consistent with the methodology in the USGBC LEED water use reduction measure (i.e., credit WEC3 for LEED 2009).

- The Project would provide on-site recycling areas, consistent with City of Los Angeles strategies and ordinances, with the goal of achieving 70 percent waste diversion by 2020, and 90 percent by 2025.
- To encourage carpooling and the use of electric vehicles by Project residents and visitors, the Applicant shall designate a minimum of 8 percent of on-site parking for carpool and/or alternative-fueled vehicles, and the Project design will provide for the installation of the conduit and panel capacity to accommodate future electric vehicle charging stations into 10 percent of the parking spaces.

PDF-AQ-2: Construction Measures: The Project shall utilize off-road diesel-powered construction equipment that meets or exceeds the CARB and USEPA Tier 4 off-road emissions standards for equipment rated at 50 hp or greater during Project construction. Equipment, such as tower cranes, welders and pumps shall be electric or alternative fueled (i.e., non-diesel). To the extent possible, solar or pole power will be made available for use with electric tools, equipment, lighting, etc. Solar or alternative-fueled generators shall be used when commercial models that have the power supply requirements to meet the construction needs of the Project are readily available from local suppliers/vendors. These requirements shall be included in applicable bid documents and successful contractor(s) must demonstrate the ability to supply such equipment. A copy of each unit's certified tier specification or model year specification and CARB or SCAQMD operating permit (if applicable) shall be available upon request at the time of mobilization of each applicable unit of equipment.

PDF-AQ-3: Control of VOCs: The Project shall utilize low-emitting materials pursuant to the requirements of the LEED Low-Emitting Material Credit. Indoor coatings shall be limited to 50 grams per liter of VOCs or less.

c. Mitigation Measures

No mitigation measures are required for Air Quality.

d. Findings

Project Design Features have been incorporated into the Modified Project which avoid or substantially lessen the potentially significant impacts related to Air Quality to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR. No mitigation is required.

e. Rational for Findings

The Modified Project would implement a Project Design Feature (PDF-AQ-2) that would minimize construction emissions. As shown in Table 4.B-5 and 4.B-6 of the Draft EIR, regional emissions during both phases of construction would not exceed the SCAQMD numeric indicators. Therefore, regional emissions would be less than significant. As shown in Table 4.B-7 and 4.B-8, the Project also would not exceed the localized SCAQMD numeric indicators. Therefore, localized emissions would be less than significant. As shown in Table 4.B-13, the Project's construction-related health risk impacts due to Project construction emissions would not exceed the SCAQMD significance thresholds with regard to incremental increase in cancer risk. Therefore, construction health risks would be less than significant. No construction mitigation measures would be required. The Modified Project would not result in significant operational impacts associated with air quality. Therefore, no operational mitigation measures would be required.

f. Reference

For a complete discussion of Air Quality, please see Section 4.B of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(2) of the Final EIR.

3. Greenhouse Gas Emissions

a. Description

The Modified Project would represent an urban infill development, since it would be undertaken on a currently developed site, and would be located near existing off-site commercial and retail destinations and in close proximity to existing public transit stops, which would result in reduced vehicle trips. As stated in Air Quality above, CAPCOA has provided guidance for mitigating or reducing emissions from land use development projects within its guidance document titled Quantifying Greenhouse Gas Mitigation Measures, and the Project complies with the characteristics listed in Air Quality above.

b. Project Design Features

See Project Design Features PDF-AQ-1 and PDF-AQ-2.

c. Mitigation Measures

No mitigation measures are required for Greenhouse Gas Emissions.

d. Findings

Project Design Features have been incorporated into the Project which avoid or substantially lessen the potentially significant impacts related to Greenhouse Gas Emissions to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR. No mitigation is required.

e. Rational for Findings

The Project's significance with respect to GHG emissions is evaluated based on its consistency with applicable GHG emissions goals and actions from the City of Los Angeles. The Project-level analysis describes the consistency of the Project with these GHG emissions reduction goals and actions, as shown in Table 4.D-4 of the Draft EIR. The Project would also result in GHG reductions beyond those specified by the City and would achieve a net zero increase in GHG emissions relative to the existing project site conditions by incorporating energy efficient design features, and VMT reduction characteristics. Therefore, as the Project is consistent with the applicable City's goals and actions for GHG emissions, the Project would result in less than significant GHG emissions and impacts would be less than significant.

In order to provide additional information to decision makers and the public, the emissions of GHGs associated with construction of the Project were calculated for each year of construction activity. Although construction-related GHGs are one-time emissions, any assessment of Project emissions must include construction. In order to provide additional information to decision makers and the public, the emissions of GHGs associated with operation of the Project were calculated. The Project must comply with the portions of City's Green Building Code applicable to residential and mixed-use development. (Table 4.D-5) Maximum annual net GHG emissions resulting from motor vehicles, energy (i.e., electricity, natural gas), water conveyance,

and waste sources were calculated for the expected opening year. (Table 4.D-6) These charts show compliance with the minimum thresholds for GHG emissions.

The estimated reduction in VMT discussed previously in the Draft EIR, 4.D.3.c, Project Characteristics and Project Design Features, for the Project is supported by area-specific data in the Health Atlas for the City of Los Angeles (Health Atlas), published by the City in June 2013. Data collected by the City in support of its Health Atlas for the City of Los Angeles demonstrates that the Project would be located in an area that would substantially reduce mobile source GHG emissions relative to the Citywide and statewide average and that the Project would be consistent with regional planning efforts in accordance with the SCAG RTP/SCS to reduce VMT and associated emissions. The Health Atlas includes a number of findings related to land use mix and diversity, employment density, walkability, access to public transit, and other land use transportation findings organized by Community Plan Area. The Project is located in the Central City Community Plan Area.

At the state level, Executive Orders S-3-05 and B-30-15 are orders from the State's Executive Branch for the purpose of reducing GHG emissions. Executive Order S-3-05's goal to reduce GHG emissions to 1990 levels by 2020 was codified by the Legislature as the 2006 Global Warming Solutions Act (AB 32). As analyzed above, the Project would be consistent with AB 32. Therefore, the Project does not conflict with this component of the Executive Orders. The Executive Orders also establish the goals to reduce GHG emissions to 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050. These goals have not yet been codified by the Legislature. However, studies have shown that, in order to meet the 2030 and 2050 targets, aggressive technologies in the transportation and energy sectors, including electrification and the decarbonization of fuel, will be required. The Climate Change Scoping Plan recognizes that AB 32 establishes an emissions reduction trajectory that will allow California to achieve the more stringent 2050 target: Recent studies shows that the State's existing and proposed regulatory framework can allow the State to reduce its GHG emissions level to 40 percent below 1990 levels by 2030, and to 80 percent below 1990 levels by 2050. Even though these studies did not provide an exact regulatory and technological roadmap to achieve the 2030 and 2050 goals, they demonstrated that various combinations of policies could allow the statewide emissions level to remain very low through 2050, suggesting that the combination of new technologies and other regulations not analyzed in the study could allow the State to meet the 2030 and 2050 targets. For the reasons described above, the Project's post-2020 emissions trajectory is expected to follow a declining trend, consistent with the establishment of the 2030 and 2050 targets. Therefore, as the Project would be consistent with applicable plans, policies and regulations adopted for the purpose of reducing GHG emissions, impacts regarding greenhouse gas reduction plans would be less than significant.

The Modified Project would generate GHG emissions due to construction and operational activities. Similar to the Project, construction would generate GHG emissions from fossil fuel combustion from heavy-duty equipment, haul trucks, concrete trucks, worker trips, and vendor delivery trips. The amount of excavation would increase and would require more haul truck trips compared to the Project; however, the overall construction period would require a slightly fewer total number of days of building construction activity compared to the Project. These factors would generally offset and not result in a substantial change in overall construction-period GHG emissions. When amortized over a 30-year lifetime, construction-related GHG emissions would be similar to the proposed Project.

Similar to the Original Project, operational activities associated with the Modified Project would generate GHG emissions from transportation to and from the project site, energy consumption (i.e., electricity and natural gas), water demand, and wastewater and solid waste generation. The Modified Density Alternative would result in 215 fewer residential units and approximately

21,040 square feet less commercial and restaurant space compared to the Original Project. The Modified Project would retain the same number of hotel rooms as the Original Project, although the amount of space for ancillary hotel uses (banquet, conference and amenity areas) would be increased. Overall, the Modified Project would result in reduced total building floor area. Therefore, GHG emissions associated with transportation, energy consumption, water demand, and solid waste generation would be less than that of the Project.

f. Reference

For a complete discussion of Greenhouse Gases, please see Section 4.D of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(4) of the Final EIR.

4. Land Use and Planning

a. Description

The Modified Project would demolish the Luxe Hotel, surface parking, and related improvements in order to construct a new mixed-use residential, hotel, and commercial project on approximately 2.7 acres (116,660 sq. ft.). The Modified Project would include up to 936,715 sq. ft. of floor area with an 8.03:1 FAR in two towers atop a Podium with four subterranean levels and four levels above grade. In total, the Modified Project would include up to 300 hotel rooms, up to 435 residential condominium units (consisting of lofts, studios, one-bedroom, two-bedroom, three-bedroom, and penthouse units), and up to approximately 58,959 sq. ft. of commercial and restaurant uses at the first two levels of the Podium along all street frontages with landscaped sidewalks and an open public plaza along S. Figueroa Street adjacent to LA LIVE.

Project implementation would require several discretionary entitlements and related approvals that pertain to the Project's consistency with applicable land use policies and guidelines as identified above.

The development of the Project would be subject to numerous land use plans, as well as the development regulations in the LAMC's Planning and Zoning Code. The Project's consistency or compatibility with the applicable City and regional regulations and policies addressed below include the City's General Plan Framework, Do Real Planning and related Walkability Checklist, Central City Community Plan, Redevelopment Plan for the City Center Redevelopment Project, LAMC, LASED, 2010 Bicycle Plan and Mobility Plan 2035, and My Figueroa Project. (Project consistency or compatibility with policies that pertain to design and the appearance of development, in particular Chapter V of the Central City Community Plan, Citywide Design Guidelines, the Downtown Design Guide, and LASED Streetscape Plan, are evaluated in Section 4.A, Aesthetics.) The consistency analysis for the regional measures addresses policies listed in SCAG's 2016 RTP/SCS. The Modified Project would also require the transfer of floor area of approximately 236,752 square feet from the Los Angeles Convention Center. The Modified Project will also require approval of a new sign district, which includes both on and off-site signage, and digital signage.

b. Project Design Features

No Project Design Features are proposed for Land Use.

c. Mitigation Measures

No mitigation measures are required for Land Use.

d. Findings

Impacts of the Project related to consistency with Land Use provisions would be less than significant. No mitigation is required.

e. Rational for Findings

The Modified Project would be substantially consistent with the regulatory framework and its implementation would not have an adverse effect on the implementation of plans and regulations in the Project vicinity. Therefore, the Modified Project would not contribute to cumulatively considerable impacts regarding variations from plans and regulatory provisions. Key features of the Modified Project that support the conclusion that land use impacts would be less than significant includes the following:

The Project would provide a mixed-use development within the high quality transit area with access to the Metro Blue, Red, and Purple Lines; and multiple bus and shuttle lines. The City and SCAG have been promoting development patterns that will reduce vehicle miles traveled, providing reductions in energy consumption and air quality emissions, as well as convenience for commuters.

The Project would provide needed housing to the region and the Downtown area, as well as visitor-serving uses at a scale and intensity that distinguishes and uniquely supports and identifies the Downtown Center. This includes hotel development in proximity to LA LIVE, Staples Center Arena, and the Los Angeles Convention Center (LACC).

The Project would build upon and support the vibrancy of the Downtown Center and proximity to LA LIVE, Staples Center Arena, and the LACC and would bring and encourage further investment in the area. It would provide a pedestrian friendly street frontage with pedestrian access to commercial and restaurant frontage along the periphery of the property and an approximately 5,000-square foot public plaza along S. Figueroa Street, including wide sidewalks, parkways, landscaping, and special paving.

In summary, the Modified Project would provide a generally similar contribution to the land development patterns in the Downtown Area as would the Original Project. The variations in design would improve the appearance of the Project and its interconnectivity with adjacent uses. Impacts of the Modified Project would be similar to those of the Project, and like the Project, would be less than significant.

f. Reference

For a complete discussion of Land Use, please see Section 4.F of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(6) of the Final EIR.

5. Population, Housing and Employment

a. Description

The Modified Project would reduce the amount of housing units as well as the amount of commercial development. The number of hotel rooms would remain constant; however, the

amount of space for hotel banquet area would be increased, while the hotel conference, and amenity areas would be reduced slightly. These changes would affect the amounts of population, housing and employment that would be generated by the Modified Project. The Modified Project would result in the addition of 709 residents, 435 new housing units, and 439 net new employees to the project site. The population increase would comprise 3.5 percent of the population growth expected in the Central City Community Plan area between 2016 and the Project's buildout year of 2023 (i.e. 20,423 people). The Modified Project's increases in housing and employment in the Central City Community Plan area during this time frame would be 3.7 percent of the expected 11,880 new units and 3.6 percent of the expected 12,335 new jobs, respectively.

b. Project Design Features

No Project Design Features are proposed for Population and Housing.

c. Mitigation Measures

No mitigation measures are required for Population and Housing.

d. Findings

The Project will have a less than significant impact with respect to Population and Housing. No mitigation is required.

e. Rational for Findings

The analysis of the Original Project impacts in the Draft EIR, evaluates the Project's impacts on population, housing, and employment that would be associated both Project construction and operations. That analysis concludes that the construction phase would have no impact on the supply of housing units or population growth. Construction workers would be drawn from an existing regional pool of existing workers. The short-term employment opportunities created for construction would contribute to the local and regional economy.

The analysis of impacts due to the Original Project operations evaluates the consistency between the Project's 650 residential units, 1,060 people, and 438 net new employees with growth projections and policies. The analysis concludes that these increases in growth would be consistent with SCAG's short-term and long-term growth projections for the Central City Community Plan area and the City of Los Angeles, which are the basis for planning of services, utilities and infrastructure. The increase in housing would address the City's housing objectives per the General Plan Housing Element, and help meet the City's housing allocation established in the SCAG Regional Housing Needs Assessment (RHNA). The Project would be consistent with the growth provisions of applicable City and SCAG policies, which seek to promote concentrated development within high quality transit areas, reducing vehicle miles traveled and improving the downtown ratio of jobs to housing. Further, the analysis notes that the Original Project is an infill development that would add no new infrastructure other than that needed to serve the project site, and that would not foster otherwise unplanned growth. For these reasons, Project impacts regarding population, housing and employment would be less than significant.

The impacts of the Modified Project on population and housing during construction would be similar to that of Original Project. As is the case for the Original Project, construction workers would be drawn from an existing regional pool of existing workers; and the construction activities would have no impact on the supply of housing units or population growth. The short-

term employment opportunities created for construction would be slightly reduced from those of the Original Project, but would contribute to the local and regional economy.

The Modified Project's contribution to growth in the Central City Community Plan area between 2016 and 2023 are shown in Table 5-9 of the Final EIR, with a comparison of the differences between the Modified Project and the Original Project. As indicated, the variations would be extremely small. The increment of population growth would be 1.7 percent less with the Modified Project, the number of housing units would be 1.8 percent less and the contribution to employment would be 0.1 percent less. As such, the Modified Project's contributions to growth would also be consistent with SCAG projections.

The reduction in the number of residential units would reduce the Modified Project's contribution to the availability of housing stock; and would be less successful in improving the jobs/housing ratio of the Downtown area. However, the added 435 housing units would continue to comprise a notable contribution to the City's efforts to meet its housing obligation per the RHNA; and the Modified Project's jobs/housing ratio of 1.01 would be housing rich and would help to bring down the Community Plan ratio of 7.5 to a value closer to the regional ratio of 1.35. Thus, the Modified Project would also make a substantial contribution to future development of the Downtown area as a more residential area with support for greater use of public transit. The increase in the amount of employment would support job growth, and would further support the vibrancy of the LA LIVE, Staples Center Arena, and LACC complex. By adding fewer units and population growth, the Modified Project's contribution to SCAG growth projections would be slightly reduced. However, the overall effect of the Modified Project with a similar mix of uses would be substantially similar to that of the Original Project. Therefore, the Modified Project would also be consistent with the growth provisions of applicable City and SCAG policies. Further, and similar to the Original Project, the Modified Project is an infill development that would add no new infrastructure other than that needed to serve the project site, and would not foster otherwise unplanned growth. Similar to the Project, impacts to Population, Housing, and Employment would be less than significant.

f. Reference

For a complete discussion of Population and Housing, please see Section 4.H of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(8) of the Final EIR.

6. Water Supply

a. Description

The analysis of Project impacts on water consumption contained in Section 4.K-1, Water Supply, of the Draft EIR, is based on the Water Supply Assessment (WSA) that was prepared by the Los Angeles Department of Water and Power (LADWP). That analysis provides a calculation of base demand, and then takes reductions for water consumption by the existing hotel uses, water conservation features required by ordinance, and additional conservation features included in the Project. That analysis indicates that the Original Project would have a base demand of 282,099 gpd. This estimate has then been reduced by the 19,287 gpd that are associated with the existing hotel uses for a total of 262,812 gpd. After netting out the savings for the use of water conservation features, the WSA identifies a net demand of 219,525 gpd or 245.92 afy.

As also indicated in Table 5-14 of the Final EIR and the second Errata, the Modified Project's base demand of 264,797 gpd is approximately 17,302 gpd less than the Original Project's (a

reduction of approximately 6 percent). The Modified Project would have the same reduction for existing uses and somewhat similar reductions for water conservation features that are required under City regulations and that are included in PDF-WS-1. Therefore, it may be roughly estimated that the net water consumption would be similarly reduced, by about 6 percent, or approximately 14.76 afy; resulting in a water consumption amount of 231.16 afy.

b. Project Design Features

PDF-WS-1: Water Conservation Features: The Project shall provide the following specific water efficiency features:

- High Efficiency Toilets with flush volume of 1.0 gallons of water per flush
- High Efficiency Clothes Washers (Residential) – water savings factor of 4.0 or less
- Lavatory Faucet with flow rate of 1.2 gallons per minute or less for Residential Units and Hotel Rooms
- Kitchen Faucets with flow rate of 1.5 gallons per minute or less for Residential Units, Hotel Rooms, and Retail/Commercial
- Showerheads with flow rate of 1.5 gallons per minute or less
- Showerheads – no more than one showerhead per stall
- Efficient Rotor Sprinkler Nozzles for Landscape Irrigation – <1.0 gallons per minute
- Weather Based Irrigation Controller
- Drought Tolerant Plants – 70% of total landscaping
- High Efficiency Clothes Washers (Commercial) – water savings factor of 7.5 or less
- Domestic Water Heating System located close proximity to point(s) of use
- Cooling Tower Conductivity Controllers or Cooling Tower pH Conductivity Controllers
- Water-Saving Pool Filter
- Drip/ Subsurface Irrigation
- Proper Hydro-zoning/ (groups plants with similar water requirements together)
- Landscaping Contouring to minimize precipitation runoff
- Artificial Turf
- Water Conserving Turf Cynodon Dactylon (Tifgreen)
- Rainwater Harvesting.

c. Mitigation Measures

No mitigation measures are required for Water Supply.

d. Findings

Project Design Features have been incorporated into the Project which avoid or substantially lessen the potentially significant impacts related to Water Supply to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR. No mitigation is required.

e. Rational for Findings

The WSA for the Project indicates that LADWP has sufficient water supply to meet the Project's needs. The Project includes numerous design features to reduce the demand for water consumption. Water infrastructure and water supply is sufficient to meet the demands of the Project without Project mitigation and the Project impact on the provision of water services would be less than significant.

The Modified Project would require provision of the necessary building water system on the project site and extension to connect the project site to existing water lines in the area, pursuant to LADWP rules and review. Impacts on existing water infrastructure would therefore be less than significant, similar to the Original Project. The Modified Project would include the same regulatory PDF-WS-1 conservation features to reduce the demand for water consumption as the Original Project. As the Modified Project would include similar water conservation features to those of the Original Project and would generate less demand for water consumption than the Original Project, impacts of the Modified Project would be less than the Original Project. As was the case with the Original Project, impacts would be less than significant.

f. Reference

For a complete discussion of Water Supply, please see Section 4.K.1 of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(11) of the Final EIR.

7. Wastewater

a. Description

The Modified Project would include new residential, hotel, commercial, and related amenity uses that would generate wastewater requiring conveyance from the project site and treatment. The Modified Project has less development than the Original Project, with a varied mix of uses. There would be some reduction in wastewater generation with fewer residential units, however the Modified Project has larger unit sizes overall, increasing the amount of wastewater generation per unit. The Modified Project has an increase in banquet facilities as compared to the Original Project, but also has a decrease in the amount of commercial space. The wastewater generation for the Modified Project's development mix is estimated in Table 5-15, Alternative 4 – Estimated Wastewater Generation. As indicated, the Modified Project would generate a net increase of 186,087 gpd of wastewater.

b. Project Design Features

No Project Design Features are proposed for Wastewater.

c. Mitigation Measures

No Mitigation Measures are proposed for Wastewater.

d. Findings

Any impacts related to Wastewater use in the Modified Project would be less than significant. No mitigation is required.

e. Rational for Findings

The Original Project's impacts on wastewater conveyance and treatment in Section 4.K.2 Wastewater, of the Draft EIR estimates the Original Project's demand for wastewater conveyance and treatment to represent a net increase of approximately 198,247 gpd more than the 19,298 gpd generated by the existing hotel generation of wastewater. The analysis is based, in part, on the SCAR reports prepared by the Los Angeles Bureau of Engineering. The Original Project's analysis concludes that the Hyperion Treatment Plant would have sufficient capacity to treat the Project's wastewater, and there would be sufficient local infrastructure in place to provide the necessary conveyance of the wastewater. The Original Project would not result in a measurable increase in wastewater flows at a point where, and a time when, a sewer's capacity is already constrained or that would cause a sewer's capacity to become constrained. Therefore, the Draft EIR analysis of the Original Project's impacts on HTP capacity, as supported by the SCAR reports, concludes that Project impacts would be less than significant.

As stated in the Final EIR and second Errata, the Modified Project would reduce the amount of wastewater discharge by approximately 12,200 gpd, or approximately 6 percent. Therefore, flow impacts within the local sewer lines and demand for treatment at the HTP would be reduced. Impacts of the Modified Project would be less than those of the Original Project, and like the Original Project would be less than significant.

f. Reference

For a complete discussion of Wastewater, please see Section 4.K.2 of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(11) of the Final EIR.

F. Impacts the EIR Found to be Less Than Significant after Mitigation

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

1. Cultural Resources – Archaeological and Paleontological

a. Description

The Modified Project would require the implementation of a construction program similar to that of the Original Project. However, the maximum depth of excavation would be increased from approximately 45 feet/50 feet to 65 feet. The recorded history of the project site identifies a range of urban uses that would not require deep excavations. The Geotechnical Engineering Investigation for the Project, Appendix C-1 of the Initial Study in Appendix A of the Draft EIR, indicates that fill materials at the project site extend to approximately eight feet and that undisturbed soils lie beneath that level. Therefore, it is not likely that past activity extended below the Project's 50-foot depth. Accordingly, the increased depth of excavation would occur below the expected depth of potential Archeological and Tribal Cultural Resources.

Should the 20th century residential use resources or unknown tribal resources be present at the Project Site, they are likely to be closer to the surface in the area of the Project Site; and above

the Alternative's deeper excavation level (i.e. 50 feet or less below grade). The same mitigation measures would be implemented should resources be encountered.

b. Project Design Features

No Project Design Features are proposed for Archaeological and Paleontological Resources.

c. Mitigation Measures

Mitigation Measure ARCH-1: The Applicant shall retain a qualified Archaeologist who meets the Secretary of the Interior's Professional Qualifications Standards for an archaeologist, who shall supervise an archaeological monitor that will be present during construction excavations such as grading, trenching, grubbing, or any other excavation activity associated with the Project. The frequency of monitoring shall be determined by the Archaeologist based on the rate of excavation and grading activities, proximity to known archaeological resources, the materials being excavated (native versus fill soils), and the depth of excavation, and if found, the abundance and type of archaeological resources encountered. Full-time field observation can be reduced to part-time inspections or ceased entirely if determined appropriate by the Archaeologist.

Mitigation Measure ARCH-2: In the event that historic or prehistoric archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts or features, etc.) are unearthed during ground-disturbing activities, the Applicant shall halt or redirect ground-disturbing activities away from the vicinity of the find, so that the find can be evaluated by a qualified Archaeologist. A buffer area of at least 25 feet shall be established around the find where construction activities shall not be allowed to continue. Work shall be allowed to continue outside of the buffer area. All archaeological resources unearthed by Project construction activities shall be evaluated by the Archaeologist. The Applicant shall coordinate with the archaeologist and the City to develop an appropriate treatment plan for the resources if they are determined to be potentially eligible for the California Register or potentially qualify as unique archaeological resources pursuant to CEQA. Preservation in place (i.e., avoidance) shall be considered as a treatment measure first. If preservation in place is not feasible, treatment may include the implementation of archaeological data recovery excavations to remove the resource from the project site along with subsequent laboratory processing and analysis. Any archaeological material collected shall be curated at a public, non-profit institution with a research interest in the materials, such as the Natural History Museum of Los Angeles County or the Fowler Museum, if such an institution agrees to accept the material. If no institution accepts the archaeological material, it shall be donated to a local school or historical society for educational purposes. The Archaeologist shall determine the need for archaeological construction monitoring in the vicinity of the find thereafter.

Mitigation Measure ARCH-3: The Archaeologist shall prepare a final report and appropriate California Department of Parks and Recreation Site Forms at the conclusion of archaeological monitoring. The report shall include a description of resources unearthed, if any, treatment of the resources, results of the artifact processing, analysis, and research, and evaluation of the resources with respect to the California Register of Historical Resources. The report and the Site Forms shall be submitted by the Applicant to the City, the South Central Coastal Information Center, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project construction. The Applicant, in consultation with the archaeologist and the City, shall designate repositories meeting State standards in the event that archaeological material is recovered. Project material shall be curated in accordance with

the State Historical Resources Commission's Guidelines for Curation of Archaeological Collections.

Mitigation Measure PALEO-1: A qualified Paleontologist shall attend a pre-grade meeting and develop a paleontological monitoring program for excavations into older Quaternary Alluvium deposits. A qualified Paleontologist is defined as a Paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. The qualified Paleontologist shall supervise a paleontological monitor who shall be present during construction excavations into older Quaternary Alluvium deposits. Monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. The frequency of monitoring inspections shall be determined by the Paleontologist and shall be based on the rate of excavation and grading activities, proximity to known paleontological resources or fossiliferous geologic formations (i.e., Quaternary Alluvium deposits), the materials being excavated (i.e., native sediments versus artificial fill), and the depth of excavation, and if found, the abundance and type of fossils encountered. Full-time field observation can be reduced to part-time inspections or ceased entirely if determined adequate by the qualified Paleontologist.

Mitigation Measure PALEO-2: If a potential fossil is found, the paleontological monitor shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage. A buffer area of at least 25 feet shall be established around the find where construction activities shall not be allowed to continue. Work shall be allowed to continue outside of the buffer area. At the Paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.

Mitigation Measure PALEO-3: Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository. Any fossils collected shall be curated at a public, non-profit institution with a research interest in the materials, such as the Los Angeles County Natural History Museum, if such an institution agrees to accept the fossils. If no institution accepts the fossil collection, they shall be donated to a local school in the area for educational purposes. Accompanying notes, maps, and photographs shall also be filed at the repository and/or school.

Mitigation Measure PALEO-4: Following the completion of the above measures, the Paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.

d. Findings

Mitigation measures have been incorporated which avoid or substantially lessen the potentially significant impacts related to Cultural Resources- Archaeological and Paleontological to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR.

e. Rational for Findings

The Modified Project would involve excavations into soils with the potential to contain resources associated with former turn of the 20th century residential uses on the project site. If such

resources were to be present, potentially significant impacts on archaeological resources could occur unless mitigation measures were implemented. Mitigation measures are recommended that require monitoring of excavation activities with treatment, reporting and curation of resources should they be encountered. These measures would reduce impacts to less than significant levels. Further, as described in Section 4.C.1, Cultural Resources, Archaeological and Paleontological Resources, tribal consultation was carried out per the requirements of AB 52. No evidence was presented that tribal cultural resources exist at the project site; and therefore the Project would not result in a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code 21074.

Should the 20th century residential use resources or unknown tribal resources be present at the project site, they are likely to be closer to the surface in the area of the project site; and above the Alternative's deeper excavation level (i.e. 50 feet or less below grade). The same mitigation measures would be implemented should resources be encountered.

The City carried out its analysis pursuant to the requirements of AB 52. Subsequent to the completion of the Final EIR, comments were submitted to the City by Andrew Salas, Chairman, Gabrieleno Band of Mission Indians - Kizh Nation. This information pertains to the Zanja Madre (Mother Ditch) which is a component of the City's first municipal water system whose initial construction dates back to the founding of Los Angeles in 1781. Other segments were added in the 19th century and it was abandoned as a City water system around 1904. According to the 1884 Stevenson Tract Map of Los Angeles and historic photographs, a segment of the Zanja system was formerly located along the sidewalk on the western side of Figueroa Street and was known as Zanja No. 8-R. According to Gumprecht (2001), Zanja No. 8-R was originally constructed as an earthen ditch and was later improved as a concrete conduit in the 1880s. Since it ran along the sidewalk on the western side of Figueroa Street across from the Project Site, any remnants of it that may still exist are not expected to be impacted by the Project. Further, it is unlikely that any prehistoric archaeological resources (e.g., hearths, burials, stone tools, shell and faunal bone remains, etc.) are located within the Project Site as they have likely been displaced by past construction and development activities at the Project Site. Moreover, although the proposed excavations are likely to extend to a depth (excavations would reach up to 65 feet below grade under the Modified Design Alternative) that has yet to be disturbed by former development activities at the Project site, it is still unlikely that any prehistoric archaeological resources would be encountered since the deposits at these depths would be conducive to retaining archaeological resources.

As there was no substantial evidence of tribal resources, the City has proposed a Condition of Approval for the Project to clarify procedures to be followed in the event a potential tribal cultural resource is encountered during construction. If such resources were to be encountered during construction of the Project, the archaeological monitor required under the Project's mitigation measures would notify the City who would subsequently implement the Conditions of Approval regarding inadvertent tribal cultural resource discoveries. These conditions include halting construction in the vicinity of the find and notifying Native American groups and soliciting input from them regarding treatment of the discovery. The proposed Condition of Approval is as follows:

In the event that objects or artifacts that may be tribal cultural resources are encountered during the course of any ground disturbance activities¹, all such activities shall temporarily cease on

¹ Ground disturbance activities shall include the following: excavating, digging, trenching, plowing, drilling, tunneling, quarrying, grading, leveling, removing peat, clearing, pounding posts, augering, backfilling, blasting, stripping topsoil or a similar activity

the project site until the potential tribal cultural resources are properly assessed and addressed pursuant to the process set forth below:

- Upon a discovery of a potential tribal cultural resource, the project Permittee shall immediately stop all ground disturbance activities and contact the following: (1) all California Native American tribes that have informed the City they are traditionally and culturally affiliated with the geographic area of the proposed project; (2) and the Department of City Planning at (213) 473-9723.
- If the City determines, pursuant to Public Resources Code Section 21074 (a)(2), that the object or artifact appears to be tribal cultural resource, the City shall provide any effected tribe a reasonable period of time, not less than 14 days, to conduct a site visit and make recommendations to the Project Permittee and the City regarding the monitoring of future ground disturbance activities, as well as the treatment and disposition of any discovered tribal cultural resources.
- The project Permittee shall implement the tribe's recommendations if a qualified archaeologist, retained by the City and paid for by the project Permittee, reasonably concludes that the tribe's recommendations are reasonable and feasible.
- The project Permittee shall submit a tribal cultural resource monitoring plan to the City that includes all recommendations from the City and any effected tribes that have been reviewed and determined by the qualified archaeologist to be reasonable and feasible. The project Permittee shall not be allowed to recommence ground disturbance activities until this plan is approved by the City.
- If the project Permittee does not accept a particular recommendation determined to be reasonable and feasible by the qualified archaeologist, the project Permittee may request mediation by a mediator agreed to by the Permittee and the City who has the requisite professional qualifications and experience to mediate such a dispute. The project Permittee shall pay any costs associated with the mediation.
- The project Permittee may recommence ground disturbance activities outside of a specified radius of the discovery site, so long as this radius has been reviewed by the qualified archaeologist and determined to be reasonable and appropriate.
- Copies of any subsequent prehistoric archaeological study, tribal cultural resources study or report, detailing the nature of any significant tribal cultural resources, remedial actions taken, and disposition of any significant tribal cultural resources shall be submitted to the South Central Coastal Information Center (SCCIC) at California State University, Fullerton.
- Notwithstanding the above, any information determined to be confidential in nature, by the City Attorney's office, shall be excluded from submission to the SCCIC or the general public under the applicable provisions of the California Public Records Act, California Public Resources Code, and shall comply with the City's AB 52 Confidentiality Protocols.

Therefore, impacts of the Modified Project on archaeological and tribal cultural resources would be similar to those of the Original Project, and like the Original Project, would be less than significant with mitigation.

The analysis of the Project's impacts on paleontological resources indicates that Project grading and excavation may encounter native soil/sediment associated with older Quaternary Alluvium, the Fernando Formation, and the Puente Formation deposits below the previously disturbed ground surface levels. These formations have high potential for containing buried paleontological resources. As a result, the potential exists for construction to directly or indirectly destroy buried unique paleontological resources or sites or unique geologic features. Impacts to

buried paleontological resources are considered potentially significant. Therefore, the Project includes mitigation measures to avoid adverse effects on paleontological resources. These measures would include a monitoring program and treatment/curation of discovered fossils.

The difference in the likelihood of encountering paleontological resources between the Original Project and Modified Project would be minimal. Mitigation measures would be implemented for monitoring, and treatment/curation of discovered fossils. With mitigation, encountering of resources would allow for new resource recovery, and impacts would be similar to those of the Original Project. As was the case with the Original Project, impacts would be less than significant with mitigation.

f. Reference

For a complete discussion of Cultural Resources – Archeological and Paleontological, please see Section 4.C.1 of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(3) of the Final EIR.

2. Hazards and Hazardous Materials

a. Description

The project site is listed in federal and state databases as having hazardous materials conditions on site in the past and present, including a sealed 530 gallon diesel underground storage tank.

The Project would demolish all existing on-site improvements (i.e., the Luxe Hotel, the podium parking structure, surface parking lots, and all other related improvements) in order to construct a new mixed-use hotel, residential and commercial development as further described in Chapter 2, Project Description, of this EIR. Parking for vehicles would be provided within the three subterranean levels of the Podium structure. To accommodate three subterranean levels, the Project would excavate the project site to a depth of approximately 65 feet bgs, resulting in the excavation of approximately 201,944 cubic yards of soil material, all of which would be exported off-site. The 530-gallon diesel UST and associated piping abandoned in place beneath the existing hotel driveway and landscaped median would be removed during the Project's demolition and excavation phases in accordance with the provisions of the Covenant and Agreement recorded with the City on June 21, 2013, including the required permitting, soil sampling and testing, and reporting to the LAFD.

Demolition of the existing improvements, excavation and grading of the project site, and construction of the Project's podium structure and mixed-use buildings would comply with the existing regulations cited in the Regulatory Section, including those pertaining to hazardous materials management, and the detailed regulatory procedures for ACMs and LBP. Project improvements would also incorporate the recommendations of the Phase I ESA and Soil and Soil Gas Investigation prepared for the Project.

b. Project Design Features

PDF-HAZ-1: Removal of UST and Associated Piping: The 530-gallon diesel UST and associated piping abandoned in place beneath the existing hotel driveway and landscaped median shall be removed in accordance with the provisions of the Covenant and Agreement recorded with the City on June 21, 2013, including the required permitting, soil sampling and testing, and reporting to the LAFD.

c. Mitigation Measures

Mitigation Measure HAZ-1: Soil Management Plan. Because the project site contains subsurface contaminants that would be encountered during excavation activities, the Applicant shall retain a qualified environmental consultant to prepare a Soil Management Plan for Contaminated Soils (SMP) during Project design development, which will be submitted to the City of Los Angeles Department of Building and Safety for review and approval prior to the commencement of excavation and grading activities. The SMP shall be implemented during excavation and grading activities on the project site to ensure that any contaminated soils are properly identified, excavated, and disposed of off-site, as follows:

- The SMP shall be prepared and executed in accordance with South Coast Air Quality Management District (SCAQMD) Rule 1166, Volatile Organic Compound Emissions from Decontamination of Soil. The SMP shall require the timely testing and sampling of soils so that contaminated soils can be separated from inert soils for proper disposal. The SMP shall specify the testing parameters and sampling frequency. Anticipated testing includes total petroleum hydrocarbons (TPH), volatile organic compounds (VOCs), and semi-volatile organic compounds (SVOCs). During excavation, Rule 1166 requires that soils identified as contaminated shall be sprayed with water or another approved vapor suppressant, or covered with sheeting during periods of inactivity of greater than an hour, to prevent contaminated soils from becoming airborne. Under Rule 1166, contaminated soils shall be transported from the project site by a licensed transporter and disposed of at a licensed storage/treatment facility to prevent contaminated soils from becoming airborne or otherwise released into the environment.
- Prior to the commencement of grading and excavation, the findings of the Phase I Environmental Site Assessment (ESA) for the LUXE City Center Hotel and Summary Report for Limited Soil and Soil Gas Investigation, Luxe Hotel shall be reported to the County of Los Angeles Fire Department Health and Hazardous Materials Division (HHMD), Site Mitigation Unit (SMU) (323-890-4045) and the Los Angeles Fire Department (LAFD) for review and comment. The recommendations of the HHMD and LAFD shall be incorporated in the SMP.
- A qualified environmental consultant shall be present on the project site during grading and excavation activities in the known or suspected locations of contaminated soils or the UST, and shall be on call at other times as necessary, to monitor compliance with the SMP and to actively monitor the soils and excavations for evidence of contamination.
- The diesel underground storage tank (UST), transfer pump, and approximately 200 feet of piping currently abandoned in place under the existing hotel driveway shall be removed in accordance with the Covenant and Agreement dated June 25, 2013 and Los Angeles Municipal Code (LAMC) Section 57.31.52 (Abandonment of Underground Storage Tanks). As required by LAMC Section 57.31.52, the Applicant shall notify the LAFD prior to tank removal, inert (remove or neutralize any flammable materials and vapors) the UST prior to transport, and establish to the satisfaction of the LAFD that no release of hazardous materials has occurred. The UST shall be properly disposed of by a licensed contractor in accordance with applicable regulations.
- During the Project's excavation phase, the Project Applicant shall remove and properly dispose of impacted materials in accordance with the provisions of the SMP. If soil is stockpiled prior to disposal, it will be managed in accordance with the Project's Storm Water Pollution Prevention Plan, prior to its transfer for treatment and/or disposal. All impacted soils would be properly treated and disposed of in accordance with South

Coast Air Quality Management District (SCAQMD) Rule 1166, Volatile Organic Compound Emissions from Decontamination of Soil, as well as applicable requirements of the California Department of Toxic Substances (DTSC), and Los Angeles Regional Water Quality Control Board (LARWQCB).

Mitigation Measure HAZ-2: Health and Safety Plan. Given the presence of known soil contamination on at least the northern portion of the project site, a Health and Safety Plan shall be prepared in compliance with OSHA Safety and Health Standards (29 Code of Federal Regulations 1910.120) and Cal/OSHA requirements (CCR Title 8, General Industry Safety Orders and California Labor Code, Division 5, Part 1, Sections 6300-6719) and submitted for review by the Department of Building and Safety. The Health and Safety Plan would address, as appropriate, safety requirements that would serve to avoid significant impacts or risks to workers or the public in the event that elevated levels of subsurface gases are encountered during grading and excavation. The Health and Safety Plan would also address potential vapor encroachment from the soil contamination from the former gas station into the subterranean levels of the building. Gas monitoring devices would be in place to alert workers in the event elevated gas or other vapor concentrations occur when basement slab demolition or soil excavation is being performed. Contingency procedures would be in place in the event elevated gas concentrations are detected, such as the mandatory use of personal protective equipment, evacuation of the area, and/or increasing ventilation within the immediate work area. Workers would be trained to identify exposure symptoms and implement alarm response. Construction fencing would be installed around development areas to restrict public access from surrounding properties and other Phases of the project site, further reduce the potential for contaminated soils to become airborne, and provide additional distance between the public and excavation activities to allow for gas and vapor dilution. The Health and Safety Plan would have emergency contact numbers, maps to the nearest hospital, gas monitoring action levels, gas response actions, allowable worker exposure times, and mandatory personal protective equipment requirements. The Health and Safety Plan would be signed by all workers involved in the demolition and excavation of on-site soils to demonstrate their understanding of the risks of excavation.

Mitigation Measure HAZ-3: Additional Site Testing. The Applicant shall conduct additional subsurface soil and a soil gas sampling and testing in accordance with the recommendations of the Summary Report for Limited Soil and Soil Gas Investigation, Luxe Hotel, prepared by Terra-Petra and dated June 27, 2016. The additional site testing shall be completed in the location of existing on-site structures, subsequent to their demolition and prior to the excavation of soils at these locations. The findings of the soil and soil gas sampling effort shall be documented in a revised Soil and Soil Gas Investigation Report, which shall be submitted to the Los Angeles Department of Building and Safety and Los Angeles Fire Department prior to the commencement of excavation in the location of the former structures. Any additional recommendations pertaining to remediation, public health, and worker safety in the revised Soil and Soil Gas Investigation Report shall be incorporated into an updated Soil Management Plan and Health and Safety Plan.

d. Findings

Mitigation measures have been incorporated which avoid or substantially lessen the potentially significant impacts related to Hazards and Hazardous Materials to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR.

e. Rational for Findings

Changes or alterations and mitigation measures have been required in, or incorporated into, the project which avoid or substantially lessen the potentially significant impacts associated with hazards and hazardous materials, as identified in the Initial Study to the Draft EIR, to less than significant levels.

A gas station and repair shop at the intersection of Figueroa Street and Olympic Boulevard was removed from the project site in 1990 and replaced with the existing surface parking lot. During removal of the gas station, soil contamination was reported at the USTs and fuel dispensers. Although a VES remediation system removed 90 percent of the total estimated gasoline that leaked from the station (over 5,000 pounds) and LAFD issued a No Further Action letter on June 10, 1994, soil testing conducted for the Project's Soil and Soil Gas Investigation revealed the continued presence of low- to high-concentrations of gasoline, BTEX, and VOCs in a clayey soil layer and extending from approximately 30 to 40 feet bgs. Because the Project proposes excavation to a depth of 65 feet bgs to accommodate up to three subterranean levels, these soils would likely require special handling during excavation, including additional analytical characterization, soil segregation, and transport off-site to be recycled/disposed of in accordance with Federal, State and local regulations. In addition, a 530-gallon diesel UST, transition pump, and associated underground piping were abandoned in place below the existing hotel driveway and landscaped median under a Covenant and Agreement with the City. Petroleum hydrocarbons were identified in shallow soil samples in the vicinity of the abandoned UST and associated piping. Specifically, soil sampling reported low levels of benzene and toluene at a depth of 15 feet bgs and low levels of diesel in two samples at a depth of 4 feet bgs. The removal of these facilities and low levels of petroleum hydrocarbons would also require special handling during demolition of the Luxe Hotel and excavation of the project site. The need for excavation, removal, transport, or recycling/disposal of contaminated soils or the abandoned fuel facilities soils is considered a potentially significant impact.

In addition, the Phase I ESA identified that ACMs and LBPs are likely present in the building. The removal of ACMs would be subject to specific and detailed SCAQMD and Cal/OSHA requirements to ensure proper training, containment, handling, notification, and disposal and would be performed by a licensed asbestos abatement contractor. As required by SCAQMD Rule 1403, the existing Luxe Hotel building and all other improvements proposed for demolition would be surveyed for the presence of ACMs. The removal of LBP would be subject to specific and detailed Cal/OSHA requirements to ensure proper containment, handling, notification, and monitoring and would be performed by a licensed LBP abatement contractor.

Elevated methane levels were found at two deep soil probes (DP-1 and DP-2) at the north corner of the project site. Because the project site is located in a City-designated Methane Zone and methane is known to be present in subsurface soils, the Project would implement a methane mitigation system designed in accordance with Division 71 of LAMC 91.7104, as recommended by the Soil and Soil Gas Investigation.

Construction of the Project would involve the temporary use of hazardous substances in the form of paint, adhesives, surface coatings and other finishing materials, and cleaning agents, fuels, and oils. All materials would be used, stored, and disposed of in consumer quantities and in accordance with applicable laws and regulations and manufacturers' instructions.

The Project would not have cumulatively considerable impacts related to solid contamination, materials and conditions during demolition, health hazards related to methane, or exposure of persons to substantial risk resulting from the release of hazardous materials.

Compliance with regulatory procedures and with Mitigation Measures HAZ-1, HAZ-2, and HAZ-3 will mitigate all impacts to less than significant.

f. Reference

For a complete discussion of Hazards, please see Section 4.E of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(5) of the Final EIR.

3. Public Services – Fire, Police, Library and Parks

a. Description

Construction of the Modified Project would include demolition of the existing hotel, excavation and building assembly similar to that of the Project. These activities involve potential exposure to hazardous materials and conditions for site workers, potential exposure to accidents, and the need for site access to and from the adjacent streets.

Fire. Upon completion, the operations of the Modified Project would add new population, employment, and visitor activity at the project site, increasing the potential need for fire and/or emergency services. The total floor area of the Modified Project would be 936,712 square feet, with two towers, a residential tower and a hotel tower. The 435 residential units would generate 709 residents. The commercial area would be 58,959 square feet. The Modified Project would include the same Project Design Features and regulatory provisions as the Project that support public safety and facilitate the provision of services. Regulatory measures include such items as fire safety features (sprinklers emergency procedures), design (including LAFD accessibility), construction, water flow/hydrants, and LAFD plan review pursuant to applicable standards. A Project Design Feature, a Construction Management Program would also be implemented during the construction phase.

Police. Construction of the Modified Project would include demolition of the existing hotel, excavation and building assembly similar to that of the Project. These activities would involve the storage of equipment, building materials, vehicles, and temporary offices that would be subject to theft or vandalism. Upon completion, the Modified Project would add new population, employment and visitor activity at the project site increasing the potential need for police and emergency services. The residential population would require an estimated additional 7.6 new officers to maintain the existing service ratio of one officer per 93 persons at the Central Community Police Station, which serves the project site. Based on factors in the L.A. CEQA Thresholds Guide, a non-residential population of 422 persons would result in a potential demand for an additional 4.45 officers. While the site population for the uses would be varied, the general massing of development and the nature of the Site activities would be similar to that proposed for the Project.

Library. The analysis of Project impacts to library services is contained in Section 4.1.3 of the Draft EIR; and it addresses Project impacts during both Project construction and Project operations to serve the on-site population, employees and workers.

Parks. During the construction phase of the Modified Project, the construction workforce would come from a regional pool of workers who would travel to the site to perform their work activities and return to their homes at the end of the day. Some workers may visit area parks for lunch or recreational activities; however, such park usage would be limited and would not occur on a long-term basis.

Once development is completed, the operations of the Modified Project would produce an on-site population of 709 new residents that would generate a need for park and recreation facilities. The Modified Project would also provide on-site recreation facilities for its residents, as well as provide recreation facilities for its hotel guests and plaza/public open space for pedestrians/visitors in the area. The on-site recreation facilities, including a fitness center and a pool, have been designed to meet the residents' primary recreational needs in a manner consistent with City regulations for the provision of open space.

Facilities for hotel visitors would include a variety of recreation facilities and rooftop gardens. The ground level plazas would provide landscape features and potential public art display as well as seating area that would provide refuge to pedestrians along the sidewalk. The Modified Project would include a total of 51,200 square feet of open space, inclusive of 8,300 square feet of public plaza area, 19,800 square feet of common open space and 23,100 square feet of private open space. The amount of open space provided by the Modified Project that would be credited per the City's code requirements. As indicated, the Modified Project would provide approximately 29,090 square feet, or 0.67 acres of such space. The Modified Project would therefore meet the required amount of open space, 25,988 square feet, or 0.60 acres.

b. Project Design Features

For Fire Protection and Police Protection, see Project Design Features PDF-TRAF-1. No project design features for Libraries or Parks and Recreation.

c. Mitigation Measures

Mitigation Measure FIRE-1: Fire Hydrant. Based on an assessment of LAFD requirements, at least one new fire hydrant will be required to serve the Project. Prior to the construction of the Project, the Applicant shall provide the LAFD specifications, including but not limited to, the number and placement of fire hydrants for each phase of the Project pursuant to Division 9, Section 57.09.06 of the Fire Code. The number, placement of new hydrant(s), and associated specifications, shall be subject to LAFD review and approval, with installation of such improvements undertaken by LADWP as part of project site preparation activities.

Mitigation Measure POL-1: Prior to the occupancy of the Project, the Applicant shall provide the Central Area Commanding Officer with a diagram of each portion of the property, including access routes, and additional information to facilitate potential LAPD responses.

No mitigation measures for Libraries or Parks and Recreation.

d. Findings

Mitigation measures have been incorporated which avoid or substantially lessen the potentially significant impacts related to Police Protection to less than significant levels, as identified in the Initial Study and evaluated in the Draft EIR and Final EIR. The Project has no significant impacts related to Libraries or Parks and Recreation, and no mitigation is required.

e. Rational for Findings**(1) Fire**

The analysis of the potential impact on fire protection and emergency services contained in Section 4.1.1 of the Draft EIR indicates that the Original Project would have less than significant impacts during construction and operations. The analysis of construction impacts indicates that the Original Project's construction impacts would be limited due to (1) Occupational Safety and Health Administration (OSHA) and Fire and Building Code requirements to protect workers from hazards and hazardous materials and provide on-site emergency procedures; (2) the Construction Management Program to control impacts on traffic movements on streets adjacent to the project site; and (3) accessibility to fire services. Therefore, construction impacts of the Modified Project would be similar to those of the Original Project.

The analysis of operations impacts indicates that the project site has access to adequate fire services with relatively low response times, adequate distance to nearby fire stations, has sufficient water flow for firefighting service, and as such would not require the addition of new facilities, which would result in a substantial adverse physical impact on the environment, in order to maintain service. Further, the Project meets regulatory requirements that provide for the public safety and that reduce the demand for firefighting responses.

With a reduced demand for services due to reduced population, reduced commercial space, and reduced building volume, and with the same design features, fire station distance and response times, water flow for firefighting service, and regulatory provisions as the Original Project, impacts of the Modified Project on fire and emergency services would be less than those of the Original Project. The Modified Project would therefore also not require the addition of a new fire facility, or the expansion, consolidation, or relocation of an existing facility in order to maintain service. As such, the potential for physical impacts associated with construction of fire service facilities would be less than significant.

(2) Police

The analysis of the potential impact on police services contained in Section 4.1.2, of the Draft EIR addresses impacts due to Project construction and operations. The analysis of impacts during construction concludes that the construction impacts would be less than significant. The Project also includes provisions to reduce the need for LAPD services, including MM-POL-1. These include: limited access to construction areas, private security services, construction fencing with locked/gated entry, and flagging and traffic control as components of a larger construction management program. With these procedures there would be no notable increase in police services serving the project site; and therefore no need for the construction of police facilities to accommodate construction population. Therefore, construction impacts of the Modified Project would be similar to those of the Original Project.

The analysis of impacts due to Project operations is based on an evaluation of the Original Project's increased demand for police services and Project security features that would reduce potential impacts. The analysis estimates that the Project would generate a need for 11 new officers based on residential population and a need for an additional 4.5 officers based on non-residential population, if the non-residential population is considered as residential population and the service ratio were to remain constant. At the same time, the Project includes numerous security features that would reduce Project impacts and reduce the need for police services. These include, among other provisions, CCTV, restriction of access to non-public areas by electronically controlled and locking access cards, controlled access to parking structures, and 24-hour on-site security, including four to five private security staff. These security features

reduce crime, allow site personnel to address many emergency situations, and facilitate the LAPD in providing services to the site. This reduces the need for additional police services or the provision of new police facilities. As such, the Project would not generate additional demand for police services that would require additional police facilities and impacts on police services would be less than significant.

Compared to the Original Project, the Modified Project would reduce the estimated need for additional officers by approximately 3.3 officers for residential development, and similar number of officers in non-residential population. The Modified Project would include similar safety provisions including MM-POL-1 to reduce potential impacts and facilitate the provision of services. With the reduced demand for services, and the same on-site security provisions, impacts of the Modified Project on police and emergency services would be less than those of the Original Project. The Modified Project would therefore also not require the addition of a new police facility, or the expansion, consolidation, or relocation of an existing facility in order to maintain adequate service. As such, the potential for physical impacts associated with construction of police service facilities would be less than significant.

(3) Library

The analysis of construction impacts notes that there are no libraries located in the immediate vicinity that would be affected by construction activities; and use of libraries by construction worker would be limited. Library stops amongst the regional work force may increase library use at one location while reducing it at another. Library effects would be temporal, occurring on a short-term basis. Therefore, increase in demand for library services would be negligible and less than significant.

The analysis of operations impacts indicates that the Project's population of 1,060 new residents would obtain library services primarily from the Richard J. Riordan Central Library, located less than one-mile away, as well as five other libraries in the Project vicinity. Most residents are expected to utilize the Central Library, with Pico Union Branch Library second most likely to be used. The Central Library serves the entire LAPL service area, and is a unique facility with resources that go beyond what is provided through local and regional branch libraries. To the extent that the Pico Union Branch Library might be used, that library has a capacity of 45,000 persons with a current service population of 34,339. If every one of the Project's 1,060 residents chose to patronize this library, it would only comprise approximately 10 percent of the additional resident population that could be accommodated. This is a nominal increase in demand, and this library's existing service level would be maintained without an additional library or alterations to the existing library. Impacts on library services would be less than significant.

The Modified Project's impact on library services during construction would be similar to that of the Original Project. In both cases, such use would be minimal and of short-term. Therefore, increase in demand for library services would also be negligible and less than significant. Upon completion of construction, operations of the Modified Project would generate a new residential population of approximately 709 residents that would use local libraries. During operations, the impacts of Modified Project would be less than those of the Original Project due to the reduction of site population by 351 residents. With a reduced residential population and demand for the same library facilities, impact of the Modified Project would be less than that of the Original Project. As was the case with the Project, impacts on library services would not require the provision of new library facilities in order to maintain service, the construction of which would lead to significant environmental effects. Impacts would be less than significant.

(4) Parks

The Modified Project complies with the City's open space requirements, as defined in Section 12.21.G of the LAMC and modified per provisions of the Downtown Design Guide, and Section 12.22.A.30 that implements the provisions of the Downtown Design Guide. The Downtown Design Guide provisions allow for 50 percent reductions in the total amount of open space otherwise required for a Project under the LAMC, provided that the development's open space provides value to off-site/pedestrian population in the Downtown Area. The Modified Project would be required to provide 25,988 square feet of open space upon construction of the Residential Tower in Phase 2.

The analysis of Original Project impacts contained in Section 4.1.4 of the Draft EIR, evaluates the Original Project's impacts during construction and operations of the Original Project. The analysis of construction impacts indicates that there are no parks adjacent to the project site that would be affected by Project construction and that worker use of parks should it occur would be limited and not on a long-term basis. Also, potential park use would likely occur during the day and would not overlap with peak evening and week-end park usage. The short-term workers would not require new park facilities and impacts on parks would be less than significant.

The analysis of the Original Project's impacts on parks and recreation during the operations phase is based on the Original Project's increase in demand from 650 residential units with an estimated 1,060 residents. The analysis of the Original Project's provision of 1.62 acres of recreation and open space concludes that the Project would have less open space than would be required under the Public Recreation Plan's (PRP) long-range standard of four acres per 1,000 persons, i.e. 4.24 acres for the Original Project's 1,060 residents, and less open space than the PRP's more attainable short- and intermediate-range standard of two acres per 1,000 persons, i.e., 2.12 acres for the Project's 1,060 residents. However, the 1.62 acres of recreation and open space would be sufficient to meet the requirement of 1.61 acres per LAMC Section 12.21.G. The Project would also provide for dedication of land for park uses and/or in-lieu fees to offset the park impacts of new residential development pursuant to LAMC Section 17.12. The Original Project would meet these requirements through a provision of on-site recreation amenities and payment of fees.

The Modified Project's reduction in the number of units and population results in a reduced requirement for on-site recreation and open space facilities. The character of the open space program is similar to that of the Original Project, incorporating its ground level plaza area for the general public, a large amount of common open space for its tenants and private open space for residents in individual units. The Modified Project reduces the total amount of required open space from approximately 81,750 square feet to 51,200 square feet.

As was the case with the Original Project, the Modified Project would have less open space than needed to meet the PRP long-range and intermediate range standards for the provision of park and recreation space. At the same time, the Modified Project's 29,090 square feet of open space would meet the LAMC code requirement of 25,988 square feet of open space.

While the Modified Project's open space has been reduced overall and reconfigured, the modifications to the Project would improve the ground level public plaza provisions, and provide common area recreation and open space areas that, like the Original Project's, would reduce demand for public park space. Furthermore, like the Original Project, the Modified Project would mitigate potential impacts on park services through the payment of Quimby park and recreation fees. Therefore, the impacts of the Modified Project on park services would be

similar to those of Original Project, and as is the case with the Original Project, would be less than significant.

f. Reference

For a complete discussion of Public Services - Fire Protection, Parks and Recreation, Libraries and Police Protection, please see Section 4.1, Subsections 1, 2, 3 and 4 of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, (4)(B)(9) of the Final EIR.

G. Impacts the EIR Found to be Significant and Unavoidable After Mitigation

The following impact areas were concluded by the Draft EIR and the Revised Draft EIR to be significant and unavoidable with the implementation of the mitigation measures described in the Final EIR. Section 21081 of the California Public Resources Code and Section 15093(b) of the CEQA Guidelines provide that when the decision of a public agency allows the occurrence of unavoidable significant impacts, the agency must state in writing the reasons to support its action based on the EIR and/or other information in the record. Specifically, pursuant to CEQA Guidelines Section 15093(b), the decision maker must adopt a Statement of Overriding Considerations at the time of approval of a project if it finds that significant unavoidable adverse environmental effects would occur. As the Modified Project would result in significant unavoidable impacts, a Statement of Overriding Considerations that addresses these impacts is presented in Section XII, Statement of Overriding Considerations, of these Findings.

1. Cultural Resources – Historic Resources

a. Description

The Modified Project is adjacent on Olympic Boulevard to the Petroleum Building, a City historic-cultural monument. The analysis of Original Project and Modified Project impacts during construction concluded that vibration impacts on the Petroleum Building have the potential to exceed a vibration threshold should the consent of the property owner not be secured for the installation of continuously operational automated vibrational monitors on the Petroleum Building as prescribed in recommended Mitigation Measure MM-NOISE-2. Therefore, direct impacts of the Original Project on the Petroleum Building were conservatively concluded to be significant and unavoidable.

The Modified Project would demolish the existing Luxe Hotel and replace it with a new residential, hotel, and commercial mixed-use Project with new towers and a Podium. The location of these structures would be substantially similar to that of the Original Project, however the residential tower at 11th Street and Flower Street would be eliminated. Increased spacing between the remaining Residential Tower and the Petroleum Building would provide a larger buffer space between the Project building and the historic structure and provide a larger viewing angle of the wall sign on the western façade of the Petroleum Building.

b. Project Design Features

No Project Design Features are proposed for Historical Resources.

c. Mitigation Measures

See Mitigation Measure NOISE 2.

d. Findings

Mitigation measures have been incorporated into the Project which substantially lessen the potentially significant impacts related to Historic Resources, as identified in the Draft EIR and Final EIR. However, although such measures would reduce the impact, the Project may result in temporary noise and vibration impacts to an adjacent historic structure during construction above the relevant thresholds, and therefore, Project historic structure impacts during construction would be significant and unavoidable.

e. Rational for Findings

The Luxe Hotel does not qualify as a historical resource under CEQA. Because the Luxe Hotel is not a historical resource, no impacts associated with the demolition of the Luxe Hotel building would occur. The analysis of Project impacts concluded that the Project would not create changes in the Project vicinity that would reduce or materially impair the integrity or significance of important nearby historical resources. Notably, the primary elevations of the Petroleum Building fronting W. Olympic Boulevard and S. Flower Street would not be affected by the Project and would remain fully visible from the public right of way. The Project would be set back along W. Olympic Boulevard to maintain views of the west corner and west façade of the Petroleum Building and Residential Tower 2 would be set back 20 feet from the west elevation of the Petroleum building to create a buffer between the Petroleum Building and Residential Tower 2; and the digital signage is similar to other signage placed along S. Figueroa Street, displayed at LA LIVE and 717 W. Olympic Boulevard. Therefore, the Project's indirect impacts would be less than significant. The Modified Project would have a similar relationship to the Petroleum Building, but is even more beneficial, because the podium is set back from Olympic Boulevard to allow greater views of the Petroleum Building, and the podium is set back further from the adjacent property line to allow greater separation between the two buildings.

Therefore, indirect impacts would be less than the already less than significant impacts of the Original Project. Direct impacts of the Modified Project would be similar to those of the Original Project. Demolition of the Luxe Hotel would not be significant; however, vibration damage to the Petroleum Building could remain potentially significant, as with the Original Project. The Original Project's Mitigation Measure MM-Noise-2 also would be recommended for the Modified Project; however as is the case with the Original Project, its implementation cannot be assured and therefore the direct impact would be considered potentially significant.

f. Reference

For a complete discussion of Historic Resources- Cultural Resources, please see Section 4.C.2 of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(3)(iii) of the Final EIR.

2. Noise and Vibration – Construction

a. Description

The Modified Project would require a construction program including demolition, grading/excavation, foundation placement, building construction, and finishing/paving. The general construction activities would be similar to those of the Original Project, although the amount of excavation would be increase to accommodate the Modified Project's subterranean parking. The added excavation would be accommodated by extending the construction schedule by approximately 23 days for Phase 1 and approximately 16 days for Phase 2. The maximum construction activity that could occur on a given day, the basis for the analyses of

construction noise impacts, would generally be similar. Similar to the Original Project, the Modified Project would result in a significant impact due to construction noise at nearby sensitive receptors (multi-family residential uses). The Modified Project would include the implementation of mitigation measures (i.e., sound barriers) to substantially reduce construction noise impacts. However, as with the Original Project, even with implementation of the sound barriers, noise associated with the Modified Project would be expected to increase ambient noise levels at nearby multi-family residential uses by 5 dBA or more, notably at upper floor levels, resulting in a significant unavoidable construction noise impact.

b. Project Design Features

PDF-NOISE-1: Equipment Noise Control. The Project contractor(s) shall equip all construction equipment, fixed or mobile, with properly operating and maintained noise mufflers, consistent with manufacturers' standards. All equipment shall be properly maintained. Construction contractor shall keep documentation on-site demonstrating that the equipment has been maintained in accordance with the manufacturer's specifications.

PDF-NOISE-2: On-site construction equipment staging area shall be located as far as feasible from on-site sensitive uses. Construction contractor shall keep documentation on-site demonstrating compliance with this measure.

PDF-NOISE-3: Engine idling from construction equipment such as bulldozers and haul trucks shall be limited no more than five minutes in compliance with applicable California Air Resources Board regulations. Construction contractor shall keep documentation on-site demonstrating compliance with this measures

PDF-NOISE-4: Effective noise barriers will be designed and erected as needed to shield on-site uses from excessive construction-related noise, to comply with Los Angeles Municipal Code noise requirements, including those set forth in Chapter XI, Article 2 of the Los Angeles Municipal Code. At plan check, building plans shall include documentation prepared by a noise consultant verifying compliance with this measure.

PDF-NOISE-5: Future on-site residents will be notified prior to purchase/lease that construction is planned within close proximity to on-site residential uses.

PDF-NOISE-6: Air conditioners, fans, generators, and related equipment will be designed to not to exceed the ambient noise levels by more than five (5) dBA at offsite residential uses. At plan check, building plans shall include documentation prepared by a noise consultant verifying compliance with this measure.

PDF-NOISE 7: Amplified Speaker Noise Limit: Prior to the use of amplified sound equipment on the outdoor terrace located near the intersection of S. Flower Street and 11th Street, the sound levels of amplified sound equipment shall be limited to the following levels as measured by a handheld sound level meter that meets the American National Standards Institute (ANSI) S1.4 standards or equivalent standards:

- For the use of two amplified speakers, each speaker shall be limited to a maximum sound level of 90 dBA as measured 5 feet away from each speaker. Two measurements shall be taken for each speaker: one between the speaker and S. Flower Street and one between the speaker and 11th Street.

- For the use of four amplified speakers, each speaker shall be limited to a maximum sound level of 88 dBA as measured 5 feet away from each speaker. Two measurements shall be taken for each speaker: one between the speaker and S. Flower Street and one between the speaker and 11th Street. The third and fourth speakers shall be located towards the interior no closer than 100 feet from the edge of the outdoor terrace nearest to S. Flower Street and 11th Street.
- Events and speaker operation on the outdoor terrace shall be limited to daytime and evening use between 8:00 a.m. and 10:00 p.m.
- Logs shall be maintained demonstrating that noise measurements have been taken prior to events with amplified speakers using sound level meters that meet the ANSI S1.4 standards or equivalent standards. The logs shall also document the locations of speakers in an event plan map, photographs, or other appropriate means. The logs shall be maintained on-site for a period of no less than two years and made available to the City upon request.

c. Mitigation Measures

Mitigation Measure NOISE-1: Temporary noise barriers shall be used to block the line-of-site between the construction equipment and the noise-sensitive receptors during project construction, as follows:

Provide a temporary 15-foot tall construction fence equipped with noise blankets capable of achieving sound level reductions of at least 14 dBA between the Project construction site and residential uses (R3) across S. Flower Street during Construction Phase 1. At plan check, building plans shall include documentation prepared by a noise consultant verifying compliance with this measure.

Mitigation Measure NOISE-2: To avoid or minimize potential construction vibration damage to finish materials on or within the Petroleum Building, the condition of such materials shall be documented by a qualified preservation consultant, prior to initiation of construction. During construction, the contractor shall install and maintain at least two continuously operational automated vibrational monitors on the Petroleum Building. The monitors must be capable of being programmed with two predetermined vibratory velocities levels: a first-level alarm equivalent to a 0.45 inches per second at the face of the building and a regulatory alarm level equivalent to 0.5 inches per second at the face of the building. The monitoring system must produce real-time specific alarms (via text message and/or email to on-site personnel) when velocities exceed either of the predetermined levels. In the event of a first-level alarm, feasible steps to reduce vibratory levels shall be undertaken, including but not limited to halting/staggering concurrent activities and utilizing lower-vibratory techniques. In the event of an exceedance of the regulatory level, work in the vicinity shall be halted and the Petroleum Building visually inspected for damage. Results of the inspection must be logged. In the event damage occurs to historic finish materials due to construction vibration, such materials shall be repaired in consultation with a qualified preservation consultant, and if warranted, in a manner that meets the Secretary of the Interior's Standards.

d. Findings

Mitigation measures and project design features have been incorporated into the Project which substantially lessen the potentially significant impacts related to Noise and Vibration, as identified in the Draft EIR and Final EIR. However, although such measures would reduce the impact, the Project may result in temporary noise and vibration impacts during construction

above the relevant thresholds, and therefore, Project Noise and Vibration impacts during construction would be significant and unavoidable.

e. Rational for Findings

The off-site construction noise impacts under the Modified Project would be similar to the Original Project as the maximum daily haul truck trips and construction worker commutes would be similar. The impact criteria are assessed on a daily basis. However, because the Modified Project would require additional days of grading and excavation during Phase 1 and Phase 2, there would be more days with haul trucks traveling on roadways compared to the Project.

Similar to the Original Project, construction vibration under the Modified Project during Site clearing, grading, and shoring activity in the vicinity of the Petroleum Building would generate vibration levels that could potentially exceed the 0.50 inches per second PPV significance threshold for potential damage of historic building. However, mitigation measures (vibration monitoring and adjustment in construction activity if needed to reduce vibration levels and repair of the building if needed) have been proposed that, if implemented, would reduce impacts to a less than significant level. However, implementation may not be feasible because the measure requires the consent of the property owner of the adjacent Petroleum Building, and that owner may not agree, and therefore the impact under the Modified Project is considered to be a potentially significant and unavoidable impact, similar to the Original Project. The vibration from the construction levels at nearby locations with human activity would be sufficiently low to avoid significant impacts on human activity.

As the construction noise and vibration of the Modified Project would be similar to that of the Original Project on days of maximum construction activity, the noise and vibration impacts of the Modified Project would be similar to those of the Original Project. The Modified Project would generate noise levels associated with stationary and mobile (i.e. automobile trip) sources. However, the Modified Project would result in 215 fewer residential units and approximately 21,041 square feet less commercial and restaurant space compared to the proposed Project. The Modified Project would retain the same number of hotel rooms as the Original Project. As a result, the Modified Project would generate fewer vehicle trips to the project site. Therefore, the Modified Project would generate less roadway traffic noise as compared to the Original Project. Similar to the Original Project, traffic noise impacts under the Modified Project would be less than significant. With similar project site uses, requirements for mechanical equipment under the Modified Project would be similar to the Original Project and the impacts on noise and vibration from mechanical equipment would be similar to those of the Project. Mechanical equipment under the Modified Project would be designed to incorporate appropriate enclosures or placed behind parapets to ensure compliance with Section 112.02 of the LAMC. Therefore, similar to the Original Project, mechanical equipment noise would be less than significant.

The Modified Project would include an outdoor terrace on the roof of the Podium structure in the location where Residential Tower 1 would have been located under the Original Project. The outdoor terrace would feature a pool deck, seating areas, and green space that would be periodically used for outdoor events. The nearest noise-sensitive uses from this outdoor terrace are the existing residences along S. Flower Street and future residences along 11th Street (Oceanwide Plaza). These residences would be as close as approximately 120 feet from the nearest edge of the outdoor terrace that could be occupied by guests and event-goers. The sources of noise from the outdoor terrace would include human conversation and other noise associated with pool deck and green space use, and noise from occasional events that could include the use of amplified speakers.

As was the case with the Original Project, noise and vibration impacts from on-site sources during operations would be less than significant. Operation of the Modified Project would include typical commercial-grade stationary mechanical and electrical equipment, such as air handling units, condenser units, and exhaust fans, which would produce some vibration. However, the primary source of transient vibration would include passenger vehicle circulation within the proposed parking area. Ground-borne vibration generated by each of the above-mentioned activities would generate approximately up to 0.005 inches per second PPV adjacent to the project site. The potential vibration levels from all operational sources at the closest existing and future sensitive receptor locations would be less than the significance threshold of 0.035 inches per second PPV for perceptibility. As such, vibration impacts associated with operation of the Modified Project would be below the significance threshold and impacts would be less than significant, similar to the Original Project.

f. Reference

For a complete discussion of Noise, please see Section 4.G of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(7) of the Final EIR.

3. Transportation and Traffic

a. Description

The Modified Project would add haul trucks, equipment vehicles and worker trips to the local road system during construction. It could also have short-term effects on traffic flow adjacent to the project site.

The Modified Project would also have a construction program that would add vehicles to the local road system and potentially affect traffic flows adjacent to the project site. The Modified Project would be required to provide a Construction Management Plan (PDF-TRAF-1) to reduce potential construction impacts through scheduling of construction activities, scheduling of construction-related traffic to avoid peak hours, traffic controls, notification, and safety procedures. With the implementation of the Construction Management Plan, the Modified Project would not result in substantial disruption of traffic flow, intersection operational impacts, conflicts with pedestrians and/or bicyclists, the loss of on-street parking, or conflicts with construction of My Figueroa Project, Los Angeles Streetcar Project, and existing Metro operations. Transportation and parking impacts related to construction would be less than significant. However, due to a large number of cumulative projects in the Project vicinity with a potential for overlapping construction, the Project could contribute to a cumulatively significant construction traffic impact.

The Modified Project's construction traffic would include some additional trips for excavation activity and reductions in the number of trips that would have been needed for construction of a third tower. As indicated, the Modified Project would generate a net increase of 4,859 daily trips, which is a reduction of approximately 26 percent of the Project's daily trips.

Trip generation for the Modified Project and the Original Project, along with the amount of the Modified Project's decrease in trip generation are shown in Table 5-13 of the Final EIR.

b. Project Design Features

PDF-TRAF-1: Construction Management Plan: Prior to the issuance of a building permit for the Project, a detailed Construction Management Plan including street closure information, a detour plan, haul routes, and a staging plan would be prepared and submitted to the City for review and approval. The Construction Management Plan would formalize how construction would be carried out and identify specific actions that would be required to reduce effects on the surrounding community. The Construction Management Plan shall be based on the nature and timing of the specific construction activities and other projects in the vicinity of the project site, and shall include, but not be limited to, the following elements as appropriate:

- Advance, bilingual notification of adjacent property owners and occupants of upcoming construction activities, including durations and daily hours of operation.
- Prohibition of construction worker or equipment parking on adjacent streets.
- Temporary pedestrian, bicycle, and vehicular traffic controls during all construction activities adjacent to Figueroa Street, Flower Street, Olympic Boulevard and 11th Street, to ensure traffic safety on public rights of way. These controls shall include, but not be limited to, flag people trained in pedestrian and bicycle safety at the project site's Figueroa Street, Flower Street, and Olympic Boulevard driveways.
- Temporary traffic control during all construction activities adjacent to public rights-of-way to improve traffic flow on public roadways (e.g., flag men). Scheduling of construction activities to reduce the effect on traffic flow on surrounding arterial streets.
- Potential sequencing of construction activity for Phase 1 and Phase 2 of the Project to reduce the amount of construction-related traffic on arterial streets.
- Contain construction activity generally within the project site boundaries.
- Construction-related vehicles/equipment shall not park on surrounding public streets.
- Coordination with LADOT to address any overlapping of construction with the My Figueroa Project and Los Angeles Streetcar Project.
- Coordination with Metro to address any construction near the railroad ROW and beyond the ROW.
- Safety precautions for pedestrians and bicyclists through such measures as alternate routing on the south side of 11th Street, the north side of Olympic Boulevard, and east side of Flower Street, a pedestrian canopy along Figueroa Street, and protection barriers/fencing along Figueroa Street, 11th Street, Flower Street, and Olympic Boulevard shall be implemented as appropriate.
- Scheduling of construction-related deliveries, haul trips, etc., so as to occur outside the commuter peak hours to the extent feasible.

c. Mitigation Measures

Mitigation Measure TRAF-1: The Applicant shall implement a comprehensive Transportation Demand Management (TDM) Program to promote non-auto travel and reduce the use of single-

occupant vehicle trips. The TDM Program shall be subject to review and approval by the City Department of Planning and LADOT. The exact measures to be implemented shall be determined when the Program is prepared, prior to issuance of a final certificate of occupancy for the Project. The TDM Program shall include design features, transportation services, education programs, and incentive programs intended to reduce the impact of traffic from employees of and visitors to the Project during the most congested time periods of the day. The strategies in the TDM Program can include, but are not necessarily limited to the following:

- Transportation Information Center, educational programs, kiosks and/or other measures
- Promotion and support of carpools and rideshare
- Bicycle amenities such as racks and showers
- Guaranteed ride home program
- Flexible or alternative work schedules
- Incentives for using alternative travel modes
- Parking incentives and administrative support for formation of carpools/vanpools
- On-Site TDM Coordinator
- Contribution to the City's Bicycle Plan Trust Fund for implementation of bicycle improvements in the Project area
- Mobility hub support.

Mitigation Measure TRAF-2: The Applicant shall implement the following physical roadway improvement that can be provided within the existing right-of-way:

- Intersection No. 30, Grand Avenue/17th Street/I-10 Westbound On-Ramp. Restripe along 17th Street to provide an additional westbound through lane. The resulting westbound approach would consist of one shared left-through lane and two through lanes. This improvement would require the removal of four unmetered parking spaces along the south side of 17th Street.

d. Findings

Mitigation Measures and Project Design Features have been incorporated which substantially lessen the potentially significant impacts related to Transportation and Traffic, as identified in the Draft EIR and Final EIR. However, although such measures would reduce the impact, the Project will result in impacts to transportation and traffic above the relevant thresholds, and therefore, Project transportation and traffic impacts would be significant and unavoidable.

e. Rational for Findings

The maximum number of trips on any one day of maximum construction activity would be similar to that of the Project's construction traffic. As with the Original Project, nearly all of the trips associated with building construction would occur outside of the peak hours. The Modified

Project would include the same Construction Management Plan, PDF-TRAF-1, as the Project. Therefore, for the reasons concluded for the Project, implementation of PDF-TRAF-1 would ensure that impacts to traffic flow, intersection operations, pedestrians, bicyclists, access, loss of on-street parking, conflicts with My Figueroa and the Los Angeles Streetcar, and transit would be less than significant. As was the case with the Original Project, due to the large number of cumulative projects in the Project vicinity with a potential for overlapping construction, the Modified Project could contribute to a cumulatively significant construction traffic impact. The Modified Project would provide residential, hotel and commercial uses that would add traffic to the local and regional roadway systems. However, changes in the amount of each of the Site uses would result in trip generation values that vary from those of the Original Project. The estimated calculation of the Alternative's trip generation with full buildout, before mitigation, is shown in Table 5-13, Alternative 4 - Estimated Trip Generation, with a comparison to the Project's trip generation.

The Modified Project would provide residential, hotel and commercial uses that would add traffic to the local and regional roadway systems. However, changes in the amount of each of the Site uses would result in trip generation values that vary from those of the Project. As indicated, the Modified Project would generate a net increase of 4,859 daily trips, which is a reduction of approximately 26 percent of the Original Project's daily trips. Commensurate reductions would occur in the A.M. and P.M. peak hours, although minor variations in the relative number of in and out trips during the peak hours would vary due to the relative changes in the number of residential trips as compared to the hotel and commercial trips. Traffic concluded that the Original Project would result in significant impacts at four intersections prior to mitigation when measured against the future (year 2023) baseline conditions. These include the following:

12. Figueroa Street & Olympic Boulevard (P.M. peak hour)
13. Figueroa Street & 11th Street (A.M. and P.M. peak hour)
19. Flower Street & 11th Street (P.M. peak hour)
30. Grand Avenue & 17th Street/I-10 Westbound On-Ramp (P.M. peak hour)

The analysis identified feasible mitigation measures to reduce the Original Project's impacts including a physical improvement at Intersection 30, Grand Avenue & 17th Street/I-10 Westbound On-Ramp, and a requirement for a Travel Demand Management Program to promote non-auto travel and reduce the use of single-occupant vehicle trips. The traffic analysis indicates that with implementation of the Project's mitigation program, the impact at the following three intersections would remain significant and unavoidable:

12. Figueroa Street & Olympic Boulevard (P.M. peak hour)
13. Figueroa Street & 11th Street (A.M. and P.M. peak hour)
19. Flower Street & 11th Street (P.M. peak hour)

An analysis of the impacts of the Modified Project on studied intersections is included in Appendix D of the FEIR. The analysis evaluates both pre-mitigation and post-mitigation scenarios. The post-mitigation scenarios incorporate the same mitigation measures as would be implemented for the Original Project. The analysis demonstrates that the reduced trip generation would result in reduced impacts at the studied intersections. However, it concludes that the significantly impacted intersections under the Original Project, both pre-mitigation and post-mitigation, would also be significant for the Modified Project, when measured against the Future Baseline conditions, although the magnitude of the impacts would be reduced.

The Modified Project would generate approximately 30 percent fewer trips than the Original Project. Therefore, the impacts of the Modified Project would be less than those of the Original Project, and like the Project, would be less than significant. The Modified Project would include

the same features as the Original Project that would support the adopted policies, plans, or programs supporting alternative transportation. Therefore, the impacts of would be less than those of the Original Project, and like the Original Project would be less than significant. In addition, impacts with respect to vehicular, pedestrian, and bicycle access would be less than significant. The reduction in the number of parking spaces is commensurate to the reduction in the development program. Impacts of the Modified Project on vehicular and bicycle parking would be similar to those of the Original Project, and like those of the Original Project would also be less than significant.

f. Reference

For a complete discussion of Traffic and Transportation, please see Section 4.J of the Draft EIR and see Section 3.0, Corrections and Additions, Subsection 1, Alternative 4, F(4)(B)(10) of the Final EIR.

H. Alternatives to the Project

In addition to the Original project, the Draft EIR evaluated a reasonable range of four alternatives. These alternatives include: (i) No Project/No Build Alternative, (ii) Reduced Density Alternative, (iii) Residential with Ground Level Commercial, and (iv) Modified Design. In accordance with CEQA requirements, the alternatives include a “No Project” alternative and alternatives capable of eliminating the significant adverse impacts of the project. These alternatives and their impacts are summarized below. For purposes of this section, impacts of the alternatives, including the project, are discussed with reference to the original project, and with reference to the project, as appropriate. As discussed in more detail below, with the exception of impacts to archeological and paleontological resources associated with additional excavation, which are incrementally greater (but remain less than significant) for the project than for the original project, the project will result in similar or lesser environmental impacts in all areas studied in the Draft EIR.

1. Summary of Findings

Based upon the following analysis, the City finds, pursuant to CEQA Guidelines section 15096(g)(2), that no feasible alternative or mitigation measure within its powers will substantially lessen any significant effect the project, reduce the significant, unavoidable impacts of the project to a level that is less than significant, or avoid any significant effect the project would have on the environment.

2. Project Objectives

The Project Objectives are as follows:

- Objective 1: Develop a mixed-use project that combines housing, hotel, and commercial uses in an active Downtown center in close proximity to public transit, thereby supporting regional mobility goals to encourage development around activity centers, promote the use of public transportation, and reduce vehicle trips and infrastructure costs.
- Objective 2: Create a mixed-use project that is compatible with and benefits from connectivity with LA LIVE, Staples Center Arena, and the Los Angeles Convention Center, including the provision of needed hotel rooms to support the goals laid out in the Mayor’s 2015 White Paper on the Future of the Los Angeles Convention Center.

- Objective 3: Support the diverse array of entertainment, shopping, nightlife, cultural, and residential uses in Downtown by locating new residences, hotel rooms, and neighborhood and visitor serving uses on the site.
- Objective 4: Provide housing within the Downtown Housing Incentive Area that will support the economic future of the region in an area in which the necessary infrastructure is already in place.
- Objective 5: Support the use of public transportation and amenities, including the nearby Metro Stations, City bus and DASH lines, and future public transit options.
- Objective 6: Create a development that complements and improves the visual character of the area and promotes quality living spaces that effectively connect with the surrounding urban environment through a high level of architectural design and appropriate scale of development.
- Objective 7: Respect and maintain the historical significance of the Petroleum Building by providing a setback along W. Olympic Boulevard to maintain views of the Petroleum Building's architecturally distinguished primary facades along Olympic Boulevard and S. Flower Street.
- Objective 8: Improve the street-level pedestrian environment and connectivity within the LA LIVE, Staples Center, the Los Angeles Convention Center and the surrounding streetscape, with the creation of new pedestrian scale features such as a public plaza along S. Figueroa Street with street level retail/restaurant uses, street trees and landscaping, public art, and signage and lighting compatible with the active LASED.
- Objective 9: Compliment and foster pedestrian activity through ground level commercial uses, and development of a streetscape along Olympic Boulevard, S. Figueroa Street, Flower Street, and 11th Street.
- Objective 10: Create a visually vibrant and engaging pedestrian and vehicular experience along Figueroa Street compatible with the adjacent entertainment and restaurant venues at LA Live and Staples Center Arena directly across the street.
- Objective 11: Encourage bicycle use through provision of high-quality bicycle amenities and facilities.
- Objective 12: Provide unique and vibrant signage that is integrated into the Project's architecture and that will visually connect to and be compatible with the scale of media and signage on existing and current development on adjacent blocks while informing and attracting visitors to the Project's content and offerings.
- Objective 13: Create a development that addresses environmental sustainability issues and utilizes resources more efficiently, including providing electronic charging stations for Project tenants.
- Objective 14: Provide a variety of distinct open space and recreational amenities that will enhance the quality of life for Project's residents, hotel guests, commercial tenants, and site visitors.

- Objective 15: Redevelop an underutilized site with an economically viable and attractively designed development that supports the SCAG growth projections in Downtown and anticipated market demands.
- Objective 16: Maintain and enhance the economic vitality of the region by providing job opportunities that attract commercial and residential tenants.

3. Project Alternatives Analyzed but Rejected

a. No Project/No Build Alternative

(1) Description

The No Project/No Build Alternative consists of the circumstance under which the project does not proceed, pursuant to Section 15126.6(e)(3)(B) of the State CEQA Guidelines. Under the No Project/No Build Alternative, no new development would occur within the project site. This Alternative consists of the circumstance under which the Project does not proceed. The property would maintain the Luxe Hotel, which is a 112,748 sq. ft., nine story building, that includes 178 guest rooms, a main lobby, meeting space area, interior restaurant, an indoor/outdoor bar and lounge area, fitness center, and a one-level parking deck with parking below and above the deck. The Luxe Hotel is surrounded by surface parking. The north lot, on the corner of W. Olympic Boulevard and S. Figueroa Street is used for hotel guest parking and special event parking; the south lot, located south of the Luxe Hotel on S. Figueroa Street, is used for overflow parking, limousine staging, and construction/maintenance vehicle parking; the southeastern lot, located on 11th Street extending from S. Figueroa Street to S. Flower Street is leased for public parking.

(2) Impact Summary

This Alternative would result in no new impacts, as no new development would occur on the project site. The No Build Alternative would result in comparatively less impacts than the original project associated with aesthetic, light/glare, shade/shadow, air quality, archeological, paleontological, historic, GHG, hazards, land use, noise, housing, fire, police, library, parks, transportation, water supply and wastewater. As with the project, all of these impacts would be less than significant. The No Build Alternative would be less effective in reducing vehicle miles travelled due to the lack of new construction; therefore, would have greater impact on GHG and air quality in this respect.

(3) Findings

With this Alternative, the new environmental impacts projected to occur from development of the Proposed Project would be avoided or reduced. Therefore, this Alternative would be an environmentally superior alternative to the Proposed Project. However, this Alternative would accomplish none of the objectives of the Proposed Project. Pursuant to Public Resources Code Section 21081(a)(3), 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 (Continuation of Existing On-Site Use) described in the EIR.

(4) Rational for Findings

The No Project/No Build Alternative would provide no new development and accomplish none of the Project Objectives, which include the following:

- Objective 1: Develop a mixed-use project that combines housing, hotel, and commercial uses in an active Downtown center in close proximity to public transit, thereby supporting regional mobility goals to encourage development around activity centers, promote the use of public transportation, and reduce vehicle trips and infrastructure costs.
- Objective 2: Create a mixed-use project that is compatible with and benefits from connectivity with LA LIVE, Staples Center Arena, and the Los Angeles Convention Center, including the provision of needed hotel rooms to support the goals laid out in the Mayor's 2015 White Paper on the Future of the Los Angeles Convention Center.
- Objective 3: Support the diverse array of entertainment, shopping, nightlife, cultural, and residential uses in Downtown by locating new residences, hotel rooms, and neighborhood and visitor serving uses on the site.
- Objective 4: Provide housing within the Downtown Housing Incentive Area that will support the economic future of the region in an area in which the necessary infrastructure is already in place.
- Objective 5: Support the use of public transportation and amenities, including the nearby Metro Stations, City bus and DASH lines, and future public transit options.
- Objective 6: Create a development that complements and improves the visual character of the area and promotes quality living spaces that effectively connect with the surrounding urban environment through a high level of architectural design and appropriate scale of development.
- Objective 7: Respect and maintain the historical significance of the Petroleum Building by providing a setback along W. Olympic Boulevard to maintain views of the Petroleum Building's architecturally distinguished primary facades along Olympic Boulevard and S. Flower Street.
- Objective 8: Improve the street-level pedestrian environment and connectivity within the LA LIVE, Staples Center Arena, the Los Angeles Convention Center and the surrounding streetscape, with the creation of new pedestrian scale features such as a public plaza along S. Figueroa Street with street level retail/restaurant uses, street trees and landscaping, public art, and signage and lighting compatible with the active LASED.
- Objective 9: Compliment and foster pedestrian activity through ground level commercial uses, and development of a streetscape along Olympic Boulevard, S. Figueroa Street, Flower Street, and 11th Street.
- Objective 10: Create a visually vibrant and engaging pedestrian and vehicular experience along Figueroa Street compatible with the adjacent entertainment and restaurant venues at LA Live and Staples Center Arena directly across the street.

- Objective 11: Encourage bicycle use through provision of high-quality bicycle amenities and facilities.
- Objective 12: Provide unique and vibrant signage that is integrated into the Project's architecture and that will visually connect to and be compatible with the scale of media and signage on existing and current development on adjacent blocks while informing and attracting visitors to the Project's content and offerings.
- Objective 13: Create a development that addresses environmental sustainability issues and utilizes resources more efficiently, including providing electronic charging stations for Project tenants.
- Objective 14: Provide a variety of open space and recreational amenities that will enhance the quality of life for Project's residents, hotel guests, commercial tenants, and site visitors.
- Objective 15: Redevelop an underutilized site with an economically viable and attractively designed development that supports the SCAG growth projections in Downtown and anticipated market demands.
- Objective 16: Maintain and enhance the economic vitality of the region by providing job opportunities that attract commercial and residential tenants.

b. Reduced Density Alternative

(1) Description

The Reduced Density Alternative would provide the same uses as the Original Project; but at a reduced density that would comply with the provisions of the LAMC without a TFAR. The total FAR would be limited to 6:1 with floor area of 699,960 sq. ft., which is approximately 62 percent of the floor area of the Original Project (9.7:1 FAR). The Reduced Density Alternative would include a hotel with 186 guest rooms with meeting rooms, restaurant, and spa facilities (175,000 sq. ft., including 10,000 sq. ft. meeting rooms and 10,000 sq. ft. amenities); 403 residential units (475,360 sq. ft.); and 49,600 sq. ft. of commercial/retail/restaurant space on the first two levels. The residential development would include similar amenities to those of the Original Project, although scaled commensurate with the reduction in residential units. The density of the hotel, residential, and commercial uses would be reduced approximately 38 percent, commensurate with the 38 percent reduction in FAR, while including the 75 percent retail frontage on the ground level. Parking would be provided in a subterranean structure similar to that of the Original Project, although requiring less subterranean parking than that of the Original Project. The Reduced Density Alternative would include two towers: a 353,508 sq. ft. hotel and residential tower with a commercial podium on the Phase 1 portion of the project site and a 346,462 sq. ft. residential tower with commercial podium on the Phase 2 portion.

(2) Impact Summary

The Reduced Density Alternative would result in impacts similar to those of the original project with respect to aesthetic, light/glare, air quality, archeology, historic, hazards, land use, housing, parks, and traffic. Like the project, these impacts would be less than significant, except for impacts to historical resources during construction, construction noise and vibration, and cumulative traffic, which, like the project and the original project, would be significant and unavoidable. The Reduced Density Alternative would result in comparatively less impacts than

the Original Project associated with shade/shadow, paleontology, GHG, noise, fire, police, libraries, water supply, and wastewater. As with the project, all of these impacts would be less than significant. The Reduced Density Alternative would also result in comparatively less impacts than the Original Project with regard to construction traffic although these impacts would remain significant and unavoidable.

(3) Findings

With this Alternative, the new environmental impacts projected to occur from development would be generally similar or reduced to those projected to occur from the project, although some of the environmental impacts would be reduced. However, this Alternative cannot meet many of the objectives of the project

(4) Rational for Findings

The Reduced Density Alternative would include the same mix of uses as the Original Project, however the amount of development would be reduced by approximately 38 percent. The reduction in development would be achieved with an across the board reduction in the amount of space given to the Project's mixed uses. Otherwise the Project buildings would be similar in concept and land use relationships to those of the Original Project.

Since the Alternative would include uses that are the same type as the Original Project, but of lesser amount, the Alternative would not meet the Objectives pertaining to the proposed development program, the support for transit and support to the economy to the same extent as the Project.

Therefore, this Alternative would meet the following objectives but not to the same extent as the Original Project:

- Objective 1: Develop a mixed-use project that combines housing, hotel, and commercial uses in an active Downtown center in close proximity to public transit, thereby supporting regional mobility goals to encourage development around activity centers, promote the use of public transportation, and reduce vehicle trips and infrastructure costs.
- Objective 2: Create a mixed-use project that is compatible with and benefits from connectivity with LA LIVE, Staples Center Arena, and the Los Angeles Convention Center, including the provision of needed hotel rooms to support the goals laid out in the Mayor's 2015 White Paper on the Future of the Los Angeles Convention Center.
- Objective 3: Support the diverse array of entertainment, shopping, nightlife, cultural, and residential uses in Downtown by locating new residences, hotel rooms, and neighborhood and visitor serving uses on the site.
- Objective 4: Provide housing within the Downtown Housing Incentive Area that will support the economic future of the region in an area in which the necessary infrastructure is already in place.
- Objective 5: Support the use of public transportation and amenities, including the nearby Metro Stations, City bus and DASH lines, and future public transit options.

- Objective 15: Redevelop an underutilized site with an economically viable and attractively designed development that supports the SCAG growth projections in Downtown and anticipated market demands.
- Objective 16: Maintain and enhance the economic vitality of the region by providing job opportunities that attract commercial and residential tenants.

The Alternative would meet the following Project Objectives related to the design of the Project to a similar extent as the Project:

- Objective 6: Create a development that complements and improves the visual character of the area and promotes quality living spaces that effectively connect with the surrounding urban environment through a high level of architectural design and appropriate scale of development.
- Objective 7: Respect and maintain the historical significance of the Petroleum Building by providing a setback along W. Olympic Boulevard to maintain views of the Petroleum Building's architecturally distinguished primary facades along Olympic Boulevard and S. Flower Street.
- Objective 8: Improve the street-level pedestrian environment and connectivity within the LA LIVE, Staples Center Arena, the Los Angeles Convention Center and the surrounding streetscape, with the creation of new pedestrian scale features such as a public plaza along S. Figueroa Street with street level retail/restaurant uses, street trees and landscaping, public art, and signage and lighting compatible with the active LASED.
- Objective 9: Compliment and foster pedestrian activity through ground level commercial uses, and development of a streetscape along Olympic Boulevard, S. Figueroa Street, Flower Street, and 11th Street.
- Objective 10: Create a visually vibrant and engaging pedestrian and vehicular experience along S. Figueroa Street compatible with the adjacent entertainment and restaurant venues at LA Live and Staples Center Arena directly across the street.
- Objective 11: Encourage bicycle use through provision of high-quality bicycle amenities and facilities.
- Objective 12: Provide unique and vibrant signage that is integrated into the Project's architecture and that will visually connect to and be compatible with the scale of media and signage on existing and current development on adjacent blocks while informing and attracting visitors to the Project's content and offerings.
- Objective 13: Create a development that addresses environmental sustainability issues and utilizes resources more efficiently, including providing electronic charging stations for Project tenants.
- Objective 14: Provide a variety of open space and recreational amenities that will enhance the quality of life for Project's residents, hotel guests, commercial tenants, and site visitors.

c. Residential with Ground Level Commercial Alternative**(1) Description**

The Residential with Ground Level Commercial Alternative would utilize the entire site for a residential development with 50,000 sf of ground level commercial (retail/restaurant) use within the provision of the zoning code. This Alternative would include 669,960 sf resulting in an FAR of 6.0:1. The Residential with Ground Level Alternative would include 520 residential dwelling units of similar size and configuration to the Original Project. The residential development would be provided in two residential towers with 15,000 sf of residential amenities. This Alternative would include parking in a subterranean structure.

(2) Impact Summary

The Modified Project would result in impacts similar to those of the original project with respect to air quality, tribal resources, paleontology, historic, GHG, hazards, noise, housing, parks, and parking. Like the project, these impacts would be less than significant, except for impacts to historical resources during construction, construction noise and vibration, and cumulative traffic, which, like the project and the original project, would be significant and unavoidable. The Modified Project would result in comparatively less impacts than the original project associated with aesthetics, shade/shadow, land use, fire, police, library, water supply, and wastewater. As with the project, all of these impacts would be less than significant. The Modified Project would also result in comparatively less impacts than the project with regard to construction traffic although these impacts would remain significant and unavoidable.

(3) Findings

With this Alternative, the new environmental impacts projected to occur from development would be generally similar or reduced to those projected to occur from the project, although some of the environmental impacts, in particular significant, unavoidable traffic impacts during construction, would be reduced. However, this Alternative cannot meet many of the objectives of the project.

(4) Rational for Findings

The following summarizes those project objectives that this Alternative would (1) not meet, (2) only partially meet, and (3) fully meet:

The Alternative would more effectively accomplish the following Project objectives than would the Original Project itself:

- Objective 3: Respect and maintain the historical significance of the Petroleum Building by providing a setback along W. Olympic Boulevard to maintain views of the Petroleum Building's architecturally distinguished primary facades along W. Olympic Boulevard and S. Flower Street.
- Objective 4: Compliment and foster pedestrian activity through ground level retail/restaurant uses, street trees and landscaping, public art, and signage and lighting compatible with the active LASED and streetscape along W. Olympic Boulevard, S. Figueroa Street, S. Flower Street, and 11th Street.

- Objective 5: Create a visually vibrant and engaging pedestrian and vehicular experience along Figueroa Street, removing paved surface parking, and providing new pedestrian scale features such as a public plaza, that are compatible with the adjacent entertainment and restaurant venues at LA Live and Staples Center Arena directly across the street.
- Objective 6: Create a development that complements and improves the visual character of the area by connecting with the surrounding urban environment through a high level of architectural design and appropriate scale of development.

The Alternative includes a mix of development that addresses the Project objectives in a varied manner from that of the Original Project. While still consistent with the objective, reducing the number of residential units, while maintaining the same number of hotel rooms, reduces the effectiveness of the Alternative in meeting the following objective:

- Objective 1: Support the diverse array of entertainment, shopping, nightlife, cultural, and residential uses in Downtown by locating new residences within the Downtown Housing Incentive Area, new hotel rooms to support the goals laid out in the Mayor's 2015 White Paper on the Future of the Los Angeles Convention Center, and neighborhood and visitor serving uses to support connectivity with LA LIVE, Staples Center Arena, and the Los Angeles Convention Center.

While the Alternative varies from the Project in its use mix and design, it would be substantially similar to the Project in meeting the following objectives:

- Objective 2: Develop a mixed-use project that combines housing, hotel, and commercial uses in close proximity to public transit consistent with regional mobility goals to reduce vehicle trips and infrastructure costs, while supporting the use of public transportation and amenities, including the nearby Metro Stations, City bus and DASH lines.
- Objective 7: Provide unique and vibrant signage that is integrated into the Project's architecture and that will visually connect to and be compatible with the scale of media and signage on existing and current development on adjacent blocks while informing and attracting visitors to the Project's content and offerings;
- Objective 8: Create a development with high quality design that is responsive environmental sustainability issues (e.g. energy efficiency, including electronic charging stations for Project tenants); and that provides open space and recreational amenities for Project's residents, hotel guests, commercial tenants, and site visitors.
- Objective 9: Redevelop an underutilized site with an economically viable and attractively designed development that supports the SCAG growth projections in Downtown by exercising TFAR provisions for fuller utilization of the project site and support of TFAR public benefits purposes.
- Objective 10: Maintain and enhance the economic vitality of the region by providing job opportunities that attract commercial and residential tenants, and increase the tax revenue, sales, and property taxes.

4. Alternatives Considered but Rejected

The State CEQA Guidelines Section 15126.6(c) recommends that an EIR identify alternatives that were considered for analysis but rejected as infeasible and briefly explain the reasons for their rejection. According to the State CEQA Guidelines, the following factors may be used to eliminate alternatives from detailed consideration: the alternative's failure to meet most of the basic Project Objectives, the alternative's infeasibility, or the alternative's inability to avoid significant environmental impacts. Alternatives that have been considered and rejected as infeasible include:

a. Alternative Off-Site Location

An alternative site would not offer environmental benefits over the project site for a mixed-use hotel, residential and commercial project at 9.7:1 FAR. Due to the scale and density of the Project, it must be located on a property with a Regional Center or High Residential general plan designation; within an area that does not limit hotel or residential density, such as the Downtown Housing Incentive Area; within an area of the City that permits transfer of floor area, if necessary (TFAR); and within walking distance of the Convention Center. This limits the potential sites for development. Also, there are few undeveloped properties located within walking distance of the Convention Center that also have the necessary zoning, and these properties are owned by other operators or developers. Therefore, an alternative site would not help fulfill the Mayor's identified need for 8,000 hotel rooms within walking distance of the Convention Center, an objective of this Project as well. In addition, development of the Project outside the nearby vicinity would not fulfill a key objective of the Project to create a mixed-use project that is compatible with and benefits from connectivity with LA LIVE, Staples Center, and the Los Angeles Convention Center.

Further, development of the Project at an Alternative Site would not be likely to materially reduce potential impacts. The Project's temporary construction noise and traffic impacts, as well as operations traffic impacts, are similar to impacts associated with development in urbanized areas generally and more so in the Downtown area in the vicinity of the Convention Center. In addition, the Project is focused on the development of a particular site under the ownership and control of the Project applicant where a substantial investment has been made in developing a Project that is uniquely suited to its specific location. To pursue development at a different site would present a significant financial loss due to investments to date and those needed to design a new project and restart the entitlement process, without apparent benefit.

b. Alternative On-Site Uses – All Commercial Project with Office and Hotel

An All Commercial Project Alternative was considered that would utilize the entire project site for hotel, commercial/retail, and office development, with a FAR of 6.0:1. This Alternative would include two towers, connected by a podium with subterranean parking, as is the case with the Project. This Alternative was identified, because it maintains the hotel use on-site, which is necessary to meet the hotel room needs for the Los Angeles Convention Center; and, it provides additional Class A office space, which would be an expansion of professional office use similar to the office towers on Figueroa Street north of Olympic Boulevard, and would be compatible with the office use in the adjacent Petroleum Building. This Alternative was eliminated, as it would not meet Project objectives to provide residential development in the Downtown Housing Incentive Area, or locate mixed-use residential development within a transit oriented area.

A larger all-commercial project alternative with a FAR of 9.7:1, similar to the Project's, was also considered. Such a Project could be developed by exercising TFAR provisions of the LAMC. Again, this alternative would not meet the objectives for a residential use within the Downtown Housing Incentive Area or transit oriented area. In addition, the office and hotel uses would generate greater impacts than the residential uses on many environmental topics, most notably traffic, as opposed to reducing potential impacts.

c. Alternative On-Site Uses – All Hotel Project with Commercial

An All Hotel Project with Commercial Alternative would develop the project site with a 600 room hotel within the provisions of the zoning code; and without TFAR density transfer. This Alternative would likely include up to 600 hotel rooms in two towers, with related commercial/restaurant space on the ground floor and second level, an expanded conference space. This Alternative was identified because it would contribute significantly to the 8,000 new hotel guest rooms necessary to support the nearby LACC renovation and expansion, as noted by the Mayor in his 2015 White Paper on the Future of the Los Angeles Convention Center. This Alternative was eliminated for further consideration as it would not meet the Project objectives to provide residential development in the Downtown Housing Incentive Area, and for not locating mixed-use residential development in a transit oriented area.

A larger All Hotel with Commercial Alternative with the Project FAR of floor area similar to the 9.7:1 was also considered. The Alternative could include up to 1,150 hotel rooms, with increased hotel-related commercial/restaurant space on the ground and second level, and expanded meeting and conference space. Such a Project could be developed by exercising TFAR provisions of the LAMC. Again, this Alternative would not meet the residential objectives for the Project; and such uses generally produce more traffic than residential uses, which would be expected to increase rather than reduce the Project's environmental impacts.

d. Phase I Only

A Phase I Only Project Alternative would develop a new residential project on the Phase I portion of the property, while retaining the existing 178 room Luxe Hotel on the property. The new construction would include a 353,508 sq. ft. tower with subterranean parking and ground level commercial space, 255 residential dwelling units, 15,000 sq. ft. of residential amenities, and 40,000 sq. ft. of retail/commercial uses on the first two levels. This Alternative was identified, because it identifies a feasible use of the Property if the existing Luxe Hotel is maintained for any reason, including a change in economic circumstances. This Alternative was rejected for further consideration as it would not provide new hotel rooms near the Convention Center, and would limit the Project's proposed increase in housing stock in a high quality transit area.

I. Findings Regarding General Impact Categories

1. Energy

Section 21100(b) of the State CEQA Guidelines requires that an EIR include a detailed statement setting forth mitigation measures proposed to minimize a project's significant effects on the environment, including, but not limited to, measures to reduce the wasteful, inefficient, and unnecessary consumption of energy. Appendix F of the State CEQA Guidelines states that, in order to ensure that energy implications are considered in project decisions, the potential energy implications of a project shall be considered in an EIR, to the extent relevant and applicable to the project. Appendix F further states that a project's energy consumption and

proposed conservation measures may be addressed, as relevant and applicable, in the Project Description, Environmental Setting and Impact Analysis portions of technical sections, as well as through mitigation measures and alternatives.

a. Construction Related Energy Consumption

Estimated Energy Consumption. The Project would be constructed in two sequential phases over a period of approximately five years, starting as early as late 2017 and anticipated to end in early 2023. Construction energy consumption would result primarily from transportation fuels (e.g., diesel and gasoline) used for haul trucks, heavy-duty construction equipment, and construction workers traveling to and from the site. This analysis provides the estimated maximum construction energy consumption for the purposes of evaluating the associated impacts on energy resources, assuming a construction duration of approximately five years.

Based on the proposed development program and engineering estimates that form the basis of the construction-related impact analyses, it is estimated that a maximum of approximately 35,000 one-way truck trips would be required to haul the material to off-site reuse and disposal facilities over the five year construction period. It is conservatively estimated that a maximum of approximately 117,600 one-way vendor truck trips would be required to deliver building materials and supplies to the site over the five-year construction period. Based on the California Air Resources Board (CARB) on-road vehicle emissions model, EMFAC2014, heavy-duty trucks operating in the South Coast Air Basin would have an estimated fuel economy of approximately 6.1 miles per gallon averaged over the five-year construction time frame (in order to provide a conservative air quality and GHG assessment, this is modeled as late 2017 through early 2023). Based on the information described above, construction of the Project would use a total of approximately 245,600 gallons of diesel fuel for haul truck and vendor delivery trips. On an annual average basis, haul trucks and vendor delivery trips associated with construction would use approximately 49,150 gallons of diesel fuel per year during the five-year timeframe. Based on the number and type of construction equipment that would be used during Project construction, and based on the estimated duration of construction activities, the Project would use approximately 238,800 gallons of diesel fuel for heavy-duty construction equipment.² On an annual average basis, heavy-duty construction equipment would use approximately 47,800 gallons of diesel fuel per year.

Workers would travel a total of 11.5 million miles and would use approximately 446,200 gallons of fuel (primarily gasoline) for construction worker trips. On an annual average basis, construction workers would use approximately 89,250 gallons of fuel (primarily gasoline) per year. Construction of the Original Project would use approximately 89,250 gallons of gasoline and 96,900 gallons of diesel on an annual average basis during the 2017 through 2023 construction timeframe, assuming worker automobiles are primarily gasoline fueled and heavy-duty construction equipment and trucks are primarily diesel-fueled

Energy Conservation: Regulatory Compliance. The Project would utilize construction contractors who demonstrate compliance with applicable CARB regulations governing the accelerated retrofitting, repowering, or replacement of heavy duty diesel on- and off-road equipment. CARB has adopted an Airborne Toxic Control Measure to limit heavy-duty diesel motor vehicle idling in order to reduce public exposure to diesel particulate matter and other toxic air contaminants. This measure prohibits diesel-fueled commercial vehicles greater than 10,000 pounds from idling for more than five minutes at any given time. CARB has also approved the Truck and Bus regulation (CARB Rules Division 3, Chapter 1, Section 2025, subsection (h)) to reduce NOX, PM10, and PM2.5 emissions from existing diesel vehicles operating in California. This regulation will be phased in, with full implementation for large and medium fleets by 2023 and for small fleets by 2028. In addition to limiting exhaust from idling

trucks, CARB recently promulgated emission standards for off-road diesel construction equipment of greater than 25 horsepower. While intended to reduce construction criteria pollutant emissions, compliance with the above anti-idling and emissions regulations would also result in efficient use of construction-related energy and the minimization or elimination of wasteful and unnecessary consumption of energy.

With respect to solid waste, the Project would implement a construction waste management plan to recycle and/or salvage nonhazardous construction debris consistent with the Los Angeles City Council approved Ordinance 181519, Council File 09-3029. The Project would require and utilize construction contractors that can demonstrate compliance with the construction waste management plan requirements. The Project would achieve a high waste recycling and reuse rate for construction and demolition debris, and minimize wasteful or unnecessary consumption of energy for the production of virgin raw materials

Energy Conservation: Project Design Features. Project Design Feature PDF-TRAF-1 would minimize construction worker travel and construction equipment transport to and from the project site, and would help ensure efficient construction deliveries, reducing associated fuel consumption. The Construction Management Plan would specify street closures and detours, truck haul routes, construction staging, and other requirements to minimize adverse impacts to the local and regional traffic system throughout construction, which reduces congestion and therefore fuel consumption.

b. Operation and Maintenance Energy Consumption

Anticipated Energy Consumption. Operational energy consumption would occur from building energy needs and from transportation fuels (e.g., diesel and gasoline) used for vehicles traveling to and from the Site. The Project must comply with the applicable portions of the Title 24 Building Standards Code and California Green Building (CALGreen) Code. The Project would incorporate Project Design Features in a manner to achieve the reductions in energy and water usage, as well as encourage recycling and waste diversion, above and beyond State regulatory requirements. The daily operation of the Project would generate demand for electricity, natural gas, and water supply, as well as generating wastewater requiring conveyance, treatment, and disposal off-site, and solid waste requiring disposal off-site. Based on engineering estimates used as the basis for greenhouse gas (GHG) emissions calculations, the Project would have an electricity demand of approximately 8.7 million kilo watt hours (kWh), which is inclusive of approximately 0.4 million kWh for water supply and wastewater treatment. Based on the Original Project, represents approximately 0.04 percent of the LADWP network sales for the 2014 year, which is a relatively very small fraction.

Based on engineering estimates used as the basis for GHG emissions calculations, the initial operational year of the Project would have a natural gas demand of approximately 16.8 million kilo British thermal units (kBtu) per year. The Original Project represents approximately 0.006 percent of the Southern California Gas Company network demand for the 2015 year, which is a very small fraction of the Southern California Gas Company network. Executive Orders S-3-05 and B-30-15 are orders from the State's Executive Branch for the purpose of reducing Statewide GHG emissions. These Executive Orders establish the goals to reduce GHG emissions to 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050. These goals have not yet been codified. However, in order to meet the 2030 and 2050 targets, aggressive technologies in the transportation and energy sectors, including electrification and the decarbonization of fuel, will be required.

Alternative Energy Considerations. LADWP is required to commit to the use of renewable energy sources for compliance with the Renewables Portfolio Standard. LADWP is required to

meet the requirement to procure at least 33 percent of its energy portfolio from renewable sources by 2020 through the procurement of energy from eligible renewable resources, to be implemented as fiscal constraints, renewable energy pricing, system integration limits, and transmission constraints permit. SB 350 (Chapter 547, Statutes of 2015) further increased the Renewables Portfolio Standard to 50 percent by 2030. The legislation also included interim targets of 40 percent by 2024 and 45 percent by 2027. LADWP provided approximately 20 percent of its 2010 through 2013 average electric supply from renewable power. This represents the available off-site renewable sources of energy that would meet Project demand.

With respect to on-site renewable energy sources, because of the Project's location, there are no local on-site sources of energy from the following sources: biodiesel, biomass hydroelectric and small hydro, digester gas, fuel cells, geothermal energy, landfill gas, municipal solid waste, ocean thermal, ocean wave, and tidal current technologies, or multi-fuel facilities using renewable fuels. Solar and wind power represent variable-energy, or intermittent, resources that are generally used to augment, but not replace, natural gas-fired (or other non-renewable fuel) energy power generation, since reliability of energy availability and transmission is necessary to meet demand, which is constant. Wind-powered energy is not feasible on the project site due to the lack of sufficient wind in the Los Angeles basin. Similarly, solar energy is highly variable in the Los Angeles area, particularly in proximity to the coastline where there is increased cloud cover and an intermittent marine layer, and is therefore not cost-effective or reliable as a primary source of energy. The Project would support regional efforts to promote solar installations by incorporating building design elements that include solar ready rooftops for photovoltaic panels, as provided in Project Design Feature PDF-AQ-1. As such, the Project would promote solar electrical systems.

Energy Conservation: Regulatory Compliance. The CEC first adopted the Energy Efficiency Standards for Residential and Nonresidential Buildings (California Code of Regulations, Title 24, Part 6) in 1978 in response to a legislative mandate to reduce energy consumption in the state. Part 11 of the Title 24 Building Standards Code is referred to as the CALGreen Code. As of January 1, 2011, the CALGreen Code is mandatory for all new buildings constructed in the State. The Project would comply with or exceed the applicable provisions of Title 24 and the CALGreen Code in effect at the time of building permit issuance. According to the CEC, the Title 24 (2016) standards use 5 percent less energy for nonresidential lighting, heating, cooling, ventilation, and water heating compared to the Title 24 (2013) standards.

With respect to solid waste, the Project is required to comply with applicable regulations, including those pertaining to waste reduction and recycling. Waste haulers serving the project site would divert Project-generated municipal waste in accordance with applicable ordinances, as well as future updates to the ordinances in effect at the time of construction and operation.

Operational Transportation: Energy Consumption. Operation of the Project would result in transportation energy use. Transportation fuels, primarily gasoline and diesel, would be provided by local or regional suppliers and vendors. Based on the Original Project's maximum estimated VMT of 12.0 million miles per year, passenger vehicles would use approximately 464,600 gallons of gasoline and 111,300 gallons of diesel fuel in a year. This would represent about 0.003 percent of the Statewide gasoline consumption and about 0.003 percent of the Statewide diesel consumption, which represents a very small fraction of the state's annual fuel usage. The Project would include pre-installation or installation of electric vehicle supply equipment, which would eliminate infrastructure roadblocks for passengers that purchase electric or electric-hybrid vehicles. As a result, the Project would support Statewide efforts to improve transportation energy efficiency and reduce wasteful or inefficient transportation energy consumption with respect to private automobiles.

Alternative-fueled, electric, and hybrid vehicles, to the extent these types of vehicles would be utilized by passengers, would reduce the Project's consumption of gasoline and diesel; however, the effect may be minimal in the current vehicle market. According to the EMFAC2014 model, electric vehicles are predicted to account for 3.3 percent of the vehicle fleet total VMT in 2023 in the region. Based on the estimate above, this would translate to a fuel savings of up to about 17,100 gallons of fuel (primarily gasoline, assuming electric vehicles replace gasoline-fueled passenger vehicles) per year.

Energy Conservation: Land Use Characteristics and Project. The Project would represent an urban infill development, since it would be undertaken on a currently developed site, and would be located near existing off-site commercial and retail destinations and in close proximity to existing public transit stops, which would result in reduced vehicle trips and VMT. The land use characteristics listed below would reduce vehicle trips to and from the project site and would therefore result in a corresponding reduction in VMT and associated fuel usage and emissions: (i) increased density, (ii) location efficiency, (iii) increased land use diversity, (iv) increased destination accessibility, (v) increased transit access, (vi) improve design of development, and (vii) provide pedestrian network improvements.

The Project would be designed and operated to meet or exceed the applicable requirements of the State of California Green Building Standards Code and the City of Los Angeles Green Building Code and achieve the equivalent of the USGBC LEED Silver Certification level. Measures that would contribute to energy efficiencies are described in Project Design Feature PDF-AQ-1.

2. Growth-Inducing Impacts

Section 15126.2(d) of the State CEQA Guidelines requires an EIR to discuss the ways a proposed project could foster economic or population growth or the construction of additional housing, directly or indirectly, in the surrounding environment. Growth-inducing impacts include the removal of obstacles to population growth (e.g., the expansion of a wastewater treatment plant allowing more development in a service area) and the development and construction of new service facilities that could significantly affect the environment individually or cumulatively. In addition, pursuant to CEQA, growth must not be assumed as beneficial, detrimental, or of little significance to the environment.

The Modified Project would provide 435 residential condominium units, 300 hotel rooms, and approximately 55,499 square feet of retail, restaurant, and other commercial uses. The mixed-use Project would provide new housing and employment opportunities within the Downtown Center, an area targeted for high-density residential development and near existing employment centers. The Modified Project would provide housing for 1,060 new residents and provide 428 net new permanent employment positions. During construction, the number of employees is estimated to range from 10 temporary employees to a maximum of 700 temporary employees. However, the Modified Project would not have indirect effects on growth through such mechanisms as the extension of roads and infrastructure, since the infill Modified Project would utilize the existing transportation and utility infrastructure to serve the Project. The Modified Project would include a mix of uses that would be compatible with adjacent uses and representative of the type of high density and mixed use development anticipated under the existing Downtown Center designation. The Project's new development is within the range of development anticipated within the established SCAG regional forecast for the City of Los Angeles and Central City area. The Project would not increase or induce residential density growth not otherwise anticipated.

The project site is located in an urbanized area that is served by current infrastructure (e.g., roads and utilities), and community service facilities. The Modified Project's only off-site infrastructure improvements would consist of tie-ins to the existing utility main-lines already serving the Project area. The Project would not require the construction of off-site infrastructure that would provide additional infrastructure capacity for other future development. It would not open inaccessible sites to new development other than existing opportunities for development that are already available.

Therefore, the Modified Project would not spur additional growth other than that already anticipated and would not eliminate impediments to growth. Consequently, the Project would not foster growth inducing impacts.

3. Significant Irreversible Impacts

According to Sections 15126(c) and 15126.2(c) of the State CEQA Guidelines, an EIR is required to address any significant irreversible environmental changes that would occur should the proposed Project be implemented. As stated in CEQA Guidelines Section 15126.2(c) indicates:

Uses of nonrenewable resources during the initial and continued phases of the project may be irreversible since a large commitment of such resources makes removal or nonuse thereafter likely. Primary impacts and, particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generations to similar uses. Also, irreversible damage can result from environmental accidents associated with the Project. Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified.

The Project would necessarily consume limited, slowly renewable and non-renewable resources. This consumption would occur during the construction phase of the Project and would continue throughout its operational lifetime. Project development 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. Project construction would require the consumption of resources that are non-replenishable or may renew so slowly as to be considered non-renewable.

Project operation would continue to expend nonrenewable resources that are currently consumed within the City. These include energy resources such as electricity and natural gas, petroleum-based fuels required for vehicle-trips, fossil fuels, and water. Fossil fuels would represent the primary energy source associated with both construction and ongoing operation of the Project, and the existing, finite supplies of these natural resources would be incrementally reduced.

The Project would contribute to a land use pattern that would reduce reliance on private automobiles and the consumption of non-renewable resources when considered in a larger context. Most notably, the Project would provide high density housing, hotel, and commercial uses in the Downtown area in close proximity to cultural and entertainment, commercial, restaurant, and office activities. The project site is located within a High Quality Transit Area, and an area identified as preferred for high density development to reduce vehicle miles traveled and related consumption of renewable resources, among other goals. Given its location, the Project would support pedestrian access to a considerable range of entertainment, employment, and commercial activities. The Project also provides excellent access to the regional transportation system as it is located in proximity to the Metro Pico Station and 7th Street/Metro Center Station and multiple bus and shuttle lines.

The Project would be designed to achieve the equivalent of the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) Silver Certification level. The Project would also comply with the Los Angeles Green Building Code, which builds upon and sets higher standards than those incorporated in the 2013 California Green Building Standard Code, or CALGreen. A sustainability program would be prepared and monitored by an accredited design consultant to provide guidance on Project design, construction and operations; and performance monitoring during Project operations to reconcile design and energy performance and enhance energy savings. Some of the Project's key design features that contribute to energy efficiency include the installation of energy efficient appliances, water efficient irrigation systems, water efficient indoor fixtures, and the installation of the conduit and panel capacity to accommodate future electric vehicle charging stations into 10 percent of the parking spaces.

The Project would support pedestrian activity in the downtown Los Angeles area, and contribute to a land use pattern that addresses housing needs and reduces vehicle trips and air pollution by locating residential uses within an area that has public transit (with access to the Metro rail lines and existing regional bus service). Employment opportunities, restaurants and entertainment are within walking distance. Further, the Project's inclusion of bicycle parking, as discussed above, would encourage the use of alternative modes of transportation. Continued use of such non-renewable resources would 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. Furthermore, 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. The Project's irreversible changes to the environment related to the consumption of nonrenewable resources would not be significant.

J. Other CEQA Considerations

1. The City, acting through the Department of City Planning, is the "Lead Agency" for the project evaluated in 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 Proposed 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 (Visual Character, Views, Light, Glare, and Shading); Air Quality; Greenhouse Gas Emissions; Cultural Resources (Historic Resources and Archaeological and Paleontological Resources); Geology and Soils; Hazards and Hazardous Materials; Land Use and Planning; Noise and Vibration; Population, Housing, and Employment; Public Services (Fire Protection, Police, Schools, Recreation and Parks, and Libraries); Transportation and Traffic; and Utilities and Services (Wastewater, Water Supply, Solid Waste, and Energy). Additionally, the EIR considered, in separate sections, Significant Irreversible Environmental Changes, and the Growth Inducing Impacts of the Proposed Project. The significant environmental impacts of the Proposed 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 periods provided all interested jurisdictions, agencies, private organizations, and individuals the opportunity to submit comments regarding both the Draft EIR and Revised Draft EIR. The Final EIR was prepared after the review periods and responds to comments made during the public review periods.
4. 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 the significant environmental issues raised. The Final EIR provides adequate, good faith and reasoned responses 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 a 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.
5. The Final EIR documents changes to the Draft EIR and accordingly 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 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 impact, 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 additional recirculation of the Draft EIR, or that would require 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 or recirculated portions of 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 feasible a feasible mitigation measure or alterative not included in the Final EIR.

6. The mitigation measures identified for the original project were included in the Draft EIR and Final EIR. 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.
7. CEQA requires the Lead Agency approving a project to adopt a Mitigation Monitoring Program (“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 and revised in the MMP as adopted by the City serve 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 § 21081.6, the City hereby adopts the MMP.
8. In accordance with the requirements of Public Resources Code § 21081.6, the City hereby adopts each of the mitigation measures expressly set forth herein as conditions of approval for the project.
9. The custodian of the documents or other material which constitute the record of proceedings upon which the City decision is based is the City of Los Angeles, Department of City Planning.
10. 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.
11. 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.
12. 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 the other regulatory jurisdictions.

K. Statement of Overriding Considerations

The Findings and this Statement of Overriding Considerations are based on substantial evidence in the record, including but not limited to the EIR, the references included in the EIR, and documents and materials that constitute the record of proceedings.

The EIR has identified significant unavoidable impacts that would result from implementation of the proposed project. Section 21081 of the California Public Resources Code and Section 15093(b) of the CEQA Guidelines provide that when the decision of the public agency allows

the occurrence of significant impacts that are identified in the EIR but are not at least substantially mitigated, the agency must state in writing the reasons to support its action based on the completed EIR and/or other information in the record. Specifically, pursuant to CEQA Guidelines Section 15093(b), the decision maker must adopt a Statement of Overriding Considerations at the time of approval of a project if it finds that significant adverse environmental effects have been identified in the EIR which cannot be substantially mitigated to an insignificant level or be eliminated. To adopt a Statement of Overriding Considerations, the decision-maker must balance the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

The project would result in significant unavoidable impacts to historical resources, noise and transportation and circulation (traffic) during construction. The project would also result in a cumulatively considerable contribution to significant impacts on transportation and circulation during operations with respect to one intersection.

To summarize, the EIR disclosed the following unavoidable project impacts:

Historical Resources

The Petroleum Building would be subject to vibration impacts that could exceed a vibration threshold. As described below, with the implementation of Mitigation Measure MM-NOISE-2, which requires the installation of continuously operational automated vibrational monitors on the Petroleum Building, vibration impacts during construction would be less than significant. However, this measure requires the consent of the property owner which has not yet been secured. Therefore, it is conservatively concluded that indirect impacts on the Petroleum Building are significant and unavoidable.

Noise and Vibration

Project construction would result in noise levels that exceed significance thresholds. As such, the Project would have a significant construction noise impact and would contribute to significant cumulative construction noise impacts at the upper floors (3rd floor and above) of the mixed use residential uses across S. Flower Street and future residential uses across 11th Street. Mitigation Measure MM-NOISE-1 provides for a fence with sound blankets that would achieve noise reductions of at least 14 dBA between the construction on the project site and the multi-family residential uses across S. Figueroa Street and 11 dBA between the construction on the project site and the future multi-family residential uses across W. 11th Street. Although the noise reduction provided by the noise barrier would be substantial, construction noise levels would still increase the daytime ambient noise level above the 5-dBA significance threshold at the upper floors (3rd floor and above) of the mixed-use residential uses (R3) across S. Flower Street and the future residential uses across W. 11th Street. Thus, construction noise impacts would be significant and unavoidable at these locations at both the Project- and cumulative-level.

During Project construction activity, the Petroleum Building, adjacent to the project site to the east, could be exposed to vibration velocities from construction activities that exceed the vibration significance threshold. With the implementation of Mitigation Measure MM-NOISE-2, vibration velocities in excess of the threshold would transmit an alarm to on-site personnel with authorization to halt work in the vicinity. Furthermore, in the event damage occurs to historic finish materials due to construction vibration, such materials would be repaired in a manner that

meets the Secretary of the Interior's Standards. Although implementation of Mitigation Measure MM-NOISE-2, which requires the installation and maintenance of at least two continuously operational automated vibration monitors on the Petroleum Building, would ensure vibration impacts on the Petroleum Building would be less than significant, the consent of the property owner would be required, and that property owner may not agree. Therefore, construction vibration impacts on the historic Petroleum Building would be significant and unavoidable.

Transportation and Traffic

The Project would add traffic to the local street system during construction and during operation that could disrupt traffic flow. The Project would not result in significant construction traffic impacts with the incorporation of Project Design Feature PDF-TRAF-1, Construction Management Plan. However, Project construction is likely to occur simultaneously with construction of several other nearby projects. Beyond compliance with City requirements regarding haul routes, notification, scheduling, and implementation of traffic controls and safety procedures, no other feasible mitigation measures have been identified. Therefore, due to potential for combined construction impacts with multiple nearby projects, cumulative construction traffic impacts are considered to be significant and unavoidable.

During Project operation, the Project would generate traffic that would exceed LADOT criteria for intersection service levels. Even with implementation of Mitigation Measures MM-TRAF-1 and MM-TRAF-2 requiring implementation of a TDM Program and physical improvements to Intersection No. 30, Grand Avenue/17th Street/I-10 Westbound On-Ramp, respectively; significant and unavoidable impacts would occur at the following intersections under Future with Project with Mitigation Conditions (Year 2020) –Phase 1:

- No. 12: Figueroa Street/Olympic Boulevard (PM peak hour)
- No. 13: Figueroa Street/11th Street (AM and PM peak hour)
- No. 19: Flower Street/11th Street (PM peak hour)

Significant and unavoidable impacts would also occur at the following three intersections under Future With Project With Mitigation Conditions (Year 2023) – Full Buildout; even with implementation of the recommended mitigation measures, impacts would remain significant and unavoidable at the following intersections:

- No. 12: Figueroa Street/Olympic Boulevard (PM peak hour)
- No. 13: Figueroa Street/11th Street (AM and PM peak hour)
- No. 19: Flower Street/11th Street (afternoon peak hour)

Statement of Overriding Considerations

Accordingly, the City adopts the following Statement of Overriding Considerations, recognizing that significant and unavoidable impacts would result from implementation of the project. Having (i) adopted all feasible mitigation measures, (ii) rejected alternatives to the project described above, (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 benefits outweigh and override the significant unavoidable impacts for the reasons discussed below.

These stated reasons summarize the benefits, goals and objectives of the proposed project, and provide, in addition to the findings made above, the detailed rationale for the benefits of the project. These overriding considerations of economic, social, aesthetic, and environmental benefits for the project justify adoption of the project and certification of the completed EIR,

notwithstanding certain significant and unavoidable impacts. Many of these overriding considerations individually would be sufficient to outweigh the adverse environmental impacts of the project and justify adoption of the project and certification of the completed EIR. In particular, achieving the underlying purpose for the project would be sufficient to override the significant environmental impacts of the project.

1. The Project is an urban infill development that replaces surface parking with a mix of uses and development intensity, including 300 hotel rooms, 435 residential units and 55,499 square feet of commercial space, that provides 435 units of much needed housing stock to serve the local area and the region supporting Mayor Garcetti's Housing Initiative to build 100,000 housing units by 2021 and assist in alleviating 3.0 percent rental vacancy rate;
2. The Project would provide 300 hotel rooms adjacent to the Los Angeles Convention Center, Staples Center and LA Live, in compliance with the Mayor's White Paper 2015 Initiative to develop hotel rooms to serve the expansion of the Convention Center;
3. The Project will provide sustainability features (use of recycled materials, reducing water consumption, and reducing greenhouse gas emissions), mixed-use environment, location, and proximity to transit will reduce air quality emissions through a reduction in vehicle trips and vehicle miles traveled and reduced energy, solid waste, and water usage; and is in an area well-served by public transit, including nearby Metro Station, Metro and DASH bus lines, and the proposed new streetcar project, thereby reducing vehicle trips to serve these uses;
4. The Project would provide economic benefits to the community and would support the ongoing revitalization of the Downtown area by bringing 700 significant construction jobs in a two-phased project, and by creating long term employment through hotel, restaurant and retail jobs on-site and within the proposed residential buildings;
5. The Project will provide iconic and distinctive architectural design, which connects to the surrounding urban environment to enhance pedestrian activity and commercial street life through large public plazas with amenities, public art, inviting and accessible retail stores, and landscaped open spaces;

The City further 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 further recirculated prior to its certification.

DEVELOPMENT AGREEMENT

by and between

THE CITY OF LOS ANGELES

and

JIA YUAN USA CO., INC.

dated as of

EXHIBIT A

DEVELOPMENT AGREEMENT

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DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is executed this _____ day of _____, 2017 by and between the CITY OF LOS ANGELES, a municipal corporation (“City”), and Jia Yuan USA Co., Inc. (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 2.7-acre property in the City of Los Angeles located at 1016-1060 S. Figueroa Street, 716-730 W. Olympic Boulevard, 607-613 W. 11th Street, and 1041-1061 S. Flower Street (the “Property”). Developer intends to demolish the existing hotel and remove the surface parking and redevelop the site with a mixed-use project consisting of 435 residential units, 58,959 square feet of commercial uses, a 300-room hotel, and signage.

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 “**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.

1.10 “**Days**” means calendar days as opposed to working days.

1.11 **“Developer”** has the meaning as described in the opening paragraph of this Agreement.

1.12 **“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.

1.13 **“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.

1.14 **“Effective Date”** has the meaning set forth in Section 7.1 below.

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

1.16 **“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.

1.17 **“Mitigation Measures”** means the mitigation measures described in the Environmental Impact Report and Erratas (ENV-2015-1159-EIR, State Clearinghouse No. 2016021013) (the “EIR”) certified by the City in accordance with the requirements of CEQA, and in the Mitigation Monitoring Program for the Project which is attached hereto as Exhibit C, Mitigation Monitoring Program.

1.18 **“Parties”** means collectively the Developer and the City.

1.19 **“Party”** means any one of the Developer or the City.

1.20 **“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).

1.21 **“Planning Director”** means the Director of Planning for the City.

1.22 **“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. 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. Processing Fees include those linkage fees, and exactions which are in effect as of the date Vesting Tentative Tract Map No. 73675 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.

1.23 “Project” means the demolition of the existing Luxe Hotel and removal of the existing surface parking and the new construction of a mixed-use project consisting of 860,121 square feet (7.4:1 FAR), including the development of 435 residential units, 300 hotel rooms with 36,580 square feet of ancillary uses, and 55,499 square feet of retail and restaurant uses. Phase 1 would include construction of the new 430-foot tall hotel with a 75-foot podium, retail uses and terraces. Phase 2 would start after the completion of Phase 1 and would include the demolition of the existing hotel and the construction of the 540-foot residential tower, retail uses, and a 55-foot podium with terraces.

1.24 “Project Approvals” means those Discretionary Actions authorizing the Project which have been approved by the City on or before the Effective Date (irrespective of their respective effective dates) including, but not limited, to: (1) a Sign District; (2) Transfer of Floor Area; (3) a Master Conditional Use to allow alcohol sales throughout the project site; (4) a Master Conditional Use to allow Live Entertainment and Dancing on the project site (CPC-2015-1158-SN-TDR-MCUP-CUX-SPR); and (4) Vesting Tentative Tract Map No. 73422-CN.

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

1.26 “Property Owner” has the meaning as described in the opening paragraph of the Agreement.

1.27 “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.

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

1.29 “Transferee” means a third party that has entered into an Assignment Agreement with Developer.

1.30 “Vesting Tentative Tract Map” means Vesting Tentative Tract Map No. 73422 approved by the City on and which became final on August 28, 2017.

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 _____.

2.2.2 Advisory Agency Certification of the EIR. The Deputy Advisory Agency on August 18, 2017, 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:

(a) **Public Benefits Trust Fund – CD 14.** On the annual anniversary of the effective date of the Development Agreement, the developer shall make an annual payment to the CD 14 – Public Benefits Trust Fund in an amount up to \$100,000 to support Council District 14's efforts to address blight removal, façade improvements, street cleaning, graffiti removal, etc. within the boundaries of Council District 14.

(b) Restricted Affordable Workforce Housing.

(1) The Project shall provide five (5) percent of the approved number of 435 for-sale units (22 units) to be reserved for workforce housing (defined as families earning 150 percent of the median income and adjusted for household size) as determined annually by HCIDLA.

A. Prior to the issuance of a building permit for any portion of the project which proposes for-sale housing, the developer shall record a covenant a covenant agreement with HCIDLA restricting the for-sale housing units to families earning 150 percent of the median income (adjusted for family size) for a period of 55 years.

B. If all, or a portion, of the 435 units of for-sale housing are instead developed as rental units, then 5% of the 435 units, or portion thereof, shall be set aside for families earning 150 percent of the median income.

C. In no instance shall less than 22 units of Workforce Housing be located on the site, as rental or for-sale units.

(2) Applicable Terms.

A. Housing Cost. The Workforce Household purchasing a restricted unit, shall include all of the following associated with that Restricted Unit: (1) principal interest and loan on a mortgage including and including rehabilitation loans, and any loan insurance fees associated therewith, (2) property taxes and assessments, (3) fire and casualty insurance covering replacement value of the restricted unit, (4) maintenance and repairs for the Restricted Unit, (5) a reasonable utility allowance, (6) homeowner association fees, (7) space rent, if the restricted unit is situated on rented land. Items 1 through 7 shall be an average of estimated costs for the next 12 months.

B. Maximum Purchase Price. Means the maximum price, including Housing Costs, to be paid by Households earning 150 percent of the median income for the purchase of the Workforce restricted unit, as determined by HCIDLA on an annual basis. In the event of a purchase by an eligible household which does not qualify, the maximum purchase price shall be negotiated between the owner of the unit and buyer with no maximum purchase price set by HCIDLA.

C. Rent. Means the consideration, including any bonus, benefits, or gratuity, demanded by or received by the Owner for, or in connection with: (1) the use or occupancy of a housing unit and land and facilities associated therewith, (2) any separately charged fees or service charges assessed by the Owner which are required of all tenants, other than security deposits, (3) a reasonable utility allowance, and (4) possessory interest, taxes, or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Owner (such as the Code Enforcement Program Fee). Items 1 and 2 may not exceed 150% of the median income, as established by HCIDLA, from time to time to reflect HCD updates of Median Income estimates, divided by twelve 12).

D. Penalties/Prohibitions.

i) Owner is subject to any applicable penalties as determined by HCIDLA, for renting a restricted unit to a tenant whose income exceeds permissible limits.

ii). Owner shall use a form of rental/lease agreement: 1) for no less than one year for the initial rental of the restricted unit; 2) provide for termination of the rental;/lease agreement and consent by a tenant to immediate eviction for failure to provide information required by HCIDLA or to qualify as an eligible household; 3) prohibit the subleasing of a restricted unit; and, 4) permit the termination of an existing tenancy or an eviction upon good cause, such as non-payment of rent, repeated violation of terms/conditions of agreement, violations of applicable federal, state, or local law, and when a restricted units is to be initially placed on the market for sale.

(3) HCIDLA Covenant. The restricted affordable units shall be subject to the terms and conditions of HCIDLA’s “Rental or Purchase Covenant Agreement Running with the Land, City Of Los Angeles,” as may be amended by HCIDLA.

(4) Covenant Preparation, Covenant Recordation, Annual Monitoring. The Developer and/or property owner shall be responsible for the payment of the applicable fees associated with the Covenant Preparation (\$5,770), Covenant Recordation (\$43.00), and Annual Monitoring (\$173.00) per restricted affordable unit, as may be updated by HCIDLA.

(c) **TFAR Early Payment.** Within 90 days from the effective date of the Development Agreement, the Developer and/or property owner shall make a payment of \$2,000,000 to the LA Streetcar and \$500,000 to LANI/Bringing Back Broadway, or prior to issuance of building permit, whichever is earlier.

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 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.

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.

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 Vesting 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 Vesting 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. 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 (25) days from the Planning Director's decision. After a public hearing on the appeal, the Planning Commission within twenty five (25) 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 Mortgage 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 Effective Date of this Agreement shall be the date on which the Agreement is attested by the City Clerk of the City of Los Angeles after execution by the Property Owner and the Mayor of the City of Los Angeles.

7.2 Term. The Term of this Agreement shall commence on the Effective Date and shall extend for a period of ten (10) 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 only be transferred or assigned in whole, or in part, by Developer to a Transferee solely with the 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, gives prior written notice to the City of its intention to assign or transfer any of its interests, rights or obligations under this Agreement and a complete disclosure of the identity of the assignee or Transferee, including copies of the Articles of incorporation in the case of corporations and the names of individual partners in the case of partnerships. Any failure by Developer or any successor transferor to provide the notice shall be curable in accordance with the provisions 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 the 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 and Reimbursement of Litigation Costs. Applicant shall do all of the following:

7.10.1 Obligation to Defend, Indemnify, and Hold Harmless. Developer hereby agrees to (i.) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim. (ii.) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs. (iii.) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City

pursuant to the requirement in paragraph (ii). (iv.) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii). (v.) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

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 fifty thousand (\$50,000) dollars. For all other Project Approvals, the amount of the deposit shall be fifty thousand (\$50,000) 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:

If to the City:

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

with copies to:

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

If to the Developer:

Jia Yuan USA Co., Inc.
Attention: Sun Wen
801 S. Figueroa Street, Suite 1800
Los Angeles, CA 90017

with a copy to:

Jeffer Mangels Butler & Mitchell LLP
Attention: Sherri Bonstelle
1900 Avenue of the Stars, 7th Floor
Los Angeles, CA 90067

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 recordation.

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, Index, or signature page, consists of 27 pages and 3 Exhibits which constitute the entire understanding and agreement of the Parties.

(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

APPROVED AS TO FORM:
City Attorney

By: _____
Mr. Eric Garcetti, Mayor

By: _____
Laura Cadogan Hurd, Deputy City Attorney

DATE:

DATE:

ATTEST:

By: _____
Deputy

DATE:

JIA JUAN USA CO., INC.
a Delaware Corporation

APPROVED AS TO FORM:

By: _____
Name:
Title: Authorized Signatory

By: _____

[SIGNATURE BLOCK TO BE INSERTED]

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property located in the City of Los Angeles, County of Los Angeles, State of California, more particularly described as follows:

PARCEL 1:

LOTS 16, 17, 18, 19, 20 AND THE SOUTH 10 FEET OF LOT 15, IN BLOCK 73 OF WILLIAM'S SUBDIVISION OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 32 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THOSE PORTIONS OF LOTS 19 AND 20 IN BLOCK 73 W. M. WILLIAMS SUBDIVISION OF BLOCKS 73 AND 72 OF ORD'S SURVEY, AS PER MAP RECORDED IN BOOK 3 PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 04 DEGREES 26 MINUTES 30 SECONDS, AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 600 FEET AND BEING TANGENT TO SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY IN A DIRECT LINE TO THE MOST WESTERLY CORNER OF SAID LOT 20, SAID MOST WESTERLY CORNER TO BE THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF SAID LOTS 20 AND 19 TO A POINT DISTANT 15 FEET NORTHEASTERLY, MEASURED ALONG SAID NORTHWESTERLY LINE FROM A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 638 FEET AND BEING CONCENTRIC WITH SAID CURVE HAVING A RADIUS OF 600 FEET; THENCE SOUTHERLY IN A DIRECT LINE TO A POINT IN SAID CURVE HAVING A RADIUS OF 638 FEET, DISTANT 15 FEET SOUTHEASTERLY, MEASURED ALONG SAID LAST MENTIONED CURVE FROM SAID NORTHWESTERLY LINE; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE TO A POINT OF TANGENCY IN A LINE PARALLEL WITH AND DISTANT 43 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM SAID TANGENT LINE HAVING A LENGTH OF 200 FEET; THENCE SOUTHEASTERLY ALONG SAID PARALLEL LINE TO THE

SOUTHEASTERLY LINE OF SAID LOT 20; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE TO THE SOUTHWESTERLY LINE OF SAID LOT 20; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THOSE PORTIONS OF LOT 16 AND THE SOUTHERLY 10 FEET OF LOT 15, SAID BLOCK 73, INCLUDED WITHIN A STRIP OF LAND, 40 FEET WIDE, LYING SOUTHEASTERLY OF AND CONTIGUOUS TO A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF 10TH PLACE, FORMERLY OTTOWA STREET, 50 FEET WIDE, WITH THE CENTER LINE OF FIGUEROA STREET, 80 FEET WIDE, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 719, RECORDED IN BOOK 15 PAGE 160 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHEASTERLY ALONG SAID LAST MENTIONED CENTER LINE 55.26 FEET; THENCE NORTHEASTERLY ALONG A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 1,500 FEET, THROUGH A CENTRAL ANGLE OF 04 DEGREES 40 SECONDS 46 MINUTES, AN ARC DISTANCE OF 122.51 FEET.

PARCEL 2:

LOTS 35, 36 AND 37 AND THE SOUTHWEST 20 FEET OF LOT 34 IN BLOCK 73 OF W.M. WILLIAMS SUBDIVISION OF BLOCKS 72 AND 73 OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHEASTERLY 5 FEET THEREOF.

ALSO EXCEPT THEREFROM THE NORTHWESTERLY 10 FEET OF LOTS 36 AND 37.

ALSO EXCEPT THEREFROM ONE-HALF OF ALL GAS, OIL, HYDROCARBON SUBSTANCES AND OTHER MINERALS IN AND UNDER SAID LAND, AS RESERVED BY GEORGE H. DITTUS, IN DEED RECORDED AUGUST 5, 1964 AS INSTRUMENT NO. 2828, OF OFFICIAL RECORDS.

PARCEL 3:

LOT 38 IN BLOCK 73, W.M. WILLIAMS SUBDIVISION OF BLOCKS 73 AND 72 OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

ALSO LOT "A" OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT "A" INCLUDED WITHIN A STRIP OF LAND 86 FEET WIDE, LYING 43 FEET ON EACH SIDE OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET WITH THE CENTER LINE OF ELEVENTH STREET AS SAID INTERSECTION IS SHOWN ON SAID MAP OF TRACT NO. 3730; THENCE NORTHWESTERLY ALONG A CURVE CONCAVE TANGENT TO SAID LAST MENTIONED CENTER LINE, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1000 FEET, THROUGH A CENTRAL ANGLE OF 04 DEGREES 26 MINUTES 30 SECONDS AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE 200 FEET.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT "A" BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF SAID STRIP OF LAND 86 FEET WIDE WITH THE NORTHWESTERLY LINE OF THE SOUTHEASTERLY 5 FEET OF SAID LOT "A"; THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE 15 FEET; THENCE EASTERLY IN A DIRECT LINE TO A POINT IN SAID NORTHWESTERLY LINE DISTANT 15 FEET NORTHEASTERLY, MEASURED ALONG SAID NORTHWESTERLY LINE FROM SAID NORTHEASTERLY LINE; THENCE SOUTHEASTERLY ALONG SAID NORTHWESTERLY LINE TO THE POINT OF BEGINNING

ALSO EXCEPT THEREFROM THE SOUTHEASTERLY 5 FEET OF SAID LOTS.

ALSO EXCEPT THEREFROM THE NORTHWESTERLY 10 FEET OF SAID LOTS 38.

ALSO EXCEPT THEREFROM ONTO THE CITY OF LOS ANGELES ITS INTEREST IN FEE OF THE ADJACENT STREETS WHICH WOULD OTHERWISE PASS WITH THE CONVEYANCE OF THE DESCRIBED REAL PROPERTY, AS PROVIDED IN DEED RECORDED DECEMBER 31, 1973 AS INSTRUMENT NO. 69, OF OFFICIAL RECORDS.

PARCEL 4:

THE NORTHWESTERLY 10 FEET OF LOTS 36, 37 AND 38 IN BLOCK 73, OF W.M. WILLIAMS SUBDIVISION OF BLOCKS 72 AND 73 OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5:

THAT PORTION OF LOT A OF THE IMMANUEL PRESBYTERIAN CHURCH PROPERTY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF

CALIFORNIA, AS PER MAP RECORDED IN BOOK 51 PAGE 7 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF SAID LOT A DISTANT THEREON SOUTH 37°46'00" WEST 50.00 FEET FROM THE MOST NORTH CORNER OF SAID LOT A; THENCE ALONG SAID NORTHWESTERLY LINE SOUTH 37°46'00" WEST 115.00 FEET TO THE MOST NORTH CORNER OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO UNION BANK RECORDED ON JULY 10, 1968 AS INSTRUMENT NO. 1733; THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 1 SOUTH 52°14'00" EAST 164.97 FEET TO THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO UNION OIL COMPANY OF CALIFORNIA RECORDED ON AUGUST 7, 1956 AS INSTRUMENT NO 3769 IN BOOK 51957 PAGE 219 OF OFFICIAL RECORDS; THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 37°53'50" EAST 126.70 FEET TO THE NORTHEASTERLY LINE OF SAID LAST MENTIONED DEED; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 56°17'10" WEST 140.65 FEET TO THE MOST EASTERLY CORNER OF THE LAND CONDEMNED FOR STREET PURPOSES AND DESCRIBED IN PARCEL NO. 146AA OF SUPERIOR COURT CASE NO. 932,018, A CERTIFIED COPY OF WHICH WAS RECORDED ON AUGUST 11, 1969 AS INSTRUMENT NO 2195, THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 146AA SOUTH 80°44'25" WEST 21.95 FEET TO THE MOST WESTERLY CORNER THEREOF; THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL NO. 146AA NORTH 37°46'00" EAST 15.00 FEET TO SAID NORTHEASTERLY LINE OF SAID LAND OF UNION OIL COMPANY OF CALIFORNIA; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 56°17'10" WEST 10.03 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

THAT PORTION OF LOT A OF THE IMMANUEL PRESBYTERIAN CHURCH PROPERTY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 7 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF BLOCK 73 OF W. M. WILLIAM'S SUB-DIVISION OF BLOCKS 72 AND 73 OF ORD'S SURVEY, IN SAID CITY, COUNTY AND STATE, AS PER MAP RECORDED IN BOOK 3, PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT A; THENCE NORTH 37° 48' 10" EAST ALONG THE SOUTHEASTERLY LINE OF SAID LOT A, A DISTANCE OF 9.76 FEET TO THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED AS HAVING A BEARING AND LENGTH OF "NORTH 52° 11' 50" WEST 1.35 FEET", IN THE DEED FROM LOS NIETOS COMPANY, TO UNION OIL COMPANY OF CALIFORNIA, RECORDED ON AUGUST 7, 1956, AS INSTRUMENT NO. 3769, IN BOOK 51927, PAGE 219, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 52° 11' 50" WEST ALONG SAID COURSE 1.35 FEET; THENCE NORTH 37° 53' 50" EAST

37.96 FEET; THENCE NORTH 52° 14' 00" WEST 164.97 FEET TO A POINT IN THE NORTHWESTERLY LINE OF SAID LOT A, THAT IS DISTANT NORTH SOUTH 37° 46' WEST ALONG SAID NORTHWESTERLY LINE 115.00 FEET FROM THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN SAID DEED TO UNION OIL COMPANY OF CALIFORNIA; THENCE ALONG THE NORTHWESTERLY LINE OF SAID LOT A, TO AND ALONG THE NORTHWESTERLY LINE OF SAID BLOCK 73, SOUTH 37° 46' WEST 228.66 FEET TO THE MOST WESTERLY CORNER OF LOT 13 IN SAID BLOCK 73; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT 13, SOUTH 52° 14' 00" EAST 166.12 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 13; THENCE NORTH 37° 48' 10" EAST 180.94 FEET TO THE POINT OF BEGINNING.

EXCEPTING ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN, UNDER OR THAT MAY BE PRODUCED FROM SAID LAND WITH THE FREE, PERPETUAL AND EXCLUSIVE RIGHT TO EXPLORE, PROSPECT FOR, DRILL, PRODUCE, TAKE AND REMOVE THE SAME FROM ONLY THAT PORTION OF SAID LAND WHICH UNDERLIES A PLANE PARALLEL TO AND 500 FEET BELOW, MEASURED VERTICALLY DOWNWARD BELOW THE SURFACE OF THE LAND, WHICH PORTION IS HEREINAFTER REFERRED TO AS "SUBSURFACE LAND", AND EXCEPT THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID SUBSURFACE LAND ANY OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, MINERALS AND RIGHTS OF WAY EASEMENTS AND SERVITUDES IN AND THROUGH SAID SUBSURFACE LAND, FOR THE PURPOSE OF EXERCISING THE RIGHTS THEREIN RESERVED, INCLUDING BUT NOT LIMITED TO THE RIGHT FROM TIME TO TIME TO DRILL WELL HOLES, TO CASE THE SAME, AND OTHERWISE COMPLETE AND MAINTAIN WELLS INTO AND THROUGH SAID SUBSURFACE LANDS FROM LOCATIONS OUTSIDE THE BOUNDARIES OF SAID LAND, WITHOUT, HOWEVER THE RIGHT TO ENTER UPON THE SURFACE OF THE SAID LAND, AS RESERVED BY UNION OIL COMPANY OF CALIFORNIA, A CALIFORNIA CORPORATION, IN DEED RECORDED JULY 10, 1968 AS INSTRUMENT NO. 1733, IN BOOK D-4060, PAGE 705, OFFICIAL RECORDS.

PARCEL 7:

LOT 14 AND THE NORTH 20 FEET OF LOT 15, BLOCK 73 OF W. M. WILLIAMS SUBDIVISION OF BLOCKS 72 AND 73, ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 32 OF MISCELLANEOUS RECORDS OF SAID COUNTY. EXCEPTING THEREFROM THOSE PORTIONS OF LOT 14 AND OF THE NORTHERLY 20 FEET OF LOT 15, BLOCK 73, W. M. WILLIAMS SUBDIVISION OF BLOCKS 73 AND 72 OF ORD'S SURVEY, AS PER MAP RECORDED IN BOOK 3, PAGES 32 AND 33 OF MISCELLANEOUS RECORDS, INCLUDED WITHIN A STRIP OF LAND, 40 FEET WIDE, LYING SOUTHEASTERLY OF AND CONTIGUOUS TO A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF 10TH PLACE, FORMERLY OTTOWA STREET, 50 FEET WIDE, WITH THE CENTER LINE OF

FIGUEROA STREET, 80 FEET, WIDE, AS SAID INTERSECTION IS SHOWN ON THE MAP OF TRACT NO. 719, RECORDED IN BOOK 15, PAGE 160 OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTHEASTERLY ALONG SAID LAST MENTIONED CENTER LINE 55.26 FEET; THENCE NORTHEASTERLY ALONG A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 1,500 FEET, THROUGH A CENTRAL ANGLE OF 4° 40' 46", AN ARC DISTANCE OF 122.51 FEET.

EXHIBIT "B"

CONDITIONS OF APPROVAL

1. Affirm that the EIR was certified, and that the Mitigation Monitoring Program, findings, and Statement of Overriding Considerations were adopted.
2. Supplemental Use District for a sign district for the site.
3. Transfer of Area Rights from the Los Angeles Convention Center (City owned donor site) located at 1201 South Figueroa Street, to the subject site, to allow a floor area ratio (FAR) of up to 8.03:1 and 936,712.
4. Master Conditional Use to permit the sales of a full line of alcoholic beverages within the following:
 - a. On-site sales, dispensing, and consumption for 25 portable units within the hotel,
 - b. On-site sales, dispensing, and consumption for the mini-bars within each hotel room,
 - c. On-site sales, dispensing, and consumption for five restaurants/bars within the hotel,
 - d. On-site sales, dispensing, and consumption for 15 restaurants/bars within the commercial area,
 - e. Off-site sales for 3 retail establishments within the project site;
5. Master Conditional Use to permit public dancing and live entertainment within 20 establishments
6. Site Plan Review for a project that would result in an increase of 50 or more dwelling units and/or 50,000 gross square feet of non-residential floor area.

Case Nos: ENV-2015-1159-EIR; CPC-2015-1158-SN-TDR-MCUP-CUX-SPR -CU

EXHIBIT "C"

MITIGATION MONITORING PROGRAM

ORDINANCE NO. _____

An ordinance authorizing the execution of the development agreement by and between the City of Los Angeles and Jia Juan USA Co., Inc., a Delaware Corporation relating to real property in the Central City Community Plan area, and located at 1020 S. Figueroa Street and ancillary locations.

WHEREAS, the City Planning Commission on September 14, 2017, 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 Jia Juan USA Co., Inc. (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 Central City 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 Central City Community 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 Central City 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,

EXHIBIT B

(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

by _____
Deputy

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