

# DEPARTMENT OF CITY PLANNING

# RECOMMENDATION REPORT

Case No.:

CEQA No.:

Incidental

Related Cases:

Council No.:

Specific Plan:

Certified NC:

**General Plan:** 

Zone:

Applicant:

Representative:

Plan Area:

Cases:

CPC-2015-896-GPA-VZC-HD-

Existing: Neighborhood Office

Proposed: General Commercial

Proposed: (T)(Q)C2-2D-O

MCUP-ZV-DB-SPR

ENV-2015-897-EIR

VTT-74131-1A

5 - Paul Koretz

Mid City West

Commercial

Existing: C2-1VL-O

George J. Mihlsten

Latham & Watkins LLP

**CRM Properties** 

None

None

Wilshire

SCH No. 2016011061

# **City Planning Commission**

Date: November 10, 2016

Time: After 8:30 A.M.

Place: Los Angeles City Hall

Council Chamber, Room 340

200 N. Spring Street Los Angeles, CA 90012

**Public Hearing** 

Completed: September 21, 2016 **Appeal Status:** Appealable to City Council

**Expiration Date:** November 28, 2016

Multiple Approval: Off-Menu Housing Incentive is

not appealable by any party. General Plan Amendment and Vesting Zone Change appealable bγ the are applicant to City Council if disapproved in whole or in

part. All other actions are appealable to City Council per LAMC Section 12.36-C.

PROJECT LOCATION:

333 S. La Cienega Boulevard

**PROPOSED** PROJECT:

A mixed-use development consisting of 145 residential units, with 10 percent of the permitted base density set aside for affordable housing (7 Very Low Income units and 6 Moderate Income units), and 31,055 square feet of commercial uses consisting of a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. The development will be up to 240 feet in height on an approximately 1.15-acre site. The project includes 362 total parking spaces for commercial and residential uses within two subterranean levels and three parking levels above the ground floor. The project also includes 299 bicycle parking spaces. The project will contain 294,294 square feet of floor area upon full build out.

#### **REQUESTED ACTIONS**

#### **ENV-2013-2813-EIR**

- Pursuant to Section 21082.1(c)(3) of the California Public Resources Code, the Consideration and Certification of the Environmental Impact Report (EIR), ENV-2015-897-EIR, SCH No. 2016011061, for the above-referenced project, and Adoption of the Statement of Overriding Considerations setting forth the reason and benefits of adopting the EIR with full knowledge that significant impacts may remain;
- 2. Pursuant to Section 21801.6 of the California Public Resources Code, the Adoption of the proposed Mitigation Measures and Mitigation Monitoring Program;

3. Pursuant to Section 21081 of the California Public Resources Code, the **Adoption** of the required Findings for the adoption of the EIR;

# CPC-2015-896-GPA-VZC-HD-MCUP-ZV-DB-SPR

- 1. Pursuant to LAMC Section 11.5.6, a **General Plan Amendment** to the Wilshire Community Plan to:
  - a. Change the property's land use designation from "Neighborhood Office Commercial" to "General Commercial" and:
  - b. To modify Footnote 5.1 of the Wilshire Community Plan's Land Use map to allow Height District 2D:
- 2. Pursuant to LAMC Sections 12.32-F and 12.32-Q, a **Vesting Zone and Height District Change** from C2-1VL-O to (T)(Q)C2-2D-O;
- 3. Pursuant to LAMC Section 12.24-W,1, a Master Conditional Use Permit to allow the on-site and off-site sale of a full line of alcoholic beverages in conjunction with a proposed grocery market and the on-site sale and consumption of a full line of alcoholic beverages in conjunction with a full service restaurant;
- 4. Pursuant to LAMC Section 12.27, a **Variance** from LAMC Section 12.21-A,16(E)(2)(iii) to allow alternative stall siting for long-term bicycle parking;
- 5. Pursuant to LAMC Section 12.22-A,25, a 16% **Density Bonus** to provide an additional 20 units in lieu of 125 base units, for a total of 145 units. The project will set aside 5% (7 units) for Very Low Income Households and 5% (6 units) for Moderate Income Households. In addition, the project is seeking two incentives, including:
  - a. Pursuant to LAMC Section 12.22-A,25(F)(4)(i) an **On-Menu Incentive** to permit a 20 percent increase in FAR to permit a 4.8:1 FAR in lieu of 4:1 FAR set forth in the proposed "D" limitation.
  - b. Pursuant to LAMC Section 12.22-A,25(G)(3), a **Waiver of Development Standard (Off-Menu)** to permit a 6:1 FAR in lieu of 4.8:1 FAR; and
- 6. Pursuant to LAMC Section 16.05-C,1(B), **Site Plan Review** for a project resulting in 145 net new residential units;

## **RECOMMENDED ACTIONS**

#### **ENV-2015-897-EIR**

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 333 S. La Cienega Project EIR, No. ENV-2015-897-EIR, SCH No. 2016011061, certified on October 14, 2016; and pursuant to CEQA Guidelines, Sections 15162 and 15164, no subsequent EIR or addendum is required for approval of the project.

#### CPC-2015-896-GPA-VZC-HD-MCUP-ZV-DB-SPR

- 2. **Approve** a **General Plan Amendment** from Neighborhood Office Commercial to General Commercial for the subject property and to modify Footnote No. 5.1 of the Wilshire Community Plan's Land Use map as follows: "Development of the properties bounded by Burton Way on the north and east, Le Doux Road on the west, and Colgate Avenue on the south as identified per City Planning Case No. CPC-2008-1957-GPA-ZC-HD-CUB-ZV-ZAA-SPR; and the property bounded by 3rd Street on the north, San Vicente Boulevard on the west, La Cienega Boulevard on the east, and Burton Way on the south, as identified per City Planning Case No. CPC-2015-896-GPA-VZC-HD-MCUP-ZV-DB-SPR, shall be permitted a Height District of 2D with development limited to a maximum floor area ratio of 4 to 1."
- 3. Approve a Vesting Zone Change from C2-1VL-O to (T)(Q)C2-2D-O;
- 4. **Approve** a **Master Conditional Use** to allow the on-site and off-site sale, dispensing and consumption of a full line of alcoholic beverages for one (1) establishment (grocery market), and the on-site sale, dispensing and consumption of a full line of alcoholic beverages for one (1) establishment (restaurant);
- 5. **Approve** a **Variance** to allow alternative long-term bicycle stall siting;
- 6. **Approve** a **Density Bonus** setting aside 5% (7 units) restricted to Very Low Income households and 5% (6 units) for Moderate Income Households and two Affordable Housing Incentives as follows:

- a. Pursuant to LAMC Section 12.22-A,25(F)(4)(i) an On-Menu Incentive to permit a 20 percent increase in FAR to permit a 4.8:1 FAR in lieu of 4:1 FAR set forth in the proposed "D" limitation.
- b. Pursuant to LAMC Section 12.22-A,25(G)(3), an Off-Menu Incentive to permit a 6:1 FAR in lieu of 4.8:1 FAR; and
- 7. Approve a Site Plan Review for a project that would result in an increase of more than 50 dwelling units;
- Advise 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;
- 9. **Recommend** that the applicant be advised that time limits for effectuation of a zone in the "T" Tentative classification or "Q" Qualified classification are specified in Section 12.32-G of the LAMC. Conditions must be satisfied prior to the issuance of building permits and, that the "T" Tentative classification be removed in the manner indicated on the attached page; and
- 10. **Advise** the Applicant that pursuant to the State Fish and Game Code Section 711.4, a Fish and Game and/or Certificate of Game Exemption is now required to be submitted to the County Clerk prior to or concurrent with the Environmental Notices and Determination (NOD) filing.

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Charles J. Rausch, Jr.

Associate Zoning Administrator

**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, 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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#### **PROJECT BACKGROUND**

# **Project Location and Existing Uses**

The applicant, CRM Properties, is proposing a mixed-use project located at 333 S. La Cienega Boulevard, in the City of Los Angeles. The approximately 1.15-acre property consists of an irregularly shaped lot, bounded by 3rd Street to the north, Burton Way to the south, San Vicente Boulevard to the west, and La Cienega Boulevard to the east.

The project site is currently developed with an approximately 181,379 square-foot, three-story building with a single-tenant department store space (formerly Loehmann's) on the ground level and a parking garage on the three levels (levels 2, 3 and the roof) above the retail space. The single-tenant department store space is currently vacant while the parking garage continues to operate.

Below is a photo of the existing on-site building at the subject property:



# **Project Description**

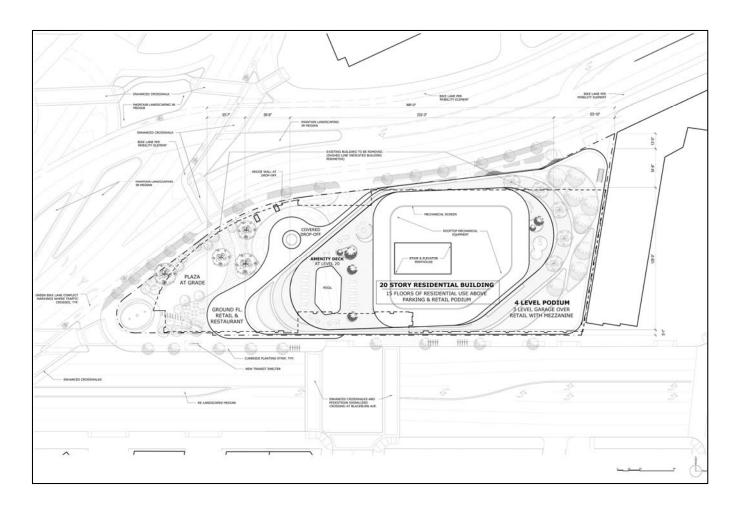
The mixed-use project includes: a 16% Density Bonus to provide an additional 20 units in lieu of 125 base units, for a total of 145 residential units, with 10 percent of the permitted base density set aside for affordable housing, and 31,055 square feet of commercial uses consisting of a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. The project will set aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. The project also includes 362 vehicle parking spaces and 299 bicycle parking spaces.

Dwelling Unit Breakdown			
Unit Type	Number of Units	Square Footage	
1 Bedroom	70	72,450	
1 Bedroom + Den	14	18,690	
2 Bedrooms	28	53,998	
2 Bedrooms + Den	28	31,500	
3 Bedrooms (including Penthouse)	5	44,972	
Total	145	221,610	

The residential amenities include a residential lobby and residential lounge; a privately maintained but publicly accessible landscaped plaza on the ground floor with seating areas and a water feature (as shown in the Site Plan above); and a roof deck with a pool, gym, "Great Room," spa and lounge for residents (as shown in the Amenity Level below). Access to the residential units is from the ground level residential lobby and from the fully integrated parking structure.

The project's retail component, including a grocery market and a full service restaurant, is primarily located along La Cienega Boulevard. The project includes a ground-level plaza with landscaping, turf, a water feature and seating areas for restaurant patrons. The project includes approximately 31,055 square feet of new commercial space, including a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. The project proposes the onsite and off-site sale of a full line of alcoholic beverages in conjunction with the proposed grocery market and the on-site sale and consumption of a full line of alcoholic beverages in conjunction with the restaurant.

The project will demolish the existing 181,379 square feet of existing uses and include new construction, consisting of approximately 294,294 square feet of floor area contained within one building up to 240 feet in height. The net increase in floor area is 112,915 square feet with a total floor area ratio (FAR) of approximately 6.0:1 upon build out.



Existing and Proposed Uses			
Building	Use	Building Size	
Single tenent department store (evicting to be	Parking	131,338 sf	
Single-tenant department store (existing to be demolished)	Retail	50,041 sf	
demonstred)	Total	181,379 sf	
N. D. I.	Residential (Apartment)	145 units	
New Development	Parking Retail Total Residential	27,685 sf	
	Restaurant	3,370 sf	
	Total	294,294 sf	
Net Difference of Floor Area (New – Existing)		112,915 sf	



#### **Vehicle Parking and Access**

The project provides a total of 362 parking spaces, including 119 parking spaces for commercial uses within a two-level subterranean parking garage and 243 parking spaces for residential uses, including 25 parking spaces for the use of the retail employees of the existing 8500 Burton Way mixed used development to the south of the project, in compliance with a lease agreement, within an aboveground, enclosed garage on Levels 2 through 4.

The project provides vehicle parking pursuant to LAMC Section 12.21-A,4, which states: "If a residential building has applied for and received a density bonus under Section 12.22-A,25., 30 percent of the required automobile parking may be replaced. In such cases, the replacement of automobile parking with bicycle parking shall be implemented in lieu of the parking options in Section 12.22-A,25(d)." The applicant has applied for a density bonus and the project is eligible for up to 30 percent replacement of automobile parking with bicycle parking, although the project is only replacing 15 percent of the required automobile parking.

A breakdown of the parking provided is indicated in the following tables:

Residential Parking			
Unit Type	Number of Units	Required Number of Parking Spaces	Notes
3 habitable rooms	70	105	Per LAMC § 12.21- A,4(a)
More than 3 habitable rooms	75	150	Per LAMC §12.21- A,4(a)
Subtotal	145	255	
Bicycle Parking R	eduction	-38*	Up to 30% reduction per LAMC §12.21-A,4
Total Requi	red	217	
*Only 15% reduction used	·		

Commercial Parking				
Use	Square Footage	Parking Formula	Required Number of Parking Spaces	Notes
Grocery Market	27,685	4 per 1,000 sf	111	Per LAMC §12.21-A,4(c)(5)
Restaurant	3,370	1 per 100 sf	34	Per LAMC §12.21- A,4(c)(3)
			1.15	
Subtotal			145	Up to 20% reduction per
				LAMC §12.21-A,4
Bicycle Parking	Reduction	20% max reduction*	-26	-
Total Reg	<b>Juired</b>		119	
Parking for 8500 Burton				Required per lease
Way (existing building)			25	agreement
Total (Residential +				
Commercial) Required			361	
Total Parking (R Commercial)			362	
*Only 18% reduct	tion used			

# **Access and Loading**

The parking structure is physically integrated with the proposed building and is accessed via three driveways along San Vicente Boulevard: the northernmost driveway is for retail parking access and the two approximately midblock driveways are for residential parking access. In each case, the vehicular driveway into the garage is the minimum width required to be as efficient as possible.

The access to the loading area for the project is located at the northwest corner of the project via a one-way driveway. Service vehicles will enter the project from San Vicente Boulevard and will exit the project and turn right onto La Cienega Boulevard.

# **Bicycle Parking and Facilities**

The project provides 299 total bicycle parking spaces for residential and commercial uses, including 146 bicycle parking spaces for residential uses, 120 bicycle parking spaces for commercial retail uses, and 33 short-term parking spaces. The applicant is requesting approval of a Variance to allow alternative stall siting locations to allow long-term bicycle parking spaces to be located in basement levels P1 and P2 of the subterranean parking structure.

Project Bicycle Parking				
Use	Unit	Parking Ratio	Required	Provided
Short-Term Residential	145 units	1 stall per 10	15	16
		dwelling units		
		pursuant to LAMC		
		12.21-A,16(a)(1)		
Long-Term Residential	145 units	1 stall per dwelling	145	146
		unit pursuant to		
		LAMC 12.21-		
		A,16(a)(1)		
Short-Term Commercial	31,055 sf	1 stall per 2,000 sf	16	17
		pursuant to LAMC		
		12.21-A,16(a)(2)		
Long-Term Commercial	31,055 sf	1 stall per 2,000 sf	16	16
		pursuant to LAMC		
		12.21-A,16(a)(2)		
Additional Long-Term	26	4 bike stalls for	104	104
Commercial for	vehicle	each vehicle stall		
Reduction of Vehicle	parking	deducted pursuant		
Parking	stalls	to LAMC 12.21-		
	deducted	A,4		
Total Bicycle Parking			296	299

### **Open Space and Landscaping**

In compliance with LAMC Section 12.21-G, the project includes a total of 28,748 square feet of open space consisting of 21,498 square feet of common space and 7,250 square feet of private open space. The amount of open space provided exceeds the LAMC requirement of 19,425 square feet. At least 62, 24-inch box trees including Jacaranda, Camphor, Peppermint trees, and Pink Trumpet trees will be planted throughout the property in tree wells in the parkways

along the project site perimeter and in a landscaped plaza and a passive garden on Level 5, described further below.

Open space consists of amenities for the residents including a 6,912 square-foot outdoor amenity deck on Level 20 (roof) with fire pits, cabanas and deck chairs; a gym; spa; a "Great Room"; lounge; lobbies; a community room; and outdoor dining areas. In addition, the project provides 6,860 square feet of passive gardens on Level 5 (podium roof) landscaped with Alba, Primrose trees, White Rock Rose, Fruitless Olive Trees, Compacta, Sweet Bay and mixed beds of Yankee Point, Cranesbill, South African Geranium and Kasmir Sage.



The ground level landscaped plaza, located at the southern portion of the project site at the intersection of San Vicente Boulevard and La Cienega Boulevard, is 6,910 square feet in size and includes a water feature, turf mounds, a turf lawn, benches, seating areas for restaurant patrons, Camphor, Peppermint trees, Pink Trumpet trees, Jacaranda trees and Fairy Lily flowers. In addition, the project provides a total of 7,250 square feet of private open space in the form or private patios and terraces. Finally, pursuant to LAMC Section 12.33, the project is also subject to the Quimby Act, which requires the payment of fees for park improvements.



#### Lighting

Lighting for the project during construction and operation will comply with all LAMC regulations. Construction is expected to occur between the hours of 7:00 a.m. and 4:00 p.m., Monday through Friday, and during the hours of 8:00 a.m. and 3:30 p.m. on Saturday. The project is required to comply with PDF AES-1, which states that all light sources associated with project construction activities must be shielded and/or aimed so that no direct illumination spills over outside of the project boundary. In addition, the project will comply with PDF AES-2, which prohibits the use of spotlights, floodlights, klieg lights, or similar high-intensity light sources for outdoor lighting at the project site during construction. During operation, the project will comply with PDF AES-2, which dictates that all outdoor lighting, including architectural lighting, is to be designed and installed with shielding and directed toward the interior of the project site so that the light source does not project directly upon any adjacent property.

#### PROJECT BACKGROUND

#### Existing Zoning and Land Use Designation

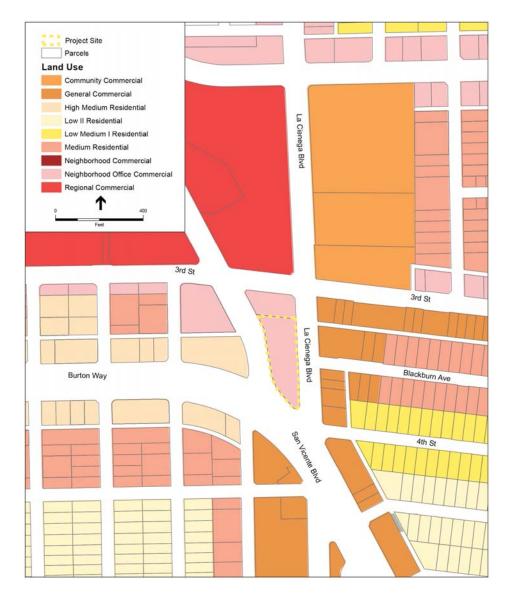
The property is located within the Wilshire Community Plan area. The Community Plan designates the property with a Neighborhood Office Commercial land use with the corresponding C1, C1.5, C2, C4, P, CR, RAS3 and RAS4 Zones. The project site is zoned C2-1VL-O.

The C2 zone allows C1.5 (Limited Commercial) uses, retail with limited manufacturing, service stations and garages, retail businesses, churches, schools, auto sales and R4 (Multiple Dwelling) uses. The C2 zone allows for the same uses permitted in the C1.5 zone, specifically retail, theaters, hotels, broadcasting studios, parking buildings, parks and playgrounds and R4 uses. The R4 zone permits residential density at a ratio of 400 square feet per dwelling unit, and allows R3 uses (Multiple Dwellings), churches, schools, childcare and homeless shelters. The project site is also subject to Height District '1VL', which permits a Floor Area Ratio of 1.5:1 with a height limit of 45 feet or 3 stories. The "O" Supplemental Use District reflects Oil Drilling.



#### Proposed Zoning and Land Use Designation

The applicant is requesting a General Plan Amendment to change the land use designation of the project site from Neighborhood Office Commercial to General Commercial, with the corresponding zones of C1.5, C2, C4, RAS3 and RAS4 in the Wilshire Community Plan Map. In addition, the applicant is requesting modification of Footnote No. 5.1 to allow Height District No. 2D and a Zone Change from C2-1VL-O to (T)(Q)C2-2D-O, to establish consistency with the proposed land use. The proposed land use designation, footnote and zone will allow a development with an FAR of 4:1 and unlimited height. The FAR of 4:1 allows 200,864 square feet of development (50,216 square feet lot area x 4).



#### **Proposed Density Bonus**

The applicant is eligible for a 20 percent Density Bonus in exchange for providing 5 percent of the total base units for Very Low Income Households. Instead, the project is only utilizing a 16 percent Density Bonus, to provide an additional 20 units in lieu of 125 base units, for a total of 145 units. As part of the total 145 units, the project will set aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. In addition, the applicant is seeking approval of two incentives, including an On-Menu Incentive to permit a 20 percent increase in FAR to permit a 4.8:1 FAR (resulting in approximately 241,036 square feet of development) in lieu the 4:1 FAR set forth in the proposed "D" limitation, and a Waiver of Development Standard (Off-Menu) to permit a 6:1 FAR in lieu of a 4.8:1 FAR. The FAR of 6:1 allows 301,296 square feet of development (50,216 square feet lot area x 6).

# **Adjacent Land Uses**

Adjacent land uses are a mix of low-, mid-, and high-rise buildings containing commercial, retail, institutional, and residential uses.

North: The Beverly Connection, Beverly Center, and Cedars-Sinai Medical Center are located across 3rd Street to the northeast, north, and northwest and are in the [T][Q]C2-1VL-O, C2-1, C2-1-O, and [T][Q]C2-2D-O Zones.

East: One and two-story commercial/retail centers occupied by Pet Smart, Coffee Bean, a bridal shop, cell phone stores and a flower shop are located across La Cienega Boulevard to the east and are in the C2-1VL-O Zone.

South: A mixed-use residential/retail building, 8500 Burton Way, is located directly to the south and is in the (Q)C2-2D-O Zone.

West: The Westbury Terrace condominium tower and Our Lady of Mount Lebanon-St. Peter Cathedral are located to the west directly across San Vicente Boulevard and are in the C2-1VL-O and [Q]R4-1-O Zones.

# **Streets, Bicycle Lanes and Public Transit**

<u>3rd Street</u>, to the north of the project site, is designated an Avenue II in the Mobility Plan 2035, dedicated to an 86-foot width and is improved with sidewalks, curbs and gutters. The City's Bicycle Plan designates 3rd Street as a Bicycle Lane.

<u>La Cienega Boulevard</u>, adjoining the project site to the east, is designated an Avenue I in the Mobility Plan 2035, dedicated to a 100-foot width at the project's street frontage and is improved with sidewalks, curbs and gutters.

<u>Burton Way</u>, adjoining the project site to the south, is designated an Avenue II in the Mobility Plan 2035, dedicated to an 86-foot width at the project's street frontage and is improved with sidewalks, curbs and gutters.

<u>San Vicente Boulevard</u>, adjoining the project site to the east, is designated a Boulevard II in the Mobility Plan 2035, dedicated to a 110-foot width at the project's street frontage and is improved with sidewalks, curbs, gutters. The City's Bicycle Plan designates San Vicente Boulevard as a Bicycle Route.

The project is located near 10 transit (bus) lines, described further below. In addition, there are existing bus shelters/benches for the Metro Local 105 and Metro Rapid 705 buses adjacent to the project site along La Cienega Boulevard. The project will replace the existing shelter and bench at the southern corner of the project site with a new shelter, which will be located directly in front of the new landscaped plaza. The following public transportation lines provide service to and around the project site:

#### **EXISTING PUBLIC TRANSIT SERVICE**

Route		Ridership (Total Annual Trips)	
	Destinations	2015	2016 Estimate
Metro Rapid			
705	West Hollywood- Beverly Hills - Los Angeles - Vernon	1,784,455	1,687,813
Metro Local			
10	West Hollywood – Downtown Los Angeles	4,036,613	3,914,738
14	Beverly Hills – Downtown Los Angeles	6,230,733	5,829,565
16/316	Century City – Downtown Los Angeles	7,855,685	7,487,037
30/330	West Hollywood- Beverly Hills - Los Angeles - East Los Angeles	5,288,181	4,783,810
105	West Hollywood – Beverly Hills- Los Angeles – Vernon	4,470,896	4,068,175
218	Studio City – West Hollywood – Los Angeles	353,327	334,335
LADOT-DASH			
Dash-Fairfax	Gracie Allen and Sherbourne- La Brea and Wilshire	NA	NA
West Hollywood City Line			
Blue Line	La Brea/Fountain – Gracie Allen/Cedars Sinai	NA	NA
Orange Line	Gracie Allen/Cedars Sinai – La Brea/Fountain	NA	NA

#### **Environmental Impact Report**

The City of Los Angeles released the Final Environmental Impact Report (FEIR) ENV-2015-897-EIR (SCH No. 2016011061), on September 12, 2016, detailing the relevant environmental impacts resulting from the project.

The EIR further identified the following area where impacts would result in a significant and unavoidable impact:

Noise (short-term noise impacts from construction at sensitive off-site locations)

The EIR was certified by the Deputy Advisory Agency on October 14, 2016 in conjunction with the approval of Case No. VTT-74131. However, the approval of VTT-74131 and certification of the EIR (ENV-2015-897-EIR) were appealed on October 19, 2016.

#### **Applicable Plans and Policies**

#### Wilshire Community Plan

The property is located within the Wilshire Community Plan area. The Wilshire Community Plan, adopted on September 19, 2001, designates the property with a Neighborhood Office Commercial land use with the corresponding zones of C1, C1.5, C2, C4, P, CR, RAS3, and RAS4.

The Wilshire Community Plan seeks sets to maintain the community's distinctive character by:

- Enhancing the positive characteristics of residential neighborhoods while providing a variety of housing opportunities.
- Improving the function, design and economic vitality of commercial areas.
- Preserving and enhancing the positive characteristics of existing uses which provide the foundation for community identity, such as scale, height, bulk, setbacks and appearance.
- Maximizing development opportunities around existing and future transit systems while minimizing adverse impacts.
- Preserving and strengthening commercial developments to provide a diverse jobproducing economic base.
- Improving the quality of the built environment through design guidelines, streetscape improvements, and other physical improvements which enhance the appearance of the community.

The Community Plan also identifies several goals, objectives and policies to help achieve the community's vision.

#### 2010 Bicycle Plan and Surrounding Bike Lanes

The 2010 Bicycle Plan, adopted in March 1, 2011, identifies streets near the project site as part of the plan. The City's Bicycle Plan designates San Vicente Boulevard as a Bicycle Route, and 3<sup>rd</sup> Street is designated as a Bicycle Lane. The project applicant is improving the bicycle facilities around the project site by improving existing bicycle lanes and adding a bicycle signal request light to support this area of Los Angeles as a bicycle-accessible area. Specifically, the existing bike lane on the east side of San Vicente Boulevard between La Cienega Boulevard and 3<sup>rd</sup> Street is to be striped green and have conflict markings where it intersects with project driveways and crosswalks. The existing bike lane on the west side of San Vicente Boulevard between La Cienega Boulevard and 3<sup>rd</sup> Street is to be striped green and have conflict markings where it intersects with Burton Way and crosswalks and in front of the Westbury Terrace condominiums. A new bicycle signal request is to be installed on the east side of San Vicente Boulevard so that bicyclists can bike from the project site across San Vicente Boulevard onto Burton Way. The existing bike lane on the north side of Burton Way is to be striped green between the project site across San Vicente Boulevard and have conflict markings at crosswalks and in front of Our Lady of Mt. Lebanon – St. Peter Cathedral.

# <u>Transit Priority Areas (TPAs) / Exemptions To Aesthetics And Parking Within TPAS Pursuant To CEQA (ZI No. 2452)</u>

The project site is located in a Transit Priority Area. On September 2013, the Governor signed into law Senate Bill (SB) 743, which instituted changes to the California Environmental Quality Act (CEQA) when evaluating environmental impacts to projects located in areas served by transit. While the thrust of SB 743 addressed a major overhaul on how transportation impacts are evaluated under CEQA, it also limited the extent to which aesthetics and parking are defined as impacts under CEQA. Specifically, Section 21099 (d)(1) of the Public Resources Code (PRC) states that a project's aesthetic and parking impacts shall not be considered a significant impact on the environment if:

- 1. The project is a residential, mixed-use residential, or employment center project, and
- 2. The project is located on an infill site within a transit priority area.

Section 21099 (a) of the PRC defines the following terms:

Employment center project (TPAs) - a project located on property zoned for commercial uses with a floor area ratio of no less than 0.75 and that is located within a transit priority area

Infill site - a lot located within an urban area that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses.

Transit priority area - an area within one-half mile of a major transit stop that is existing or planned. Section 21064.3 of the PRC defines a "major transit stop" as a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. For purposes of Section 21099 of the PRC, a transit priority area also includes major transit stops in the City of Los Angeles (city) that are scheduled to be completed within the planning horizon of the Southern California Association of Governments (SCAG) Regional Transportation Plan/Sustainable Community Strategy (RTP/SCS).

While the Governor's Office of Planning and Research (OPR) is still in the process of drafting guidance to substantially revise transportation impact methodology for infill projects, the elimination of aesthetics and parking for infill projects went into effect January 2014. No further action is needed for the elimination of aesthetics and parking for infill projects, defined herein to take effect as part of the City's impact evaluations pursuant to CEQA.

#### **Related Cases**

#### On-Site Related Cases

<u>Case No. VTT-74131</u>: On October 14, 2016, the Deputy Advisory Agency approved a Vesting Tentative Tract Map to permit the merger and resubdivision of the 1.15-acre project site to create one master ground lot and four airspace lots in conjunction with Case No. CPC-2015-896-GPA-VZC-HD-MCUP-ZV-DB-SPR.

Case No. ZA-1987-1097-ZV: On January 7, 1988, the Zoning Administrator approved a Variance to allow triple tandem, on-site parking to accommodate 155 parking spaces within 1.05 net acres of property at 333 S. La Cienega Boulevard containing an existing nightclub and restaurant in the C2-1-0 Zone.

# Off-Site Related Cases

<u>Case No. CPC-2008-1957-GPA-ZC-HD-CUB-ZV-ZAA-SPR:</u> On April 23, 2009, the City Planning Commission: 1) Approved and recommended that the City Council adopt a General Plan Amendment to the Wilshire Community Plan to add a new Footnote to the Wilshire Community Plan Map referencing the project site at 8500 Burton Way as follows: "Development of the properties bounded by Burton Way on the north and east, Le Doux Road on the west, and

Colgate Avenue on the south shall be permitted a Height District of 2D with development limited to a maximum floor area ratio of 4 to 1." 2) Approved and Recommended that the City Council adopt a Zone Change and a Height District Change from C2-IVL-O and (Q)C2-1-O (Commercial Zone) to (T)(Q)C2-2D-0 (Commercial Zone), subject to (T) and (Q) Conditions of Approval. The proposed "D" Development Limitation would limit total Floor Area Ratio (FAR) to 4 to 1. 3) Approved a Conditional Use to permit the sale of beer, wine, and distilled spirits for off-site consumption in conjunction with the operation of a proposed specialty market with up to a maximum of 13,500 square feet of floor area. 4) Approved a Zoning Administrator Adjustment to permit the residential density for units 1 through 85 to be based on a minimum of 400 square feet of lot area per dwelling unit and units 86 through 88 to be based on zero square feet of lot area per dwelling unit. 5) Approved a Site Plan Review to permit a development project in excess of 50 units of residential use. 6) Adopted the attached Findings. 7) Adopted a Mitigated Negative Declaration No. ENV-2008-498-MND. The City Council approved the project on June 23, 2009 and the Mayor approved the project on July 1, 2009, establishing Ordinance No. 180,766 that became effective on August 16, 2009.

Ordinance 180,766: On June 23, 2009, the City Council adopted an Ordinance which imposed (Q) Conditions and D Limitations imposed by Case No. CPC-2008-1957-ZC-HD-CUB-ZV-ZAA-SPR for the mixed-used development at 8500 Burton Way.

Case No. DIR-2011-1406-CLQ: On July 1, 2011, the Director of Planning: 1) Approved the requested "Q" Clarification of Condition No. 2 (Site Plan) of Ordinance No. 180,766 for the 8500 Burton Way mixed-used project. 2) Approved the requested "Q" Clarification of Condition No. 5 (Height) of Ordinance No. 180,766 to read as follows: "Height: The height of all buildings or structures on the subject property shall not exceed 92 feet in height, as defined by LAMC Section 12.21-I,A(1). Any structure on the roof, such as air condition units and other equipment, shall be fully screened from view of any abutting properties with residential dwellings." 3) Approved the requested "Q" Clarification of Condition No. 19 (Landscape/Irrigation Plan) of Ordinance No. 180,766. 4) Found that the previously adopted Mitigated Negative Declaration ENV-2008-498- MND(REC1) is adequate environmental clearance for the 8500 Burton Way mixed-used project.

Case No. DIR-2011-876-CLQ: On May 18, 2012, the Director of Planning approved a Q Clarification of Condition Nos. 2 (Site Plan); 3 (Floor Area); 6.b. (Parking); and 11.a. (Transportation Demand) of Ordinance No. 180,766 and a previous Q Clarification approved under DIR-2011-1406-CLQ for the 8500 Burton Way mixed-used project.

<u>Case No. ZA-2012-3068-CUB</u>: On March 15, 2013, the Zoning Administrator approved a Conditional Use permit to allow the sale and dispensing of beer and wine for on-site consumption in conjunction with a 1,650 square-foot restaurant and patio with a total of 58 seats with hours of operation from 8:00 a.m. to 12:00 a.m. at the property located at 8500 Burton Way.

# **PUBLIC HEARING AND NOTICING**

Comments from identified responsible and trustee agencies, as well as interested parties, on the scope of the EIR were solicited through a Notice of Preparation (NOP) process. The NOP was mailed to owners and occupants within a 500-foot radius of the project site. The NOP for the EIR was circulated for a 31-day review period starting on January 25, 2016 and ending on February 25, 2016. A scoping meeting was held on February 16, 2016 at the Our Lady of Mt Lebanon - St Peter Cathedral building, located across the street from the project site.

The Notice of Availability of the Draft EIR was mailed to owners and occupants within a 500-foot radius of the project site, as well as to commenters and interested parties from the NOP on May 19, 2016. The notice was also posted on the Department of City Planning website and published in the LA Times on May 19, 2016. The Draft EIR comment period ended on July 5, 2016, meeting the 45-day review period required by the California Environmental Quality Act (CEQA). During that time, the Department of City Planning received comments on the Draft EIR from 26 organizations, individuals, and agencies in the form of emails and letters.

A Notice of Completion and Availability of the Final EIR was mailed to all owners and occupants within 500 feet of the project site, as well as to all commenters and interested parties from the Draft EIR, on September 12, 2016. This notice was also posted on the Department of City Planning website on September 12, 2016.

A joint public hearing was held on behalf of the City Planning Commission and the Deputy Advisory Agency on Wednesday, September 21, 2016 at 10:30 am in City Hall room 1020. The notice was mailed to all owners and occupants within 500 feet of the project site, as well as to all commenters and interested parties from the Draft EIR on August 29, 2016 and published in the Daily Journal on August 29, 2016. The notice of public hearing was posted at the project site on September 7, 2016.

The Letter of Decision for VTT-74131 was mailed to all interested parties who signed the sign-in sheet at the joint hearing on September 21, 2016.

#### Issues

Approximately 45 attended the joint public hearing on September 21, 2016 and 27 people provided testimony. The majority of the speakers spoke in support of the project; however, the following is a list of general objections to the project:

- Homeless population in the public right-of-way around the project site;
- Height of proposed building:
- Traffic;
- Inconsistency with existing plans.

# PROJECT ANALYSIS (Site Planning and Architectural Design)

# Walkability Checklist

Walkability is a measure of how interesting, inviting, and comfortable the street and sidewalk environment is for pedestrians. The City of Los Angeles Walkability Checklist for Site Plan Review ("Walkability Checklist") was created by the City's Urban Design Studio of the Department of City Planning. The Walkability Checklist consists of a list of design principles intended to improve the pedestrian environment, protect neighborhood character, and promote high quality urban form and is to be used by decision-makers and/or hearing officers to assess the pedestrian orientation of a project when making the required findings for approval of a project. The design elements are consistent with the General Plan and applicable Urban Design Chapters of the Community Plans. The Guidelines address such topics as building orientation, building frontage, landscaping, off-street parking and driveways, building signage, and lighting within the private realm; and sidewalks, street crossings, on-street parking, and utilities in the public realm.

An analysis of site plans, community context, and building elevations is essential to improve and ensure walkability. The project is generally consistent with many of the goals and implementation strategies from the Department of City Planning's Walkability Checklist.

While the guidance provided by the Walkability Checklist is not mandatory and is not a part of the LAMC, incorporating the criteria listed to the maximum extent feasible would create a more walkable environment and a higher quality of urban form for the proposed project. The essential purpose of the Walkability Checklist is to guide Department of City Planning staff in working with developers to make developments more "walkable" by way of enhancing pedestrian activity, access, comfort, and safety. In addition, the Walkability Checklist encourages planners and developers to protect neighborhood character and pursue high-quality urban form. The following is an analysis of the project's consistency with the applicable guidelines.

a) <u>Building Orientation.</u> The Checklist discusses building orientation, which describes how a building's placement on a site establishes its relationship to the sidewalk and street and how the building can enhance pedestrian activity. The project includes the development of a block that is surrounded by La Cienega Boulevard and San Vicente Boulevard. A majority of the pedestrian activity will be oriented along La Cienega Boulevard with the restaurant and grocery market entrances located along La Cienega Boulevard and directly accessible from the public sidewalk. The publicly accessible landscaped plaza at the southern corner of the project site includes trees, a water feature, and seating areas for restaurant patrons and presents a pedestrian environment improvement over existing conditions.

The building integrates a pedestrian scale at ground level by incorporation of a variety of materials including stone panels and metal alloy panels, and landscaping such as parkways and trees, thereby minimizing the effects of building mass and street walls in relation to street frontage. Architectural features such as an aluminum frame storefront system and a painted steel canopy with wood soffiting also help to create a pedestrian oriented building frontage.

b) On-Site Landscaping. Landscaping is incorporated to facilitate pedestrian movement and shade where appropriate, provide separation between the sidewalk and outdoor seating areas, and define edges throughout the varying elements of the proposed project. The project includes a landscaped plaza at the southern corner of the project site. Specifically, the 6,910 square-foot plaza incorporates turf mounds, a water feature, benches, a turf lawn and seating areas for restaurant patrons. Planting inside the plaza includes Pink Trumpet Trees, Camphor, Peppermint Trees and Jacaranda trees. Pink Trumpet Trees and Fairy Lily flowers, Boxwood and Iceberg Rose will be planted in the parkways to define the project edges. The inclusion of shading trees will be an improvement over existing conditions where there are only palm trees along the La Cienega Boulevard side of the project site. In addition, the Pink Trumpet trees will be consistent with the trees in the parkways at 8500 Burton Way.

Landscaping throughout the project site includes the planting of 62, 24-inch box trees including Jacaranda, Pink Trumpet Tree, Camphor, Fruitless Olive Tree, Primrose Tree and Peppermint Tree at the ground floor publicly accessible landscaped plaza, the podium deck and the roof deck.

Specifically, the common open space for residents includes a 6,912 square-foot roof amenity deck on Level 20 with a pool and spa, deck chairs, cabanas, Fruitless Olive trees, South African Jasmine, turf, a fire pit, and outdoor dining areas. In addition, there are 6,860 square feet of passive gardens on Level 5, the podium roof, landscaped with Alba, Primrose

Trees, White Rock Rose, Fruitless Olive Trees, Compacta, Sweet Bay and mixed beds of Yankee Point, Cranesbill, South African Geranium and Kasmir Sage. Finally, there is a total of 7,250 square feet of private open spaces in the form or private patios and balconies.

c) Off-Street Parking and Driveways/Crosswalks. The Checklist states that the safety of the pedestrian is primary in an environment where pedestrians and vehicles must both be accommodated. The project includes a total of 362 parking spaces, including 119 parking spaces for commercial uses within a two-level subterranean parking garage and 243 parking spaces for residential uses, including 25 parking spaces for the mixed-use development at 8500 Burton Way as required by an existing lease agreement in an aboveground, within an enclosed garage on Levels 2 through 4;.

The parking structure is physically integrated within the proposed building and is accessed via two driveways on San Vicente Boulevard: the northernmost driveway is for retail parking access and the driveway for residential parking access is approximately midblock. In addition, restaurant and residential valet will be available through a porte cochere with a small ingress-only driveway along San Vicente Boulevard. Finally, the residential garage entry can also be accessed by entering the porte cochere through the driveway at La Cienega Boulevard and Blackburn Avenue. In each case, the vehicular driveway into the garage is the minimum width required to be as efficient as possible.

The loading area for the project is at northwest corner of the project via a one-way driveway into an enclosed loading dock. The loading area has roll down doors on both La Cienega Boulevard and San Vicente Boulevard. Service vehicles will enter the project from San Vicente and will exit the project and turn right on La Cienega Boulevard.

The width of driveways will meet driveway requirements necessary to accommodate vehicles and all parking areas will be illuminated with adequate, uniform, and glare-free lighting.

As part of the project, the applicant will create a new, enhanced pedestrian signalized crossing at the intersection of La Cienega Boulevard and Blackburn Avenue, and enhanced crosswalks at La Cienega Boulevard and San Vicente Boulevard, and across Burton Way and San Vicente Boulevard. In addition, the applicant will landscape the existing median on La Cienega Boulevard north of San Vicente Boulevard and add a pedestrian refuge island to it. Finally, the applicant will maintain the existing landscaped medians to the southwest of the project site on San Vicente Boulevard and Burton Way.



- d) Building Signage and Lighting. The Checklist describes signage as part of the visual urban language and contributing to neighborhood identity and "place making". The project includes pedestrian-scale tenant signage and lighting to facilitate access to the building, clearly identify entrances and exits, and for safety and security purposes. Lighting at commercial storefronts will be provided with a combination of lighting integrated into the canopy and wall sconces at the pedestrian level. Commercial tenant signage will be integrated into architectural features of the building, such as dimensional lettering on the facia of canopies, blade signs or hand-painted lettering on storefront glass. Custom wall-mounted signage featuring a tenant logo maybe by provided, but no "box" signage will be allowed. Accent uplighting on architectural walls and landscape lighting will be provided at street trees and back-of-curb parkway planting along commercial storefronts. Residential balconies on the upper floors will be provided with exterior low-level lighting and will be directed inward or equipped with baffles to prevent off-site light pollution. In addition, low-level pedestrian lighting in the ground floor landscaped plaza and surrounding sidewalk will be provided. Specialty lighting, such as string lighting near seating areas and ground-mounted and/or tree mounted lighting to highlight landscape features, will also be provided. All signage and lighting will comply with LAMC requirements.
- e) <u>Sidewalks.</u> The Checklist describes that pedestrian corridors should be delineated by creating a consistent rhythm, should be wide enough to accommodate pedestrian flow, and provide pedestrian safety, specifically by creating a clear separation from the roadway and from traffic. The project includes improvements to all sidewalks around the perimeter of the project site, discussed below. Sidewalk widths adjacent to the perimeter of the project are as follows:
  - La Cienega Boulevard = variable width from 10 feet 6 inches to 15 feet.
  - San Vicente Boulevard = variable width from 10 feet 4 inches to 21 feet 9 inches.

All sidewalks include planting of new street trees and parkways, and the addition of a new transit stop shelter at the corner of La Cienega Boulevard and San Vicente Boulevard. Pink Trumpet Trees are located in the parkways.

f) <u>Utilities.</u> The Checklist encourages utilities to be placed underground in order to improve and preserve the character of the street and neighborhood, increase visual appeal, and minimize obstructions in the pedestrian travel path. The project will place utility equipment underground, within the subterranean parking levels and within rooftop enclosures.

# Citywide Design Guidelines for Commercial and Mixed-Use Projects

The Citywide Design Guidelines are intended as performance goals and not zoning regulations or development standards. Although each of the Citywide Design Guidelines should be considered in a project, not all will be appropriate in every case. The project is consistent with the six objectives of the Citywide Design Guidelines for commercial and mixed-use projects, as discussed below.

Objective 1: Consider Neighborhood Context and Linkages in Building and Site Design.

The project creates strong street frontages by locating the building facades at the property lines, consistent with existing development along this stretch of La Cienega Boulevard. The restaurant and grocery market entrances are in easily accessible locations short distances from transit stops. These primary entrances are located at ground level and are visible to pedestrians walking along the sidewalk. The project is also accessible to bicyclists and includes the installation of bicycle storage areas for long-term and short-term use. The project includes neighborhood-serving retail uses, specifically the restaurant and grocery market, which will be useful to nearby residents of 8500 Burton Way, Westbury Terrace condominiums and other users from nearby residential and institutional (i.e., church and medical center) uses.

Objective 2: Employ High Quality Architecture to Define the Character of Commercial Districts.

The project is designed in a contemporary architectural style that includes a variety of materials, architectural details and articulation. The residential tower portion of the project is stepped back above a podium and features custom fiber-reinforced plastic panels, glass curtain walls and cantilevered balconies to create visual interest. The ground floor and mezzanine level of the building are differentiated from the upper levels with the use of an aluminum frame storefront system, stone panels, metal alloy panels and a painted steel canopy with wood soffiting. In addition, the enclosed parking structure is screened off from public view, as is the mechanical, electrical, plumbing (MEP) equipment enclosure on the roof. Accordingly, the project is designed to implement the type of high-quality architecture that is compatible with commercial districts and mixed-use urban areas.

Objective 3: Augment the Streetscape Environment with Pedestrian Amenities.

The project enhances the streetscape adjacent to the project site, along all street frontages with the improvement of sidewalks and planting of parkways. Parkway planting includes a variety of groundcover, shrubs and trees including turf, Pink Trumpet trees, Fairy Lily and Iceberg Rose. In addition, a new, enhanced signalized crosswalk will be installed at the intersection of Blackburn Avenue and La Cienega Boulevard, and new enhanced crosswalks will be added at La Cienega Boulevard and San Vicente Boulevard and across San Vicente Boulevard and Burton Way, to facilitate pedestrian travel. The integration of the ground floor grocery market

and restaurant uses enhances the streetscape environment and provides additional pedestrian amenities for the community.

Objective 4: Minimize the Appearance of Driveways and Parking Areas.

The project includes 362 parking spaces for commercial uses within a two-level subterranean parking garage and parking spaces for residential uses within an enclosed garage on Levels 2 through 4. The parking structure is physically integrated within the project and is accessed via two driveways on San Vicente Boulevard: the northernmost driveway is for retail parking access and the driveway for residential parking access is approximately midblock. In addition, access to the garage is also available from the driveway on La Cienega Boulevard and Blackburn Avenue, from the small driveway leading to the porte cochere on San Vicente Boulevard. In each case, the vehicular driveway into the garage is the minimum width required to be as efficient as possible.

The loading area for the project is located at the northwest corner of the project via a one-way driveway into the loading dock. Service vehicles will enter the project from San Vicente Boulevard and will exit the project and turn right on La Cienega Boulevard.

Objective 5: Include Open Space to Create Opportunities for Public Gathering.

The project includes a 6,910 square-foot ground level landscaped plaza, located at the southern portion of the project site at the intersection of San Vicente Boulevard and La Cienega Boulevard, that is publicly accessible. The plaza includes a water feature, turf mounds, a turf lawn, benches, seating areas for restaurant patrons, and has 2,428 square feet of planting including Jacaranda, Camphor, Peppermint trees, Pink Trumpet trees, and Fairy Lily flowers. The landscaped plaza provides an opportunity for project residents, neighbors, and patrons of the restaurant and grocery market to gather and activate the public realm at this intersection. The inclusion of the landscaped plaza is an improvement over existing conditions, which contains a negligible amount of usable open space.

Objective 6: Improve the Streetscape by Reducing Visual Clutter.

The project reduces visual clutter and thereby improves the streetscape by creating one unified development project with a common architectural theme that emphasizes a clear differentiation between the ground plane and the upper stories of the residential uses. Specifically, the project's contemporary architectural palette uses abundant glazing to create visibility of the ground-floor retail uses (grocery market and restaurant) and the fenestration utilizes simple, but strong horizontal lines articulated with stone and metal alloy panels to emphasize the ground plane. In addition, the project improves the existing streetscape by adding new parkways and trees as well as introducing a new open space area. All rooftop equipment is screened within enclosures or is located within the parking garages, so as not to detract from the visual character of the project site. In addition, all major utilities will be installed underground.

#### Wilshire Community Plan Urban Design

Chapter 5 of the Wilshire Community Plan sets forth general guidelines for individual projects and community design. The design policies establish the minimum level of design that shall be observed in multi-family residential, commercial and industrial projects within the plan area. The project is generally consistent with the guidelines for individual projects, including site planning, building design, parking structures, light and glare, landscaping and signage. These guidelines

are similar to those discussed above in the Walkability Checklist and Citywide Design Guidelines for Commercial and Mixed-Use Projects analysis.

# Professional Volunteer Program (PVP)

The project was presented to the Professional Volunteer Program on July 19, 2016. The comments provided by the professional architects for the project design include the following:

- Make pedestrian openings more visible;
- Too many curb cuts:
- Move the open space to the center so the open space is protected or move open space to the San Vicente side;
- Ensure the upper parking levels are sufficiently screened so they are not visible or identifiable as parking levels consider multiple "layers" of screening;
- Ensure pedestrians have right-of-way throughout the entire space, especially entering from the sidewalk and connecting to the plaza and building;
- Delineate paths of travel for access to bicycle parking. Identify connections to bicycle path; and
- Identify building materials to ensure high-quality materials, especially details on the tower curtain wall, parking podium, and ground floor storefront.

Since the time of the PVP meeting, the applicant consolidated two driveways at the northwest corner and added a bike lounge to the ground floor that is clearly visible with storefront glazing and custom graphics to improve accessibility for pedestrians and bicyclists. The San Vicente Boulevard elevation now has a covered porte cochere in front of the residential lobby entrance featuring decorative paving up to and into the lobby entry doors with a curb and change in paving to define the limits of the driveway. The design of the ground plane meets ADA standards and provides an accessible route between the front door and the sidewalk. In addition, the applicant improved the ground level landscaped plaza to make it more permeable and pedestrian friendly through the removal of a low perimeter wall. Finally, the applicant revised the architectural plans to include the materials for the proposed building including the parking garage screen.

#### Sustainability

The new building and infrastructure shall be designed to be environmentally sustainable and to achieve the standards of the Silver Rating under the U.S. Green Building Council's Leadership in Energy Efficiency and Design (LEED®) green building program or equivalent green building standards. The project is also designed to meet the prerequisites of 2013 California Title-24 Energy Code by providing the following: 1) premium efficiency HVAC equipment with VFD or ECM motor and compressors to provide the needed cooling and heating without wasting energy; 2) all HVAC equipment will utilize environmentally friendly requirements 409, 410, etc. (no CFCs); 3) utilization of R-38 roof insulation, R-19 wall insulation and Low-E dual pane glazing; 4) continuous balcony projections on all sides of building to reduce solar heat gain; 5) maximization of natural lighting through building design; 6) provisions for on-site renewable energy (PV); 7) demand control ventilation utilizing CO<sub>2</sub> sensors to modulate outside air based on actual IAQ sensors; 8) state of the art direct digital control system to allow for proper system controllability; 9) occupancy sensors at indoor amenity rooms, administrative offices and backof-house spaces to turn lights off when spaces are not occupied; and 10) high efficiency lighting system utilizing LED fixtures. In addition, the project will incorporate water conservation features, including: 1) low-flow plumbing fixtures will be utilized to achieve 20-30% water saving; 2) grav water capture for use in plaza landscaping; 3) landscape areas divided into hydro zones

with plants in each zone having similar cultural requirements for water use; 4) recirculating water systems will be used in water features and surface areas are included in the water budget calculation; 5) installation of rain sensors to suspend irrigation during periods of rain; 6) installation of flow sensors; 7) the irrigation system will be state-of-the-art, professionally designed to current standards; 8) water-saving pool filter and regular maintenance by on-site staff to assure performance and minimize water loss; and 9) pervious paving and extensive landscape areas at grade (without subterranean parking below) to capture runoff and allow for greater infiltration to ground water.

#### CONCLUSION

Based on the information submitted, the testimony received at the public hearing, and the analysis in the EIR, the Department of City Planning is recommending that the City Planning Commission approve Planning Staff's recommended actions as stated above because the project provides much-needed housing and affordable housing while replacing an outdated and underutilized commercial department store with minimal connection or benefits to the pedestrian realm. Moreover, the project is located within a heavily trafficked commercial corridor with adjoining multi-family residences. While taller than adjacent structures, the project is serviced by several transit lines that collectively achieved 30,019,890 transit rides in 2015. In addition, there will be a new subway station within walking distance (approximately 0.5 mile) of the project site at La Cienega Boulevard and Wilshire Boulevard with Metro's Purple Line Extension, expected by 2023.

# CONDITIONS FOR EFFECTUATING TENTATIVE (T) CLASSIFICATION REMOVAL

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

### **Dedications and Improvements**

Prior to the issuance of any building permit, public improvements and dedications for streets and other rights of way adjoining the subject property shall be guaranteed to the satisfaction of the Bureau of Engineering, Department of Transportation, Fire Department (and other responsible City, regional and federal government agencies, as may be necessary), including the following:

## A. Responsibilities/Guarantees

As part of early consultation, plan review, and/or project permit review, the applicant/ developer shall contact the responsible agencies to ensure that any necessary dedications and improvements are specifically acknowledged by the applicant/developer.

Prior to the issuance of sign-offs for final site plan approval and/or project permits by the Department of City Planning, the applicant/developer shall provide written verification to the Department of City Planning from the responsible agency acknowledging the agency's consultation with the applicant/developer. The required dedications and improvements may necessitate redesign of the project. Any changes to the project design required by a public agency shall be documented in writing and submitted for review by the Department of City Planning.

#### 1. Conditions

- a. That a <u>Certified Recorded Copy</u> of the Covenant and Agreement executed with the Los Angeles County Flood Control District as outlined under comments No. 2 of Permit No. PCFL 201602446 dated August 25, 2016 be submitted to Land Development & GIS Division of Bureau of Engineering prior to the recordation of the final map.
- b. That prior to the recordation of the final map, a letter be submitted to Land Development & GIS Division of Bureau of Engineering from the Los Angeles County Flood Control District stating that satisfactory arrangements, including Covenant & Agreement, for comments Nos. 3 to 25 as outlined under Permit No. PCFL 201602446 dated August 25, 2016 have been made regarding the existing storm drain system and the easement within this tract.
- c. That a Covenant and Agreement be recorded advising all future owners and builders that prior to issuance of a building permit, a Notice of Acknowledgment of Easement must be recorded and an application to do work in any sanitary sewer easement and to construct over the existing sanitary sewer facilities must be submitted to the City Engineer.

- d. That the subdivider make a request to the Central District Office of the Bureau of Engineering to determine the capacity of existing sewers in this area.
- e. That a set of drawings for airspace lots be submitted to the City Engineer showing the following:
  - i. Plan view at different elevations.
  - ii. Isometric views.
  - iii. Elevation views.
  - iv. Section cuts at all locations where air space lot boundaries change.
- f. That the owners of the property record an agreement satisfactory to the City Engineer stating that they will grant the necessary private easements for ingress and egress purposes to serve proposed airspace lots to use upon the sale of the respective lots and they will maintain the private easements free and clear of obstructions and in safe conditions for use at all times.

Note: Approval from Board of Public Works may be necessary before removal of any street trees in conjunction with the improvements above, through Bureau of Street Services Street Tree Division.

# 2. Street Improvements

The following improvements must be either constructed prior to recordation of the final map or that the construction be guaranteed:

- a) Improve San Vicente Boulevard adjoining the subdivision by the construction of the following:
  - (1) Concrete curbs, concrete gutters, and a concrete sidewalk with tree wells. Landscaping areas may be provided satisfactory to the City Engineer.
  - (2) Suitable surfacing to join the existing pavement to the roadway.
  - (3) Construct an access ramp at the intersection with La Cienega Boulevard to comply with ADA requirements.
  - (4) Any necessary removal and reconstruction of existing improvements.
  - (5) The necessary transitions to join the existing improvements all satisfactory to the City Engineer.

#### B. Sewer

The Bureau of Sanitation has reviewed the sewer/storm drain lines serving the subject tracts/areas and found that a 20-foot wide easement for underground storm drain and appurtenances in favor of the Los Angeles County Flood Control District is located through a portion of the project site. The project proposes improvements above grade over the easement area while the underground structures are located outside the easement area. The County issued conceptual approval (County permit No. PCFL 201602446) for the project subject to satisfying certain conditions and obtaining final approval from the County prior to construction. The tentative map is conditioned to require that a certified copy of a covenant and agreement executed with the County Flood Control District be provided to the

City and that the County provide a letter stating that the applicant has satisfied the conditions set forth in the County's conceptual approval and obtained final approval from the County. There is also a 10-foot underground sewer easement in favor of the City of Los Angeles on the subject site. The tentative map has been conditioned to require the applicant to record a covenant and agreement with a Notice of Acknowledgment of Easement and to obtain approval for any construction within or above the easement area prior to recordation of the Final Map. With these conditions, the proposed subdivision and improvements will not conflict with easements obtained for public purposes. Satisfactory arrangements shall be made with the Bureau of Sanitation, Wastewater Collection Systems Division for compliance with its sewer system review and requirements. Upon compliance with its conditions and requirements, the Bureau of Sanitation, Wastewater Collection Systems Division will forward the necessary clearances to the Bureau of Engineering.

- **C. Department of Transportation.** <u>Prior to recordation of the final map</u>, satisfactory arrangements shall be made with the Department of Transportation to assure:
  - a. A minimum of 20-foot reservoir space(s) be provided between any ingress security gate(s) and the property line. A minimum of 60-foot and 40-foot reservoir space(s) be provided between any ingress security gate(s) and the property line when driveway is serving more than 300 and 100 parking spaces respectively.
  - b. Parking stalls shall be designed so that a vehicle is not required to back into or out of any public street or sidewalk, LAMC 12.21-A,5(i)a.
  - c. The applicant complies with LADOT's traffic assessment letter stated in the April 1, 2015 DOT letter to Karen Hoo, City Planner, Department of City Planning. All subsequent revisions such as the supplemental traffic assessment letter of February 11, 2016 shall remain in effect.
  - d. That a fee in the amount of \$205.00 be paid for the Department of Transportation as required per Ordinance No. 180,542 and LAMC Section 19.15 prior to recordation of the final map. Note: the applicant may be required to comply with any other applicable fees per this new ordinance.
  - e. A parking area and driveway plan be submitted to the Citywide Planning Coordination Section of the Department of Transportation for approval prior to submittal of building permit plans for plan check by the Department of Building and Safety. Transportation approvals are conducted at 201 N. Figueroa Street, Room 550.
- **D. Fire Department.** Prior to the recordation of the final map, a suitable arrangement shall be made satisfactory to the Fire Department, binding the subdivider and all successors to the following:
  - a. Submit plot plans for Fire Department approval and review prior to recordation of Tract Action.
  - b. Access for Fire Department apparatus and personnel to and into all structures shall be required.
  - c. Where above ground floors are used for residential purposes, the access requirement shall be interpreted as being the horizontal travel distance from the street, driveway, alley, or designated fire lane to the main entrance of individual units.

- d. The entrance or exit of all ground dwelling units shall not be more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane.
- e. No building or portion of a building shall be constructed more than 150 feet from the edge of a roadway of an improved street, access road, or designated fire lane.
- f. The Fire Department may require additional vehicular access where buildings exceed 28 feet in height.
- g. L.A.M.C. 57.09.03.B Exception: When this exception is applied to a fully fire sprinklered residential building equipped with a wet standpipe outlet inside an exit stairway with at least a 2 hour rating, the distance from the wet standpipe outlet in the stairway to the entry door of any dwelling unit or guest room shall not exceed 150 feet of horizontal travel AND the distance from the edge of the roadway of an improved street or approved fire lane to the door into the same exit stairway directly from outside the building shall not exceed 150 feet of horizontal travel. It is the intent of this policy that in no case will the maximum travel distance exceed 150 feet inside the structure and 150 feet outside the structure. The term "horizontal travel" refers to the actual path of travel to be taken by a person responding to an emergency in the building. This policy does not apply to single-family dwellings or to non-residential buildings.
- h. Building designs for multi-storied residential buildings shall incorporate at least one access stairwell off the main lobby of the building, but, in no case greater than 150 feet horizontal travel distance from the edge of the public street, private street or Fire Lane. This stairwell shall extend unto the roof.
- i. Entrance to the main lobby shall be located off the address side of the building.
- j. Any required Fire Annunciator panel or Fire Control Room shall be located within 50 feet visual line of site of the main entrance stairwell or to the satisfaction of the Fire Department.
- k. Fire lane width shall not be less than 20 feet. When a fire lane must accommodate the operation of Fire Department aerial adder apparatus or where fire hydrants are installed, those portions shall not be less than 28 feet in width.
- I. Any roof elevation changes in excess of 3 feet may require the installation of ships ladders.
- m. The Fire Department may require additional roof access via parapet access roof ladders where buildings exceed 28 feet in height, and when overhead wires or other obstructions block aerial ladder access.
- n. Adequate public and private fire hydrants shall be required.
- o. Helipads on Highrise Buildings. Recently, the Los Angeles Fire Department (LAFD) modified Fire Prevention Bureau (FPB) Requirement 10. Helicopter landing pads are still required on all High-Rise buildings in the City. However, FPB's Requirement 10 has been revised to provide two new alternative to a full FAA-approved helicopter landing pad.
- p. FPB #105 Section 510, Emergency Responder Radio Coverage. 5101.1 Emergency responder radio coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon the existing

coverage levels of the public safety communication systems of the jurisdiction at the exterior of the building. This section shall not require improvement of the existing public safety communications systems.

Note: The applicant is further advised that all subsequent contact regarding these conditions must be with the Hydrant and Access Unit. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished BY APPOINTMENT ONLY, in order to assure that you receive service with a minimum amount of waiting please call (213) 482-6504. You should advise any consultant representing you of this requirement as well.

- **E. Street Lights.** Any City required installation or upgrading of streetlights is necessary to complete the City street improvement system so as to increase night safety along the streets which adjoin the subject property.
- **F. Covenant.** Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded by the property owner in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent owners, heirs or assigns. Further, the agreement must be submitted to the Department of City Planning's Development Services Center for approval before being recorded. After recordation, a copy bearing the Recorder's number and date must be given to the Development Services Center for attachment to the subject file.

**Notice:** Certificates of Occupancies for the subject property will not be issued by the City until the construction of all the public improvements (streets, sewers, storm drains, etc.), as required herein, are completed to the satisfaction of the City Engineer.

# (Q) QUALIFIED CONDITIONS OF APPROVAL

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

## A. Entitlement Conditions

- 1. Site Development. Except as modified herein, the project shall be in substantial conformance with the plans and materials stamped "Exhibit A" and dated October 21, 2016, and attached to the subject case file. No change to the plans will be made without prior review by the Department of City Planning, and written approval by the Director of Planning, with each change being identified and justified in writing. Minor deviations may be allowed in order to comply with provisions of the Municipal Code, the subject conditions, and the intent of the subject permit authorization.
  - a. Prior to the issuance of a building permit, plans shall be submitted to the Major Projects staff for signature and inclusion in the case file that shall incorporate the following design elements:
    - i) Gates preventing access to pedestrians and/or bicycles from the publically accessible outdoor areas are prohibited.
    - ii) Planters shall provide a minimum soil depth of 24 inches for shrubs and 30 inches for small trees.
    - iii) Dog waste stations and trash receptacles shall be provided around the perimeter of the project and in the residential and publically accessible outdoor areas.
    - iv) A building, including balconies, may project over the required sidewalk easement at a height of 40 feet and above to accommodate street trees. Projections permitted in the public right-of-way must comply with LAMC regulations or obtain a revocable permit from Department of Public Works.
    - v) Provide a minimum 6-foot continuous path of travel at all sidewalks.
    - vi) Provide continuous landscaped parkways, except adjacent to bus stops and in other locations determined by staff to be inappropriate for parkways.
    - vii) If trees are not planted in continuous landscaped parkways, they shall be planted in large tree wells that are at least 10 feet long and a minimum of 7 feet wide where the required sidewalk width is 15 feet or more; 6 feet wide where the required sidewalk width is more than 10 feet but less than 15 feet; and 4 feet wide where the required sidewalk width is 10 feet.
    - viii) The applicant shall be required to landscape and maintain free of trash in perpetuity the existing median along La Cienega Boulevard, north of San Vicente Boulevard, and the four existing medians along San Vicente Boulevard and Burton Way. The median improvements should be in substantial conformance with "Exhibit A."

- 2. **Development Services Center.** Prior to sign-off on building permits by the Department of City Planning's Development Services Center for the project, the Department of City Planning's Major Projects Section shall confirm, via signature, that the project's building plans substantially conform to the conceptual plans stamped as Exhibit "A", as approved by the City Planning Commission.
  - **Note to Development Services Center:** The plans presented to, and approved by, the City Planning Commission (CPC) included specific architectural details that were significant to the approval of the project. Plans submitted at plan check for condition clearance shall include a signature and date from Major Projects Section planning staff to ensure plans are consistent with those presented at CPC.
- 3. Above Grade Parking. Prior to the issuance of a building permit, the project proponent shall submit a detailed parking structure screening and podium parking screening plan to the Major Projects staff for signature and inclusion in the case file. The Department of City Planning's Major Projects Section shall confirm, via signature, that the parking structure and podium parking screening substantially satisfies the intent of the City Planning Commission's actions on this matter.
  - a. Above grade parking levels shall have an external screen, integrated into the architecture, designed to improve the building's appearance over the basic concrete structure, and designed to adequately screen headlights from view, pursuant to LAMC requirements for natural ventilation in open garages.
  - b. Interior garage lighting shall not produce glaring sources towards adjacent residential units while providing safe and adequate lighting levels pursuant to LAMC requirements.
  - c. Signage and wayfinding shall be integrated with the architecture of the parking structure.
- 4. **Bicycle Parking.** The project shall provide bicycle parking spaces pursuant to LAMC Section 12.21-A,16, except where alternative stall siting has been approved in substantial conformance with the site plan labeled as Exhibit "A" stamped and dated October 21, 2016.
- 5. **Landscape Plan.** Prior to the issuance of a building permit, the project proponent shall submit a detailed landscape plan prepared by a licensed landscape architect for all landscaped areas of the project site. The landscape plan shall include specific plant types and maintenance information. The landscape plan shall be submitted to the Major Projects staff for signature and inclusion in the case file.
- 6. Maintenance. The subject property, including associated parking facilities, sidewalks, landscaped parkways, medians and planters, shall be maintained in an attractive condition and shall be kept free of trash and debris. Trash receptacles shall be located throughout the site.

# B. Administrative Conditions

7. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, review or approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning for placement in the subject file.

- 8. **Code Compliance.** Area, height and use regulations of the zone classification of the subject property shall be complied with, except where herein conditions may vary.
- 9. Covenant. Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent property owners, heirs or assigns. The agreement shall be submitted to the Department of City Planning Development Services Center for approval before being recorded. After recordation, a copy bearing the Recorder's number and date shall be provided to the Department of City Planning for attachment to the file.
- 10. **Definition.** Any agencies, public officials or legislation referenced in these conditions shall mean those agencies, public offices, legislation or their successors, designees or amendment to any legislation.
- 11. Enforcement. Compliance with these conditions and the intent of these conditions shall be to the satisfaction of the Department of City Planning and any designated agency, or the agency's successor and in accordance with any stated laws or regulations, or any amendments thereto.
- 12. **Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety.
- 13. **Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the City Planning Commission, or the Director of Planning, pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if in the decision makers opinion, such actions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 14. Project Plan Modifications. Any corrections and/or modifications to the project plans made subsequent to this grant that are deemed necessary by the Department of Building and Safety, Fire Department, or other City Agency for Code compliance, and which involve a change in site plan, floor area, parking, building height, yards or setbacks, building separations, or lot coverage, shall require a referral of the revised plans back to the Department of City Planning for additional review and final sign-off per Condition No. Q-1 prior to the issuance of any building permit in connection with said plans. This process may require additional review and/or action by the appropriate decision making authority including the Director of Planning, City Planning Commission, Area Planning Commission, or Board. Said modifications may not alter the maximum height or square footage included in these conditions.
- 15. **Indemnification and Reimbursement of Litigation Costs**. Applicant shall do all of the following:
  - 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 \$25,000. 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.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

16. **Mitigation Monitoring.** Prior to the recordation of the final map, the subdivider shall prepare and execute a Covenant and Agreement (Planning Department General Form CP-6770) in a manner satisfactory to the Planning Department, binding the subdivider and all successors to the following:

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

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

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

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

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

This MMP shall be enforced throughout all phases of the project. The applicant shall be responsible for implementing each project design feature and mitigation measure and shall be obligated to provide certification, as identified below, to the appropriate monitoring agency and the appropriate enforcement agency that each project design feature and mitigation measures has been implemented. The applicant shall maintain records demonstrating compliance with each project design feature and mitigation measure. Such records shall be made available to the City upon request.

17. **Mitigation Monitoring Enforcement and Modification.** Prior to issuance of building permits, the applicant shall retain an independent Construction Monitor (either via the City or through a third-party consultant), approved by the Department of City Planning, who shall be responsible for monitoring implementation of project design features and mitigation measures during construction activities consistent with the monitoring phase

and frequency set forth in this MMP. The Construction Monitor shall also prepare documentation of the applicant's compliance with the project design features and mitigation measures during construction every 90 days in a form satisfactory to the Department of City Planning. The documentation must be signed by the applicant and Construction Monitor and be included as part of the applicant's Annual Compliance Report. The Construction Monitor shall be obligated to immediately report to the Enforcement Agency any non-compliance with the mitigation measures and project design features within two businesses days if the applicant does not correct the non-compliance within a reasonable time of notification to the applicant by the monitor or if the non-compliance is repeated. Such non-compliance shall be appropriately addressed by the Enforcement Agency.

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

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

### **Aesthetics**

**PDF AES-1:** All light sources associated with project construction activities would be shielded and/or aimed so that no direct beam illumination would spill over outside of the project boundary. However, construction lighting shall not be so limited as to compromise the safety of construction workers.

Monitoring Phase: Construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Periodic field visits
Action Indicating Field inspection sign-off

Compliance:

**PDF AES-2:** All outdoor lighting, including architectural lighting, would be designed and installed with shielding and directed toward the interior of the project site so that the light source does not project directly upon any adjacent property.

Monitoring Phase: Operation

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Once, Prior to issuance of building

permit

Action Indicating Issuance of building

**Compliance:** permits

**PDF AES-3:** The use of spotlights, floodlights, klieg lights, or similar high-intensity light source for outdoor lighting at the project site during construction would be prohibited.

Monitoring Phase: Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Periodic field inspections
Action Indicating Field inspection sign-off

Compliance:

**PDF AES-4:** Glass used in building facades would be anti-reflective or treated with anti-reflective coating in order to minimize glare (i.e., minimize the use of glass with mirror coatings). 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.

Monitoring Phase: Construction
Enforcement Agency: Department of City

Planning, Department of Building

and Safety

Monitoring Agency: Department of City

Planning, Department of Building

and Safety

Monitoring Frequency: Once at project plan check; once

during field inspection

**Action Indicating**Plan approval and issuance of applicable building permit; issuance

of Certificate of Occupancy

# **Air Quality**

PDF AQ-1: During the demolition phase, all on-site equipment greater than 50 horsepower (hp) shall meet, at a minimum, USEPA Tier IV interim engine certification requirements. As an alternative, the Applicant may opt to apply other available technologies to the construction equipment that would achieve a comparable reduction in PM emissions to that of Tier IV construction equipment. Where alternatives to USEPA Tier IV are chosen for the proposed project, the Applicant shall be required to show evidence to the City of Los Angeles and the South Coast Air Quality Management District that these alternative technologies would achieve comparable PM emissions reductions that are no less than what could be achieved by Tier IV construction equipment. A copy of each unit's certified tier specification, Best Available Control Technology documentation, and California Air Resources Board or Air Quality Management District operating permit shall be available on-site at the time of mobilization of each applicable unit of equipment to allow the Construction Monitor to compare the on-site equipment with the inventory and certified Tier specification and operating permit.

Monitoring Phase: Construction

**Enforcement Agency:** South Coast Air Quality

Management District

Monitoring Agency: Department of City

Planning, Department of Building

and Safety

Monitoring Frequency: Periodic field inspections during

demolition phase

Action Indicating Field inspection sign-off

Compliance:

### **Cultural Resources**

**PDF CUL-1:** In the event of the unanticipated discovery of archaeological materials, the contractor shall immediately cease all work activities in the area (within approximately 50 feet) of the discovery and notify the City of Los Angeles Department of City Planning, Office of Historic Resources of the discovery. The discovery shall be evaluated by a qualified archaeologist, defined as an archaeologist meeting the Secretary of Interior's Professional Qualification Standards for Archeology, who is obtained by contacting the California Historical Resources Information System – South Central Coastal Information Center at California State University, Fullerton, or the Register of Professional Archaeologists. Construction shall not resume until the qualified archaeologist has conferred with the City of Los Angeles on the significance of the resource.

If it is determined that the discovered archaeological resource constitutes a historical resource or unique archaeological resource under CEQA, avoidance and preservation in place is the preferred manner of mitigation. In the event that preservation in place is demonstrated to be infeasible and data recovery through excavation is the only feasible mitigation available, an Archaeological Resources Treatment Plan (Plan) shall be prepared and implemented by a qualified archaeologist in consultation with the City of Los Angeles. The City of Los Angeles shall consult with appropriate Native American representatives in determining treatment for prehistoric or Native American resources to ensure cultural values ascribed to the resource, beyond that which is scientifically important, are considered. The Plan shall include provisions for the recovery and analysis of important data, reporting, and curation at an appropriate accredited facility. If a resource is determined to be a unique archaeological resource as defined in Section 21083.1(g), the provisions of Section 21083.2(b) shall apply.

Monitoring Phase: Construction

**Enforcement Agency:** Department of City Planning, Office

of Historic Resources

Monitoring Agency: Department of City Planning, Office

of Historic Resources; Department

of Building and Safety At time of resource

discovery, should it occur

Action Indicating If unanticipated

**Monitoring Frequency:** 

**Compliance:** discoveries are found,

submittal of compliance

certification report by a qualified

archaeologist

**MM CUL-2:** Prior to start of earthmoving activities, a qualified paleontologist meeting the Society of Vertebrate Paleontology (SVP) Standards shall be retained to conduct preconstruction worker paleontological resources sensitivity training. The training session shall focus on the recognition of the types of paleontological resources that could be encountered within the project site, procedures to be followed if they are found, pertinent laws protecting paleontological resources, and safety measures for working with paleontological monitors. The

City of Los Angeles shall ensure that construction personnel are made available for and attend the training and retain documentation demonstrating attendance.

Monitoring Phase: Pre-construction
Enforcement Agency: Department of City

Planning;

Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Once, prior to start of earthmoving

activities

**Action Indicating**Submit sign-in/attendance sheet to the City of Los Angeles to ensure

compliance

MM CUL-3: The qualified paleontologist, or a paleontological monitor working under the direct supervision of the qualified paleontologist, shall monitor all ground-disturbing activity below a depth of three feet below the existing ground surface. The location, duration, and timing of monitoring shall be determined by the qualified paleontologist in consultation with the Applicant, and shall be based on a review of geologic maps and grading plans. Monitors shall have the authority to temporarily halt or divert work away from exposed fossils in order to safely and expediently recover the fossil specimens. Any significant fossils collected during project-related excavations shall be prepared to the point of identification, cataloged, and curated into an accredited repository with retrievable storage. The qualified paleontologist, based on observations of subsurface soil stratigraphy or other factors, may reduce or discontinue monitoring, as warranted, if the qualified paleontologist determines that the possibility of encountering fossiliferous deposits is low. Monitors shall prepare daily logs detailing the types of activities and soils observed, and any discoveries. The qualified paleontologist shall prepare a final monitoring and mitigation report to be submitted to the City of Los Angeles and filed at the local repository. The final report should include but not be limited to an introduction of the project; methods; applicable laws, ordinances, regulations, and standards; institution/agency record search results; monitoring and mitigation results; and recommendations.

Monitoring Phase: Construction
Enforcement Agency: Department of City

Planning;

Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: During excavation and

grading at a frequency determined in consultation with a qualified paleontologist and at time of

resource discovery, should it occur

Action Indicating Submittal of a final

Compliance: monitoring and mitigation report to

the City of Los Angeles by the

qualified paleontologist

**MM CUL-4:** If construction or other project personnel discover any potential fossils during construction, regardless of the depth of work or location, work within 50 feet of the discovery location shall cease until the qualified paleontologist has assessed the discovery and made recommendations as to the appropriate treatment as required by CUL-3.

Monitoring Phase: Construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: At time of resource

discovery, should it occur

Action Indicating If unanticipated Compliance: If unanticipated discoveries are found,

submittal of compliance certification report by a qualified paleontologist

PDF CUL-5: At least 30 days prior to the start of ground disturbance, the Applicant shall retain a Native American monitor listed on the Native American Heritage Commission contact list as traditionally and culturally affiliated with the project area to observe all ground-disturbing activities (including but not limited to pavement removal, potholing, auguring, boring, grading, excavation, and trenching). In the event that tribal cultural resources are encountered, the contractor shall immediately cease all work activities in the area (within approximately 50 feet) and notify the City of Los Angeles who will implement treatment measures in consultation with the Native American monitor to reduce impacts to tribal cultural resources were they to occur as a result of a discovery. Construction shall not resume until treatment measures are implemented and concluded. The qualified Native American monitor shall prepare a final monitoring and mitigation report to be submitted to the City of Los Angeles and filed at the local repository. The final report should include but not be limited to an introduction of the project; methods; applicable laws, ordinances, regulations, and standards; institution/agency record search results; monitoring and mitigation results; and recommendations.

Monitoring Phase: Pre-construction
Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of City

Planning

**Monitoring Frequency:** Periodic during excavation and grading and at time of resource

discovery, should it occur

Cubasittal of a final

Action Indicating Submittal of a final

**Compliance:** monitoring and mitigation report to the City of Los Angeles by the

Native American monitor

## **Geology and Soils**

**PDF GEO-1:** Once the Applicant has prepared a site-specific, design-level geotechnical study for the proposed project to supplement the preliminary, predevelopment geotechnical investigation, the study will be reviewed by the City. The study shall be prepared by a registered geotechnical engineer and shall include recommendations applicable to foundation design, earthwork, shoring and site preparation that will minimize the effects of anticipated ground shaking and any other identified geologic hazards. The analysis shall include measures to reduce the potential to expose people or structures to the risk of loss, injury or death to

acceptable levels as established in the California Building Code (CBC) and City ordinances. The analyses shall be prepared in accordance with applicable City ordinances and policies and consistent with the applicable CBC section in effect at the time of preparation of the site specific report, Seismic Hazards Mapping Act, and Zone 4 requirements, which requires structural design that can mitigate potential risks from expansive soils, liquefaction hazards, and ground accelerations expected from known active faults to acceptable levels. The following measures designed to reduce the potential for liquefaction hazards would include, but not be limited to:

- Subsurface soil improvement, such as by removal and replacement of soil, compaction, or mixing;
- Deep foundations extending below the liquefiable layers;
- Mitigation for liquefaction hazards suggested by CGS Guidelines for Evaluating and Mitigating Seismic Hazards (CGS Special Publication 117A) including edge containment structures, removal or treatment of liquefiable soils, modification of site geometry, lowering the groundwater table, in-situ ground densification, deep foundations, reinforced shallow foundations, and structural design that can withstand predicted displacements.

Implementation of these features, and those contained in the geotechnical report shall use proven methods, generally accepted by registered engineers, to reduce the risk for geologic hazards, such as those from ground-failure, liquefaction, and expansive soils.

Project plans for foundation design, earthwork, and site preparation shall incorporate all of the measures in the investigation. The City of Los Angeles shall review and approve the investigation and recommended measures and shall require compliance with the recommended measures in the plans for grading, foundation, structural, and any other relevant building permits.

Monitoring Phase: Pre-construction
Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

**Monitoring Frequency:** Once, Prior to issuance of building

permit

**Action Indicating** Completion and approval of

**Compliance:** geotechnical report,

Issuance of building

permits

## **Greenhouse Gas Emissions**

**PDF GHG-1:** The project would encourage carpooling and the use of electric vehicles by providing that at least 20 percent of the total code-required parking spaces provided for all types of parking facilities, but in no case less than one location, shall be capable of supporting future electric vehicle supply equipment (EVSE). Plans shall indicate the proposed type and location(s) of EVSE and also include raceway method(s), wiring schematics and electrical calculations to verify that the electrical system has sufficient capacity to simultaneously charge all electric vehicles at all designated EV charging locations at their full rated amperage. Plan design shall be based upon Level 2 or greater EVSE at its maximum operating capacity. Only raceways and related components are required to be installed at the time of construction. When the application

of the 20 percent results in a fractional space, round up to the next whole number. A label stating "EV CAPABLE" shall be posted in a conspicuous place at the service panel or subpanel and next to the raceway termination point.

At least 5 percent of the total code-required parking spaces shall be equipped with EV charging stations. Plans shall indicate the proposed type and location(s) of charging stations. Plan design shall be based on Level 2 or greater EVSE at its maximum operating capacity. When the application of the 5 percent requirement results in a fractional space, round up to the next whole number.

Monitoring Phase: Pre-Construction/

Construction

**Enforcement Agency:** Department of City

Planning;

Department of Building

and Safety

Monitoring Agency: Department of City

Planning

**Monitoring Frequency:** Once, Prior to issuance of building

permit

Action Indicating Issuance of building

**Compliance:** permits

### **Hazards and Hazardous Materials**

**MM HAZ-1:** Prior to building demolition, a Toxicity Characteristic Leaching Procedure analysis must be performed to determine the method of building material disposal.

Monitoring Phase: Pre-construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Once prior demolition,

Prior to issuance of building permit

Action Indicating Issuance of building

Compliance: permits

MM HAZ-2: The exterior of the existing building must be characterized for disposal in the State of California prior to demolition. As described in Mitigation Measure HAZ-1, a Toxicity Characteristic Leaching Procedure analysis must be performed to determine the method of disposal. Identified lead based paint (LBP) shall be removed by a LBP abatement contractor prior to building demolition. The LBP abatement contractor shall have the proper lead training and wear personal protective equipment during LBP removal. In addition, the proposed project would be required to comply with California Occupational Safety and Health Administration (Cal/OSHA) regulations regarding lead-based paints. The California Code of Regulations, Section 1532.1, requires testing, monitoring, containment, and disposal of lead-based paints and materials, such that exposure levels do not exceed Cal/OSHA standards. The contractor shall follow all procedural requirements and regulations for proper removal and disposal of lead-based paints.

Monitoring Phase: Construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

MM HAZ-3: Prior to the issuance of a grading permit, the construction contractor shall demonstrate that they have retained a qualified environmental professional to prepare and implement a site-specific Health and Safety Plan in accordance with federal Occupational Safety and Health Administration (OSHA) regulations (29 CFR 1910.120) and California Division of Occupational Safety and Health Administration (Cal/OSHA) regulations (8 CCR Title 8, Section 5192). The Health and Safety Plan shall be submitted to the City for review and approval. The Health and Safety Plan shall include all required measures to protect construction workers and the general public potentially exposed to hazardous materials by including engineering controls, monitoring, and security measures to prevent unauthorized entry to the construction area and to reduce hazards outside of the construction area. If prescribed contaminant exposure levels are exceeded, personal protective equipment shall be required for workers in accordance with state and federal regulations. The plan shall include designated personnel responsible for implementation of the Health and Safety Plan. Submittal of the Health and Safety Plan to the City shall not be construed as approval of the adequacy of the contractor's health and safety professional, the contractor's plan, or any safety measure taken in or near the construction site. The contractor shall be solely and fully responsible for compliance with all laws, rules, and regulations applicable to health and safety during the performance of the construction work.

Monitoring Phase: Pre-construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

**Monitoring Frequency:** Once prior to construction, Prior to

issuance of building permit

Action Indicating Approval of Health and Safety Compliance: Plan, Issuance of building permits

**MM HAZ-4:** Prior to the issuance of a grading permit, the City shall require the construction contractor to prepare and implement a Soil and Groundwater Management Plan, subject to review by the City that specifies the method for handling and disposal of contaminated soil and groundwater prior to demolition, excavation, and construction activities. The plan shall include all necessary procedures to ensure that excavated materials and fluids generated during construction are stored, managed, and disposed of in a manner that is protective of human health and in accordance with applicable laws and regulations. The plan shall include the following information.

 Step-by-step procedures for evaluation, handling, stockpiling, storage, testing, and disposal of excavated material, including criteria for reuse and offsite disposal. All excavated materials shall be inspected prior to initial stockpiling, and spoils that are visibly stained and/or have a noticeable odor shall be stockpiled separately to minimize the amount of material that may require special handling. To ensure appropriate containment of excavated materials, the excavated affected soils that exceed state hazardous waste criteria would be placed in lined, sealed containers or wrapped and enclosed by tarps and transported by licensed hazardous waste haulers and disposed of at a licensed hazardous waste management facility approved for the specific hazardous materials to be disposed of. The contractor shall follow all procedural requirements and regulations for proper removal and disposal of affected soils.

- Procedures to be implemented if unknown subsurface conditions or contamination are encountered, such as previously unreported tanks, wells, or contaminated soils.
- Detailed control measures for use and storage of hazardous materials to prevent the release of pollutants to the environment, and emergency procedures for the containment and cleanup of accidental releases of hazardous materials to minimize the impacts of any such release. These procedures shall also include reporting requirements in the event of a reportable spill or other emergency incident. At a minimum, the City or its contractor shall notify applicable agencies in accordance with guidance from the California Office of Emergency Services as well as the Los Angeles County Certified Unified Program Agency (CUPA) or County of Los Angeles Fire Department.
- Procedures for containment, handling and disposal of groundwater generated from construction dewatering, the method used to analyze groundwater for hazardous materials likely to be encountered at specific locations and the appropriate treatment and/or disposal methods.

Monitoring Phase: Pre-construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

**Monitoring Frequency:** Once prior to construction, Prior to

issuance of

building permit

Action Indicating Completion and

Compliance: implementation of Soil and

Groundwater Management Plan;

Issuance of building permits

**MM HAZ-5:** The Applicant shall comply with the administrative procedures of Ordinance No. 175790, Methane Seeping Regulations, and Ordinance No. 161,552 of the Los Angeles Municipal Code, establishing a High Potential Methane Zone in the Fairfax area of the City of Los Angeles.

Monitoring Phase: Pre-construction Enforcement Agency: Department of City

Planning;

Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

**Monitoring Frequency:** Once, Prior to issuance of building

permit

Action Indicating Issuance of building

Compliance: permits

**MM HAZ-6:** The project site is located within a methane gas zone and shall be required to comply with the administrative procedures of Ordinance No. 175,790, Methane Seeping Regulations. Specifically, prior to construction the project shall comply with the following measures:

- All commercial buildings shall be provided with an approved Methane Control System, which shall include these minimum requirements: a vent system and gas-detection system which shall be installed in the basements or the lowest floor level on grade. The gas detection system shall be designed to automatically activate the vent system when an action level equal to 25% of the Lower Explosive Limit (LEL) methane concentration is detected within those areas.
- All commercial and multiple residential buildings covering over 50,000 square feet of lot area or with more than one level of basement shall be independently analyzed by a qualified engineer, as defined in Section 91.7102 of the Municipal Code, hired by the building owner. The engineer shall investigate and recommend mitigation measures which will prevent or retard potential methane gas seepage into the building. In addition to the other items listed in this section, the owner shall implement the engineer's design recommendations subject to Department of Building and Safety and Fire Department approval.
- All multiple residential buildings shall have adequate ventilation as defined in Section 91.7102 of the Municipal Code of a gas-detection system installed in the basement or on the lowest floor level on grade, and within the underfloor space in buildings with raised foundations.

**Monitoring Phase:** Pre-Construction

**Enforcement Agency:** Department of Building

and Safety and Los

Angeles Fire Department

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Once, Prior to issuance of building

permit

Action Indicating Approval of Methane

Compliance: Control System, Issuance of

building permits

## **Hydrology and Water Quality**

**MM HYD-1:** In the event that a permanent dewatering system is necessary for the proposed project, the Department of Building and Safety shall require the following measures:

- Pumping water to a beneficial use on site such as landscape irrigation or decorative fountains or lakes; or
- Return water to the groundwater basin by an injection well.

Monitoring Phase: Pre-construction
Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

**Monitoring Frequency:** Once, Prior to issuance of building

permit

Action Indicating Issuance of building

**Compliance:** permits

**MM HYD-2:** In the event that temporary and/or permanent groundwater dewatering activities or interceptions to aquifers are required for project construction, a groundwater hydrology report shall be required to assess and approximate the drawdown amount in the groundwater table that such dewatering will cause and to disclose the spatial limits of dewatering and aquifer interception impacts.

Monitoring Phase: Pre-construction, Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency: Completion of

groundwater hydrology

report, Prior to issuance of building

permit

Action Indicating Issuance of building

Compliance: permits

**MM HYD-3:** In the event that temporary and/or permanent groundwater dewatering activities are required, the project Applicant shall file a Report of Waste Discharge with the Los Angeles Regional Water Quality Control Board, which is used to start the application process for all discharge requirements and will determine what permit the project will require to cover its dewatering discharges (either to surface water or groundwater). Coverage under the permit specified in the Regional Water Quality Board's response to the Report of Waste Discharge shall be obtained prior to Project construction, and the Applicant shall adhere to all requirements of the approved permit to ensure either surface water quality, groundwater quality or both are not impacted by dewatering activities.

Monitoring Phase: Pre-construction

Enforcement Agency: Los Angeles Regional Water

Quality Control Board

Monitoring Agency: Los Angeles Regional Water

**Quality Control Board** 

**Monitoring Frequency:**Once prior to construction in the

event that temporary and/or permanent groundwater dewatering activities are required, Prior to

issuance of building permit

**Action Indicating**Permit specified in the Regional Water Quality Board's response to

the Report of Waste Discharge,

Issuance of building permits

**PDF HYD-4:** All new sidewalks along the project's street frontages shall be paved with pervious (permeable) concrete or interlocking pavers to increase the opportunity for stormwater infiltration on the project site.

Monitoring Phase: Construction

**Enforcement Agency:**Department of Public Works
Monitoring Agency:
Department of Public Works

Monitoring Frequency:

Once at project plan check; once

during field inspection

**Action Indicating**Field inspection sign-off, Plan approval and issuance of

applicable building permit

### Noise

**MM NOI-1:** Construction activities shall be restricted to the hours of 7:00 a.m. to 4:00 p.m. Monday through Friday, 8:00 a.m. to 3:30 p.m. on Saturdays or national holidays, and shall be prohibited at any time on Sundays.

Monitoring Phase: Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-2:** All mobile off-road construction equipment operating at the project site shall be equipped with properly operating mufflers consistent with manufacturers' standards. All equipment shall be properly maintained. Construction contractor shall keep documentation onsite demonstrating that the equipment has been maintained in accordance with the manufacturer's specifications.

Monitoring Phase: Construction
Enforcement Agency: Department of City

Planning; Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-3:** The construction contractor(s) shall locate stationary construction noise sources as far as possible from noise-sensitive uses (in accordance with the L.A. CEQA Thresholds Guide, noise-sensitive uses include residences, transient lodgings, schools, libraries, churches, hospitals, nursing homes, auditoriums, concert halls, amphitheaters, playgrounds and parks), to the extent feasible, and ensure that they are muffled and enclosed within temporary sheds, or incorporate insulation barriers, or other measures to the extent feasible. All construction equipment engines shall be properly tuned and muffled according to manufacturers' specifications. The project contractor shall use power construction equipment with state-of-theart noise shielding and muffling devices and shall include the use of plug-in electrical or solar-

powered generators. Construction contractor shall keep documentation on-site demonstrating that the equipment has been maintained in accordance with the manufacturer's specifications.

Monitoring Phase: Construction
Enforcement Agency: Department of City

Planning; Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-4:** Construction activities associated with the proposed project shall, to the extent feasible, be scheduled so as to avoid operating several pieces of equipment simultaneously, which causes high noise levels. When the use of impact tools are necessary, they shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools. Where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used and external jackets on the tools themselves shall be used where feasible.

Monitoring Phase: Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-5:** A temporary sound barrier at least eight feet in height shall be erected along the project site's western and southern property lines to minimize the amount of project construction noise to the maximum extent feasible at the Westbury Terrace condominium tower and Our Lady of Mount Lebanon-St. Peter Cathedral to the west, the multi-family residential buildings to the southeast, and the mixed-use residential/retail building to the south.

Monitoring Phase: Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-6:** All loading and unloading activities at the project site shall be located on-site and away from noise-sensitive uses (in accordance with the L.A. CEQA Thresholds Guide, noise-sensitive uses include residences, transient lodgings, schools, libraries, churches, hospitals, nursing homes, auditoriums, concert halls, amphitheaters, playgrounds and parks) to the extent necessary 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 of compliance with this measure.

Monitoring Phase: Construction
Enforcement Agency: Department of City

Planning; Department of Building

and Safety

Monitoring Agency: Department of City

Planning; Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-7:** The Applicant shall designate a construction relations officer to serve as a liaison with surrounding residents and property owners who is responsible for responding to any concerns regarding construction noise and vibration. The liaison's telephone number(s) shall be prominently displayed at the project site. Signs shall also be posted at the project site that includes permitted construction days and hours.

Monitoring Phase: Construction

Enforcement Agency: Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

MM NOI-8: The operation of construction equipment that generates high levels of vibration, such as large bulldozers and loaded trucks, shall be prohibited within 10 feet of existing retail structures located directly north of the project site during project construction. Small bulldozers not exceeding 310 horsepower shall be used within 10 feet of the existing retail structures located directly north of the project site during demolition, grading, and excavation operations. The use of smaller bulldozers would result in vibration levels of 0.38 inches per second peak particle velocity (PPV) at these retail uses to the north of the project site, which would not exceed Caltrans' vibration criteria of 0.5 inches per second PPV for continuous/frequent intermittent vibration sources.

Monitoring Phase: Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Department of Building

and Safety

Monitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

**MM NOI-9:** All construction equipment engines shall be properly tuned and muffled according to manufacturers' specifications. 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. The project contractor shall use power construction equipment with state-of-the-art noise shielding and muffling devices and shall include the use of solar-powered generators.

Monitoring Phase: Construction

**Enforcement Agency:** Department of City Planning;

Department of Building and Safety
Department of Building and Safety

Monitoring Agency:Department of Building atMonitoring Frequency:Periodic field inspectionsAction IndicatingField inspection sign-off

Compliance:

# **Transportation and Circulation**

**PDF TR-1:** A Construction Traffic Management Plan (CTMP) shall be prepared by the project applicant and submitted to the LADOT for review and approval. In addition, the CTMP shall be submitted to the City of Beverly Hills and emergency service providers for review to ensure that adequate access is maintained to the project site and neighboring businesses during construction. Any lane closures on La Cienega Boulevard shall also be reported to the County of Los Angeles Emergency Management Information System (EMIS). The CTMP would formalize how construction would be carried out and identify actions that would be required to reduce effects on the surrounding community. The CTMP shall include street closure information, a detour plan, haul routes, and a staging plan, as well as the following elements, as appropriate:

- Identify the specific haul route for trucks and include locations of off-site truck staging and detail measures to ensure trucks do not travel through nearby residential neighborhoods.
- Ensure haul route is in compliance with the City of Beverly Hills and City of Los Angeles heavy haul regulations.
- Identify locations in the immediate project vicinity where construction workers could park their vehicles during project construction. The chosen location shall be located in a nearby commercial area and not in a residential neighborhood.
- Construction related deliveries, haul trips, etc., shall be scheduled to occur outside the commuter peak hours (between 7:00 a.m. and 10:00 a.m. and between 3:00p.m. and 6:00 p.m.) to the extent feasible.
- Establish requirements for:
  - The temporary removal of street parking spaces along San Vicente Boulevard during construction to minimize disruption to available parking. Measures would include, but not be limited to, posting signs that indicate the length of closure and dates of construction. In addition, the Applicant would be required to ensure that the temporary removal of street parking is conducted in coordination with the Los Angeles Department of Transportation (LADOT).
  - The temporary closure of travel lanes during construction to minimize interference with vehicular movement. Measures would include, but not be limited to, posting signs that indicate the length of temporary lane closure, instructions for the rerouting of vehicular traffic, and the dates of construction. In addition, the Applicant would coordinate with LADOT on temporary street closures to ensure that impeded vehicular movement on the streets surrounding the project site is minimized.

- The closure and diversion of transit stops during project construction to minimize interference with transit access. Measures would include, but not be limited to, posting signs that direct transit passengers to the location of the relocated Metro Local Route 105 and Metro Rapid Route 705 bus stops and specify the effective dates of the relocation, and the rerouting of service, if necessary. In addition, the Applicant would be required to coordinate with Metro to ensure that access to transit services in the neighborhood is maintained during project construction.
- The closure or diversion of pedestrian facilities along La Cienega Boulevard and San Vicente Boulevard during project construction to ensure the safety of pedestrians and access to local businesses. Measures would include, but not be limited to, rerouting pedestrian traffic to ensure that access to the neighborhood and businesses is maintained during project construction, sheltered pedestrian lanes, posting signs that would direct pedestrians through temporary detours, and specify the effective dates of such detours. In addition, the Applicant would be required to coordinate with LADOT to ensure that pedestrian access is maintained during project construction.
- Coordinate with the City, City of Beverly Hills, and emergency service providers
  to ensure adequate access is maintained to the project site and neighboring
  businesses. The CTMP shall include a detour plan for emergency access along
  La Cienega Boulevard that is maintained at all times during project construction.
- Notify all emergency service providers and the County of Los Angeles EMIS of the CTMP after approval by LADOT and prior to construction.

**Monitoring Phase:** Pre-construction, Construction

**Enforcement Agency:** Department of Building

and Safety

Monitoring Agency: Los Angeles Department of

Transportation

Monitoring Frequency: Periodic field inspections

Action Indicating Approval of Construction Traffic Compliance: Approval of Construction Traffic Management Plan, Field inspection

sign-off

- 19. Construction Mitigation Conditions. Prior to the issuance of a grading or building permit, or the recordation of the final map, the subdivider shall prepare and execute a Covenant and Agreement (Planning Department General Form CP-6770) in a manner satisfactory to the Planning Department, binding the subdivider and all successors to the following:
  - CM-1. That a sign be required on site clearly stating a contact/complaint telephone number that provides contact to a live voice, not a recording or voice mail, during all hours of construction, the construction site address, and the tract map number. YOU ARE REQUIRED TO POST THE SIGN 7 DAYS BEFORE CONSTRUCTION IS TO BEGIN.
    - a. Locate the sign in a conspicuous place on the subject site or structure (if developed) so that the public can easily read it. The sign must be sturdily attached to a wooden post if it will be freestanding.

- b. Regardless of who posts the site, it is always the responsibility of the applicant to assure that the notice is firmly attached, legible, and remains in that condition throughout the entire construction period.
- c. If the case involves more than one street frontage, post a sign on each street frontage involved. If a site exceeds five (5) acres in size, a separate notice of posting will be required for each five (5) acres, or portion thereof. Each sign must be posted in a prominent location.
- CM-2. All unpaved demolition and construction areas shall be wetted at least twice daily during excavation and construction, and temporary dust covers shall be used to reduce dust emissions and meet SCAQMD District Rule 403. Wetting could reduce fugitive dust by as much as 50 percent.
- CM-3. The owner or contractor shall keep the construction area sufficiently dampened to control dust caused by construction and hauling, and at all times provide reasonable control of dust caused by wind.
- CM-4. All loads shall be secured by trimming, watering or other appropriate means to prevent spillage and dust.
- CM-5. All materials transported off-site shall be either sufficiently watered or securely covered to prevent excessive amount of dust.
- CM-6. All clearing, earth moving, or excavation activities shall be discontinued during periods of high winds (i.e., greater than 15 mph), so as to prevent excessive amounts of dust.
- CM-7. General contractors shall maintain and operate construction equipment so as to minimize exhaust emissions.
- CM-8. The project shall comply with the City of Los Angeles Noise Ordinance Nos. 144,331 and 161,574, and any subsequent ordinances, which prohibit the emission or creation of noise beyond certain levels at adjacent uses unless technically infeasible.
- CM-9. Construction and demolition shall be restricted to the hours of 7:00 a.m. to 6:00 p.m. Monday through Friday, and 8:00 a.m. to 6:00 p.m. on Saturday.
- CM-10. Construction and demolition activities shall be scheduled so as to avoid operating several pieces of equipment simultaneously, which causes high noise levels.
- CM-11. The project contractor shall use power construction equipment with state-ofthe-art noise shielding and muffling devices.
- CM-12. The project sponsor shall comply with the Noise Insulation Standards of Title 24 of the California Code Regulations, which insure an acceptable interior noise environment.
- CM-13. Excavation and grading activities shall be scheduled during dry weather periods. If grading occurs during the rainy season (October 15 through April 1),

- construct diversion dikes to channel runoff around the site. Line channels with grass or roughened pavement to reduce runoff velocity.
- CM-14. Incorporate appropriate erosion control and drainage devices to the satisfaction of the Building and Safety Department shall be incorporated, such as interceptor terraces, berms, vee-channels, and inlet and outlet structures, as specified by Section 91.7013 of the Building Code, including planting fast-growing annual and perennial grasses in areas where construction is not immediately planned. These will shield and bind the soil.
- CM-15. Stockpiles and excavated soil shall be covered with secured tarps or plastic sheeting.
- CM-16. All waste shall be disposed of properly. Use appropriately labeled recycling bins to recycle construction materials including: solvents, water-based paints, vehicle fluids, broken asphalt and concrete, wood, and vegetation. Nonrecyclable materials/wastes must be taken to an appropriate landfill. Toxic wastes must be discarded at a licensed regulated disposal site.
- CM-17. Clean up leaks, drips and spills immediately to prevent contaminated soil on paved surfaces that can be washed away into the storm drains.
- CM-18. Do not hose down pavement at material spills. Use dry cleanup methods whenever possible.
- CM-19. Cover and maintain dumpsters. Place uncovered dumpsters under a roof or cover with tarps or plastic sheeting.
- CM-20. Use gravel approaches where truck traffic is frequent to reduce soil compaction and limit the tracking of sediment into streets.
- CM-21. Conduct all vehicle/equipment maintenance, repair, and washing away from storm drains. All major repairs are to be conducted off-site. Use drip pans or drop cloths to catch drips and spills.

# "D" DEVELOPMENT LIMITATIONS

Pursuant to Section 12.32-G of the Municipal Code, the following limitations are hereby imposed upon the use of the subject property, subject to the "D" Development Limitations.

- 1. Floor Area. A project on this site may be developed at a Floor Area Ratio not to exceed 4:1.
- 2. **Height.** The height of the project shall be limited to 240 feet to the top of the mechanical screen.

## **CONDITIONS OF APPROVAL**

### A. Entitlement Conditions

- 1. **Site Plan Review.** The project shall be granted a Site Plan Review for a project that creates an increase of 50 or more dwelling units, which in this case is 145 residential units.
- 2. **Residential Density.** The project shall be limited to a maximum of 145 residential units, including 7 units for Very Low Income Households and 6 units for Moderate Income Households.
- 3. **Residential Parking.** A minimum of 217 parking spaces for residential uses shall be provided in compliance with LAMC Section 12.21-A,4.
- 4. **Commercial Parking.** A minimum of 119 parking for commercial uses shall be provided in compliance with LAMC Sections 12.21-A,4, and a minimum of 25 parking spaces for retail employees of 8500 Burton Way in compliance with an existing lease.
- 5. **Density Bonus Residential Density.** The project density shall be limited to the (T)(Q)C2-2D-O Zone, within the General Commercial category of the Wilshire Community Plan, and a 16 percent Density Bonus.
- 6. **Affordable Units.** A minimum of 7 units shall be reserved as Very Low Income units, and 6 units shall be reserved as Moderate Income units, for a total of 10 percent of the base dwelling units, as defined by the State Density Bonus Law 65915 (C)(2).
- 7. **Changes in Restricted Units.** Deviations that increase the number of restricted affordable units or that change the composition of units shall be consistent with LAMC Section 12.22-A,25.
- 8. Housing Requirements. Prior to issuance of a building permit, the owner shall execute a covenant to the satisfaction of the Los Angeles Housing and Community Investment Department (HCIDLA) to make 7 units available to Very Low Income Households and 6 units available to Moderate Income Households, for sale or rental as determined to be affordable to such households by HCIDLA for a period of 55 years. Enforcement of the terms of said covenant shall be the responsibility of HCIDLA. The applicant will present a copy of the recorded covenant to the Department of City Planning for inclusion in this file. The project shall comply with the Guidelines for the Affordable Housing Incentives Program adopted by the City Planning Commission and with any monitoring requirements established by the HCIDLA.
- 9. **Floor Area Ratio.** The requested On-Menu Incentive to permit a 20 percent increase in FAR to permit a 4.8:1 FAR in lieu of 4:1 FAR set forth in the proposed "D" limitation.
- 10. **Floor Area Ratio.** The requested Off-Menu Incentive to permit a 6:1 FAR in lieu of 4.8:1 FAR.
- 11. **Setbacks.** The setbacks for the proposed mixed-use building shall be in conformance with Sections 12.14-C and 12.22-A,18(C)(3) of the LAMC, and shall be in substantial conformance with the site plan labeled as Exhibit "A" stamped, dated October 21, 2016.
- 12. <u>Prior to the issuance of the building permit</u>, a copy of the letter of decision for Case No. VTT-74131 shall be submitted to the satisfaction of the Development Services Center.

- 13. Electric Vehicle Parking. The project shall include at least twenty percent (20%) of the total Code-required parking spaces provided for all types of parking facilities, but in no case less than one location, shall be capable of supporting future electric vehicle supply equipment (EVSE). Plans shall indicate the proposed type and location(s) of EVSE and also include raceway method(s), wiring schematics and electrical calculations to verify that the electrical system has sufficient capacity to simultaneously charge all electric vehicles at all designated EV charging locations at their full rated amperage. Plan design shall be based upon Level 2 or greater EVSE at its maximum operating capacity. Of the 20% EV Ready, five (5)% of the total Code-required parking spaces shall be further provided with EV chargers to immediately accommodate electric vehicles within the parking areas. When the application of either the 20% or 5% results in a fractional space, round up to the next whole number. A label stating "EV CAPABLE" shall be posted in a conspicuous place at the service panel or subpanel and next to the raceway termination point.
- 14. **Graffiti Removal.** All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
- 15. **Aesthetics.** The structure, or portions thereof shall be maintained in a safe and sanitary condition and good repair and free of graffiti, trash, overgrown vegetation, or similar material, pursuant to Municipal Code Section 91,8104. All open areas not used for buildings, driveways, parking areas, recreational facilities or walks shall be attractively landscaped and maintained in accordance with a landscape plan, including an automatic irrigation plan, prepared by a licensed landscape architect to the satisfaction of the decision maker.

## 16. Master Conditional Use Permit for Alcohol Conditions

This grant shall be subject to the following conditions:

- a. Grant. The Master Conditional Use authorization herein to allow the on-site and off-site sale of a full line of alcoholic beverages shall be limited to the proposed grocery market. The Master Conditional Use authorization herein to allow the on-site sale and consumption of a full line of alcoholic beverages shall be limited to the proposed full service restaurant.
- b. Plan Approval. The applicant or individual operator shall file a plan approval(s) with the Department of City Planning pursuant to Section 12.24-M of the LAMC prior to the utilization of any grant made herein pursuant to the sale of alcoholic beverages. The plan approval(s) shall be accompanied by the payment of appropriate fees, pursuant to Section 19.01,C of the Municipal Code, and must be accepted as complete by the Department of City Planning. Mailing labels shall be provided by the applicant for all abutting property owners. The applicant shall submit an overall security plan for the Project Site which shall be prepared in consultation with the Los Angeles Police Department and which addresses security measures for the protection of visitors and employees. The project shall include appropriate security design features for semi-public and private spaces, which may include, but shall not be limited to: access control to buildings; secured parking facilities; walls/fences with key security; lobbies, corridors, and elevators equipped with electronic surveillance systems; well-illuminated semi-public space designed with a minimum dead space to eliminate areas of concealment; and location of toilet facilities or building entrances in high foot traffic areas. In reviewing the plan approval(s) for alcohol sales, the Zoning Administrator may consider conditions, as applicable, on the following: time period of the grant; hours and days of operation; primary use(s); security plans; maximum seating capacity; maximum floor area; noise; mode, character and nature of the operation; food service and age limits. The plan approval review application is for the purpose of evaluating the effectiveness of all

conditions, associated with the sale of alcoholic beverages of this granted action, as to whether additional conditions are necessary or whether conditions may be deleted.

Modifications to these Conditions of Approval shall require that the applicant file a plan approval(s) with the Department of City Planning. The plan approval(s) shall be accompanied by the payment of appropriate fees, and must be accepted as complete by the Department of City Planning. Mailing labels shall be provided by the applicant for all abutting property owners. Mitigation Measures and/or Project Design Features shall not be changed, modified, or removed using the plan approval process.

- c. Within six months of the effective date of this action, all employees involved with the sale of alcoholic beverages shall enroll in the Los Angeles Police Department "Standardized Training for Alcohol Retailers" (STAR) program. Upon completion of such training, the applicant shall request the Police Department to issue a letter identifying which employees completed the training. The applicant shall transmit a copy of the letter from the Police Department to the Condition Compliance Unit as evidence of compliance. In the event there is a change in the licensee, within one year of such change, this training program shall be required for all new staff. All employees who serve alcoholic beverages shall attend follow-up STAR classes every 24 months. The STAR training shall be conducted for all new hires within 2 months of their employment.
- d. Electronic age verification device(s) which can be used to determine the age of any individual attempting to purchase alcoholic beverages and shall be installed on the premises at each point-of-sale location. The device(s) shall be maintained in an operational condition and all employees shall be instructed in their use prior to the sale of any alcoholic beverages.
- e. Prior to the utilization of this grant, surveillance cameras shall be installed which cover all common areas of the venues, including all high-risk areas, entrances and exits to each tenant space, including cameras that provide a view of the street. The camera installation plan shall also be reviewed by the Police Department individually or as part of the security plan. The applicant shall maintain a one-month tape library and such tapes shall be made available to Police or other enforcement agency upon request.
- f. There shall be no use of the subject premises which involves Section 12.70 of the Los Angeles Municipal Code uses (Adult Entertainment).
- g. The applicant shall maintain on the premises and present upon request to the Police or other enforcement agency, a copy of the Business Permit, Insurance Information, and valid emergency contact phone number for any Valet Service utilized and for any Security Company Service employed.
- h. The applicant shall identify a contact person and provide a 24-hour "hot line" telephone number for any inquiries or complaints from the community regarding the subject facility. Prior to the utilization of this grant, the phone number shall be posted on the site so that is readily visible to any interested party. The hot line shall be:
  - posted at the entry, and the cashier or customer service desk,
  - responded to within 24-hours of any complaints/inquiries received on this hot line, and
  - the phone number shall connect directly to the responsible person and not to an answering machine.

- i. The operator of each venue shall be responsible for maintaining the area adjacent to the premises under his/her control free of litter.
- j. The applicant and tenants shall monitor the areas under their control to prevent loitering of persons around their venues.
- k. There shall be no cover charge required at any time at any venue on the premise.
- No after-hour use of a venue in the complex is permitted. This includes but is not limited
  to private or promotional events, excluding any activities which are issued film permits by
  the City.
- m. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Department of City Planning to impose additional corrective conditions, if it is determined by the Department of City Planning that such conditions are proven necessary for the protection of person in the neighborhood or occupants of adjacent property.
- n. If at any time during the period of the grant, should documented evidence be submitted showing continued violation(s) of any condition(s) of the grant, resulting in a disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Department of City Planning will have the right to require the Petitioner(s) to file for a Plan Approval application together with the associated fees and to hold a public hearing to review the Petitioner(s) compliance with and the effectiveness of the conditions of the grant. The Petitioner(s) shall submit a summary and supporting documentation of how compliance with each condition of the grant has been attained.
- o. The operator shall install and maintain surveillance cameras in all areas of the restaurant premises, including any outdoor dining area and a 30-day video library that covers all common areas of such business, including all high-risk areas and entrances or exits. The tapes shall be made available to the Police Department upon request.
- p. All establishments applying for an Alcoholic Beverage Control license shall be given a copy of these conditions prior to executing a lease and these conditions shall be incorporated into the lease. Furthermore, all vendors of alcoholic beverages shall be made aware that violations of these conditions may result in revocation of the privileges of serving alcoholic beverages on the premises.
- q. A copy of this grant and all Conditions and/or any subsequent appeal of this grant and resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
- r. Should there be a change in the ownership and/or the operator of the business, the property owner and the business owner or operator shall provide the prospective new property owner and the business owner/operator with a copy of the conditions of this action prior to the legal acquisition of the property and/or the business. Evidence that a copy of this determination including the conditions required herewith has been provided to the prospective owner/operator shall be submitted to the Department of City Planning in a letter from the new operator indicating the date that the new operator/management began and attesting to the receipt of this approval and its conditions. The new operator shall submit this letter to the Department of City Planning within 30-days of the beginning day of his/her new operation of the establishment along with any proposed modifications

to the existing the floor plan, seating arrangement or number of seats of the new operation.

- s. The Zoning Administrator reserves the right to require that the new owner or operator file a Plan Approval application, if it is determined that the new operation is not in substantial conformance with the approved floor plan, or the operation has changed in mode or character from the original approval, or if documented evidence be submitted showing a continued violation(s) of any condition(s) of this grant resulting in a disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties. The application, in association with the appropriate fees, and a 500-foot notification radius list, shall be submitted to the Department of City Planning within 30 days of the date of legal acquisition by the new owner or operator. The purpose of the plan approval will be to review the operation of the premise and establish conditions applicable to the use as conducted by the new owner or operator, consistent with the intent of the Conditions of this grant. Upon review, the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct a public hearing including consideration for nuisance abatement/revocation purposes.
- t. MViP Monitoring, Verification and Inspection Program. Within 12 to 18 months from the beginning of operations or issuance of a Certificate of Occupancy, a City inspector will conduct a site visit to assess compliance with, or violations of, any of the conditions of this grant. Observations and results of said inspection will be documented and included in the administrative file. The owner/operator shall be notified of the deficiency or violation and required to correct or eliminate the deficiency or violation. Multiple or continued documented violations or Orders to Comply issued by the Department of Building and Safety which are not addressed within the time prescribed, may result in additional corrective conditions imposed by the Zoning Administrator.

# CONDITIONS IDENTIFIED FOR CONSIDERATION BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL RELATIVE TO THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

In approving the instant grant, the City Planning Commission has not imposed Conditions specific to the sale or distribution of alcoholic beverages, even if such Conditions have been volunteered or negotiated by the applicant, in that the City Planning Commission has no direct authority to regulate or enforce Conditions assigned to alcohol sales or distribution.

The City Planning Commission has identified a set of Conditions related to alcohol sales and distribution for further consideration by the State of California Department of Alcoholic Beverage Control (ABC). In identifying these conditions, the City Planning Commission acknowledges the ABC as the responsible agency for establishing and enforcing Conditions specific to alcohol sales and distribution. The Conditions identified below are based on testimony and/or other evidence established in the administrative record, and provide the ABC an opportunity to address the specific conduct of alcohol sales and distribution in association with the Conditional Use granted herein by the City Planning Commission.

- There shall be no exterior window signs of any kind or type promoting alcoholic products.
- The alcoholic beverage license for the restaurants shall not be exchanged for "public premises" license unless approved through a new conditional use authorization.

- "Public Premises" is defined as a premise maintained and operated for sale or service of alcoholic beverages to the public for consumption on the premises, and in which food is not sold to the public as a bona fide eating place.
- No alcohol shall be allowed to be consumed on any adjacent property under the control of the applicant.
- There shall be no advertising of any alcoholic beverages visible from the exterior of the premises from the food and beverage areas, promoting or indicating the availability of alcoholic beverages.
- Alcohol sales and dispensing for on-site consumption shall only be served by employees.
- Signs shall be posted in a prominent location stating that California State Law prohibits the sale of alcoholic beverages to persons under 21 years of age. "No loitering or Public Drinking" signs shall be posted outside the subject facility.
- The venue operator, owner and the venue personnel shall at all times maintain a policy of not serving to obviously intoxicated patrons and shall take preventative measures to help avert intoxication-related problems.
- No person under the age of 21 years shall sell or deliver alcoholic beverages.
- The sale of distilled spirits by the bottle for same day or future consumption is prohibited.
- There shall not be a requirement to purchase a minimum number of drinks.
- There shall be no portable self-service bar(s) at either location. A wait person or bartender shall conduct all alcoholic beverage service, which may be from a portable bar.
- In the off-site venue, there shall not be any sale of single cans or bottles of beer, wine coolers, or malt liquor from pre-packaged 6- or 4- packs. The sale of individual cans or bottles of craft beer from 15+ fluid ounce containers is permissible.
- No sale of alcohol shall be permitted at any self-service, automated checkout station (checkout conducted primarily by the customer, with assistance by a store monitor) if such are available on the site. All sales of alcohol shall be conducted at a full-service checkout station directly attended by a cashier/checkout clerk specifically assigned solely to that station.
- 18. **Community Relations.** A 24-hour "hot-line" phone number for the receipt of construction-related complaints from the community shall be provided to immediate neighbors and the local neighborhood association, if any. The applicant shall be required to respond within 24-hours to any complaints received on this hotline.
- 19. **Posting of Construction Activities.** The adjacent residents shall be given regular notification of major construction activities and their duration. A visible and readable sign (at a distance of 50 feet) shall be posted on the construction site identifying a telephone number for inquiring about the construction process and to register complaints.

## **B.** Administrative Conditions

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

- 3. Covenant. Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent property owners, heirs or assigns. The agreement shall be submitted to the Department of City Planning Development Services Center for approval before being recorded. After recordation, a copy bearing the Recorder's number and date shall be provided to the Department of City Planning for attachment to the file.
- 4. **Definition.** Any agencies, public officials or legislation referenced in these conditions shall mean those agencies, public offices, legislation or their successors, designees or amendment to any legislation.
- 5. **Enforcement.** Compliance with these conditions and the intent of these conditions shall be to the satisfaction of the Department of City Planning and any designated agency, or the agency's successor and in accordance with any stated laws or regulations, or any amendments thereto.
- 6. **Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety.
- 7. **Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the City Planning Commission, or the Director of Planning, pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if in the decision makers opinion, such actions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 8. **Project Plan Modifications.** Any corrections and/or modifications to the project plans made subsequent to this grant that are deemed necessary by the Department of Building and Safety, Fire Department, or other City Agency for Code compliance, and which involve a change in site plan, floor area, parking, building height, yards or setbacks, building separations, or lot coverage, shall require a referral of the revised plans back to the Department of City Planning for additional review and final sign-off prior to the issuance of any building permit in connection with said plans. This process may require additional review and/or action by the appropriate decision making authority including the Director of Planning, City Planning Commission, Area Planning Commission, or Board.
- 9. **Indemnification and Reimbursement of Litigation Costs**. Applicant shall do all of the following:
  - 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 \$25,000. 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.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

### **FINDINGS**

### **Legislative Findings/General Plan/Charter Findings**

## 1. General Plan Land Use Designation.

The subject property is located within the Wilshire Community Plan area (effective September 19, 2001), which designates the property as Neighborhood Office Commercial with the corresponding zones of C1, C1.5, C2, C4, P, CR, RAS3, and RAS4. The project site's current zone is C2-1VL-O. The recommended General Plan Amendment will change the land use designation to General Commercial with the corresponding zones of C1.5, C2, C4, RAS3 and RAS4. In addition, the General Plan Amendment will allow for the modification of Footnote 5.1 to state that the project site is subject to Height District 2D. Generally, Height District 2 in the C zone allows unlimited height with an FAR of 6.0:1; however, the "D" limitations would limit the FAR to 4:1 and a height of 240 feet.

Approval of a General Plan Amendment is necessary to modify the project site's land use designation to General Commercial, to be consistent with properties to the east along La Cienega Boulevard, south along Burton Way and southeast along San Vicente Boulevard. Specifically, the properties to the east of the project site along La Cienega Boulevard between 3rd Street and 4th Street have a General Commercial land use designation. The properties to the southeast along San Vicente Boulevard and La Cienega Boulevard south of 4th Street also have a General Commercial land use designation. Finally, the property at 8500 Burton Way directly south of the project site also has a General Commercial land use designation. In addition, the proposed Zone Change allows the construction of 125 residential units in conjunction with commercial uses under the corresponding C2 zone. While the Zone Change will change the project site's height district from Height District No. 1VL to Height District No. 2D, with approval of the General Plan Amendment from Neighborhood Office to General Commercial and modification of Footnote No. 5.1, the project will be consistent with the land use designation. Modification of Footnote No. 5.1 to extend the footnote from the existing 8500 Burton Way mixed-use development to include the project site is appropriate because the project site is directly across from the 8500 Burton Way development. Redesignating the land use of the project site reinforces the General Plan Framework's guidance of locating density and jobs near transit. The project site provides a high-density development near transit lines with high ridership numbers, including, but not limited to, the Metro Rapid 705 with a ridership of 1,784,455 transit trips, Metro Local 105 with 4,470,896 transit trips and Metro Local 16/316 with 7,855,685 transit trips in 2015. Overall, the project is serviced by several transit lines that collectively achieved 30,019,890 transit rides in 2015. In addition, there will be a new subway station within walking distance (approximately 0.5 mile) of the project site at La Cienega Boulevard and Wilshire Boulevard with Metro's Purple Line Extension, expected by 2023. The redesignation also reflects changing development patterns in the City, specifically locating mixed-use developments near transit lines. Furthermore, the project supports the General Plan by contributing to the available housing stock within the City, specifically within the Wilshire Community Plan area, and towards the housing crisis in the city, as well as the Mayor's initiative to build 100,000 homes by 2020.

## 2. General Plan Text

a. <u>Wilshire Community Plan</u>: The mixed-use project is consistent with several goals, objectives, and polices of the Wilshire Community Plan. The plan text includes the following relevant residential and commercial land use goals, objectives and policies:

Policy 1-1.4: Provide for housing along mixed-use boulevards where appropriate.

Objective 1-2: Reduce vehicular trips and congestion by developing new housing in close proximity to regional and community commercial centers, subway stations, and existing bus route stops.

Policy 1-2.1: Encourage higher density residential uses near major public transportation centers.

Objective 1-4: Provide affordable housing and increased accessibility to more population segments, especially students, the handicapped and senior citizens.

Policy 2-1.2: Protect existing and planned commercially zoned areas especially in Regional Commercial Centers, from encroachment by standalone residential development by adhering to the community plan land use designations.

Objective 2-2: Promote distinctive commercial districts and pedestrian-oriented areas.

Policy 2-2.1: Encourage pedestrian-oriented design in designated areas and in new development.

Policy 2-2.3: Encourage the incorporation of retail, restaurant, and other neighborhood serving uses in the first floor street frontage of structures, including mixed-use projects located in Neighborhood Districts.

Policy 15-1.2: Develop off-street parking resources, including parking structures and underground parking in accordance with design standards.

The project is a mixed-use development consisting of: a 16 percent Density Bonus (although the project is eligible for up to a 20 percent Density Bonus) to provide an additional 20 units in lieu of 125 base units, for a total of 145 residential units, with 10 percent of the permitted base density set aside for affordable housing, and 31,055 square feet of commercial uses consisting of a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. As part of the total 145 units, the project will set aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. The project will contain approximately 294,294 square feet of floor area upon full build out.

The mixed-use project replaces a currently vacant single-tenant department store in an area characterized by retail and multi-family residential uses that are in close proximity to several public transit options, including but not limited to several Metro bus lines such as Local Routes 10, 14, 105 and Rapid 705. The project provides much-needed rental housing, including 7 units for Very Low Income Households and 6 units for Moderate Income Households, and creates 84 jobs in the Wilshire Community Plan area by introducing neighborhood serving retail and restaurant uses. The project provides publicly accessible open space in the form of a landscaped plaza at the southern corner of the project site. The project also implements pedestrian and bicycle improvements, including: new enhanced crosswalks across La Cienega Boulevard, San Vicente Boulevard and Burton Way; a new signalized crosswalk at La Cienega Boulevard and

Blackburn Avenue; a right-turn only signal on southbound La Cienega Boulevard; a pedestrian refuge and landscaped medians; green bicycle lanes; a bike lounge; and a new transit shelter to support this area of Los Angeles as a transit-oriented commercial center for residential uses, employment, retail services and restaurant options.

b. <u>Framework Element</u>: The Framework Element's Land Use chapter seeks to support the viability of the City's residential neighborhoods and commercial districts, and to encourage sustainable growth in higher-intensity commercial and mixed-use districts, particularly in proximity to transportation corridors and transit stations.

The General Plan Framework identifies General Commercial areas in the Land Use Chapter. The Framework identifies the General Commercial land use with the corresponding C2 and [Q]C2 zones. The project supports and will be generally consistent with the General Plan Framework Land Use Chapter as it will contribute to the needs of future residents, employees, and visitors. Specifically, the project will comply with the following objective and policy set forth in the General Plan Framework Land Use Chapter:

Policy 3.12.1: Accommodate the development of uses in areas designated as

"General Commercial" in the community plans in accordance with Tables 3-1 and 3-7. The range/densities of uses permitted in any

area shall be identified in the community plans.

Objective 3.16: Accommodate land uses, and locate and design buildings, and

implement streetscape amenities that enhance pedestrian activity.

The project is located in an area of the Wilshire Community Plan area consisting of Regional Commercial land uses to the north and northwest of the project site; Community Commercial to the northeast; General Commercial to the east; Neighborhood Office Commercial and High Medium Residential to the west and southwest; and General Commercial to the south and southeast. The variety of uses is evident in the development that includes hotels; retail and restaurant establishments; institutional uses (church and medical center) and multi-family residential uses contained in structures ranging from low-rise to mid-rise buildings. The project site's proposed General Commercial land use designation supports the area's diversity of commercial uses. The project will activate the project site and immediate area by replacing an underutilized building currently operating only as a parking structure with a mixed-use project containing residential, a grocery market, a restaurant and a publically accessible open space at the corner of La Cienega Boulevard and San Vicente Boulevard. In addition, the project will locate and design the proposed building, and implement streetscape amenities, in a manner that enhance pedestrian activity. Specifically, the project uses abundant glazing and a canopy on the ground floor commercial frontages and adds new street trees, landscaped parkways and new bus shelter to the sidewalks surrounding the project site. The project also includes enhanced crosswalks and a new landscaped median with a pedestrian refuge. The addition of the project will thereby enhance the existing diversity of jobs, services, and housing in an urban area that is well served by public infrastructure and transit, including Metro Local Route 105 and Metro Rapid Route 705.

The Framework Element's Urban Form and Neighborhood Design Chapter presents the goals, objectives, and policies related to urban form and neighborhood design in the City of Los Angeles. The project will also comply with the following objective and policy set forth in the General Plan Framework Land Use Chapter:

Objective 5.2: Encourage future development in centers and in nodes along

corridors that are served by transit and are already functioning as centers for the surrounding neighborhoods, the community or the

region.

Policy 5.9.2: Encourage mixed-use development which provides for activity and

natural surveillance after commercial business hours through the development of ground floor retail uses and sidewalk cafes. Mixed-use should also be enhanced by locating community facilities such as libraries, cultural facilities or police substations,

on the ground floor of such building, where feasible.

The project satisfies this objective and policy by including a restaurant with outdoor seating fronting the new landscaped plaza in a new mixed-use development. In addition, the project includes a community meeting room on the mezzanine level overlooking the plaza in conformance with the intent of Policy 5.9.2. The project is located in an existing commercial node around the Beverly Center and 3<sup>rd</sup> Street, consistent with Objective 5.2.

c. <u>Housing Element</u>: The 2013-2021 Housing Element, the Housing Element of the General Plan, is the City's blueprint for meeting housing and growth challenges. The Housing Element identifies the City's housing conditions and needs, identifies goals, objectives, and policies that are the foundation of the City's housing and growth strategy, and provides an array of programs the City has committed to in order to implement and create sustainable, mixed-income neighborhoods across Los Angeles. The project is consistent with the following goal, objective and policy of the Housing Element:

Goal 1: A City where housing production and preservation result in an

adequate supply of ownership and rental housing that is safe, healthy and affordable to people of all income levels, races, ages,

and suitable for their various needs.

Objective 1.1: Produce an adequate supply of rental and ownership housing in

order to meet current and projected needs.

Policy 1.1.2: Expand affordable rental housing for all income groups that need

assistance.

Policy 1.1.4: Expand opportunities for residential development, particularly in

designated Centers, Transit Oriented Districts and along Mixed-

Use Boulevards.

The project includes 145 residential units. As part of the total 145 units, the project will set aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. Residential units are offered in one- and two-bedroom configurations; one-bedroom plus den and two-bedroom plus den configurations; and three-bedroom configurations. The variety in dwelling unit types will accommodate a variety of family sizes within a mixed-use development. The project's 145 residential units will help further achieve the Mayor's goal of producing 100,000 dwelling units by 2021. The project is also consistent with the following goal, objectives and policies of the Housing Element:

Goal 2: Safe, Livable and Sustainable Neighborhoods

Objective 2.2: Promote sustainable neighborhoods that have mixed-income housing, jobs, amenities services and transit. Policy 2.2.1: Provide incentives to encourage the integration of housing with other compatible land uses. Policy 2.2.2: Provide incentives and flexibility to generate new multi-family housing near transit and centers, in accordance with the General Plan Framework element, as reflected in Map ES.1. Policy 2.2.5: Provide sufficient services and amenities to support the planned population while preserving the neighborhood for those currently there. Objective 2.3: Promote sustainable buildings, which minimize adverse effects on the environment and minimize the use of non-renewable resources. Policy 2.3.2: Promote and facilitate reduction of water consumption in new and existing housing. Policy 2.3.3: Promote and facilitate reduction of energy consumption in new and existing housing. Policy 2.3.4: Promote and facilitate reduction of waste in construction and building operations. Objective 2.5: Promote a more equitable distribution of affordable housing opportunities throughout the City.

Policy 2.5.1: Target housing resources, policies and incentives to include affordable housing in residential development, particularly in mixed-use development, Transit Oriented Districts and designated Centers.

The mixed-use project will replace an underutilized building, creating a safe and livable environment adjacent to existing employment and several public transportation lines. The project also includes several amenities for residents and visitors including a grocery market and restaurant, and publically accessible open space. In addition, the project will comply with all state, regional, local and LAMC requirements for water and energy conservation and waste reduction, and feature sustainability features such as permeable paving. The project also includes EV ready parking spaces and a 6,910 square-foot ground level landscaped plaza with a water feature, turf mounds, benches and seating areas for restaurant patrons.

d. <u>Health and Wellness Element:</u> Plan for a Healthy Los Angeles, the Health and Wellness Element of the General Plan, seeks the promotion of a healthy built environment in a manner that enhances opportunities for improved health and well-being, and which promotes healthy living and working conditions. The project is consistent with the following policies:

# Policy 2.2: Healthy building design and construction

Promote a healthy built environment by encouraging the design and rehabilitation of buildings and sites for healthy living and working conditions, including promoting enhanced pedestrian-oriented circulation, lighting, attractive and open stairs, healthy building materials and universal accessibility using existing tools, practices, and programs.

The project includes construction of 145 residential units, and a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. New construction will comply with all LAMC regulations, including the Los Angeles Green Building Code. The project also includes a 6,910 square-foot ground level landscaped plaza that will be publically accessible. The project's location, near several public transportation lines, and the inclusion of retail and restaurant uses at the ground level, will encourage pedestrian circulation. In addition, the project is activating the sidewalks around the project site with parkways and new street trees.

## Policy 2.6: Repurpose underutilized spaces for health

Work proactively with residents to identify and remove barriers to leverage and repurpose vacant and underutilized spaces as a strategy to improve community health.

The project will convert an underutilized building used solely for parking into a mixed-use project with a landscaped plaza with turf and trees that will be accessible to the public.

# Policy 4.4: Equitable access to healthy food outlets

Pursue funding, public, private, and nonprofit partnerships, and develop financial, land use and similar incentives and programs to encourage the equitable availability of healthy, affordable food outlets within close proximity of all residences.

The project includes a 27,685 square-foot space for a grocery market to serve the residents and employees of the project as well as the surrounding community.

# Policy 5.1: Air pollution and respiratory health

Reduce air pollution from stationary and mobile sources; protect human health and welfare and promote improved respiratory health.

The project is located within walking distance of several public transportation lines and is adjacent to designated bicycle routes and lanes. Project residents, employees and visitors will be within walking distance of retail, restaurants and jobs. In addition, the project provides 299 total bicycle parking spaces and EV ready parking spaces, to encourage alternative means of transportation, thus reducing air pollution from vehicles.

## Policy 5.7: Land use planning for public health and GHG emission reduction

Promote land use policies that reduce per capita greenhouse gas emissions, result in improved air quality and decreased air pollution, especially for children, seniors and others susceptible to respiratory diseases.

As discussed above, the project includes bicycle parking, a bike lounge, a new transit shelter and EV ready spaces to help reduce GHG emissions during operation of the project. In addition, the project is serviced by several transit lines that collectively achieved 30,019,890 transit rides in 2015. There will also be a new subway station within walking distance (approximately 0.5 mile) of the project site at La Cienega Boulevard and Wilshire Boulevard with Metro's Purple Line Extension, expected by 2023.

- e. <u>Mobility Element</u>: Mobility Plan 2035, the Mobility Element of the General Plan, will not be negatively affected by the recommended action herein. The project is consistent with the five goals of the plan to provide:
  - 1. Safety First
  - 2. World Class Infrastructure
  - 3. Access for All Angelenos
  - 4. Collaboration, Communication and Informed Choices
  - 5. Clean Environments & Healthy Communities

Pursuant to Mobility Plan 2035, the designations of the project's adjacent streets are: 3rd Street, adjoining the project site to the north, is designated an Avenue II and has a 86-foot right-of-way; La Cienega Boulevard, adjoining the project site to the east, is designated an Avenue I and has a 100-foot right-of-way; Burton Way, adjoining the project site to the south, is designated an Avenue II and has a 86-foot right-of-way; and San Vicente Boulevard, adjoining the project site to the west, is designated a Boulevard II and has a 110-foot right-of-way. The project includes project design features PDF-TR-1 aimed at addressing transportation-related impacts associated with the proposed project. Moreover, the Bureau of Engineering has required improvements on San Vicente Boulevard including the construction of suitable surfacing, concrete curbs, gutters and sidewalks with tree wells, and the construction of an ADA access ramp at the intersection with La Cienega Boulevard.

The project site is well served by public transportation, including the following regional and local bus lines:

- Metro Regional/Local Lines:
  - o Metro Local Line 10 runs east-west along Melrose Avenue;
  - o Metro Rapid Line 705 runs north-south along La Cienega Boulevard;
  - Metro Local Line 14 runs east-west along Beverly Boulevard;
  - Metro Local Lines 16/17/316 runs east-west along 3rd Street;
  - o Metro Local Lines 30/330 runs east-west along San Vicente Boulevard;
  - o Metro Local Line 218 runs north-south along San Vicente Boulevard;
- LADOT Dash Fairfax Line runs north-south along La Cienega Boulevard.

These transit lines collectively achieved 30,019,890 transit rides in 2015. In addition, there will be a new subway station within walking distance (approximately 0.5 mile) of the project site at La Cienega Boulevard and Wilshire Boulevard with Metro's Purple Line Extension, expected by 2023. In addition, San Vicente Boulevard is a designated Bicycle Route, and 3<sup>rd</sup> Street is a designated Bicycle Lane in the City's Bicycle Plan. The project includes 299 total bicycle parking spaces for residential and commercial uses, in conformance with LAMC requirements. The applicant is requesting approval of a Variance to allow alternative locations for stall siting. Specifically, long-term bicycle parking spaces are proposed in basement levels P1 and P2 of the subterranean parking structure.

- f. <u>Sewerage Facilities Element</u>: Improvements may be required for the construction or improvement of sewer facilities to serve the subject project and complete the City sewer system for the health and safety of City inhabitants, which will assure compliance with the goals of this General Plan Element.
- 3. Charter Compliance City Charter Section 555 (General Plan Amendment). The proposed General Plan Amendment complies with the procedures as specified in Section 555 of the Charter, including:
  - a. Amendment in Whole or in Part. The General Plan Amendment before the City Planning Commission represents an Amendment in Part of the Wilshire Community Plan, representing a change to the social, physical and economic identity of project site, which is currently designated as Neighborhood Office Commercial and zoned C2-1VL-O. The General Plan Amendment to General Commercial is consistent with the General Commercial land use designation of other properties fronting La Cienega Boulevard to the east, southeast and south. Specifically, the properties to the east of the project site along La Cienega Boulevard between 3rd Street and 4th Street have a General Commercial land use designation. The properties to the southeast along San Vicente Boulevard and La Cienega Boulevard south of 4th Street also have a General Commercial land use designation. Finally, the property at 8500 Burton Way directly south of the project site also has General Commercial land use designation. The change from Neighborhood Office Commercial to General Commercial would eliminate the last portion of Neighborhood Office Commercial commercial from the La Cienega Boulevard corridor from 3<sup>rd</sup> Street to the Beverly Hills City limits at Colgate Avenue. The portion of the Wilshire Community Plan from Beverly Boulevard to the south is characterized by larger Regional Center and General Commercial uses such the Cedars-Sinai Medical Complex, the Beverly Center and the Beverly Connection shopping centers. This forms both a physical and economic identity to this area for larger commercial, residential and institutional uses in a transit rich area while being set back from nearby Medium and Low Medium density areas to the east by the major streets constituting La Cienega and San Vicente Boulevards.

In addition, the modification of Footnote No. 5.1 to allow the project to comply with the regulations of Height District 2D is consistent with an approved General Plan Amendment for the 8500 Burton Way property located south of the project site. Modification of Footnote No. 5.1 to extend the footnote from the existing 8500 Burton Way mixed-use development to include the project site is appropriate because the project site is directly across from the 8500 Burton Way development.

In terms of physical identity, the project is significant because it provides much needed publicly accessible open space. The closest park is the Pan Pacific Park Recreation Center, but it is 1.5 miles away and there are no parks in the immediate vicinity of the project site. The project exceeds its open space requirement by 9,323 square feet. Specifically, the project provides a 6,910 square foot landscaped plaza with shading trees, a turf lawn, benches, a water feature and seating areas that will anchor the project on the southern corner and activate the public realm and create a space for public gathering.

In addition to providing much needed open space, the project also has significant physical identity as a mixed-used development next to multimodal modes of transit. The portion of La Cienega Boulevard around the project site is near multiple bus lines with high ridership numbers, including, but not limited to, the Metro Rapid 705 with a ridership of 1,784,455 transit trips, Metro Local 105 with 4,470,896 transit trips, and Metro Local

16/316 with 7,855,685 transit trips in 2015. Overall, the project is serviced by several transit lines that collectively achieved 30,019,890 transit rides in 2015. Further, there will be a new subway station within walking distance (approximately 0.5 mile) of the project site at La Cienega Boulevard and Wilshire Boulevard with Metro's Purple Line Extension, expected by 2023. In addition, there are bicycle lanes on San Vicente Boulevard and Burton Way to west of the project site. The project further encourages these modes of transit by striping the bicycle lanes green around the project site and providing a bike lounge in addition to long-term bicycle parking stalls in the parking garage. In addition, the project promotes walking in the area by adding enhanced crosswalks to increase pedestrian safety at Blackburn Avenue and La Cienega Boulevard and also across San Vicente Boulevard and Burton Way. As such, the project transforms the area from a formerly auto-centric area into a mixed-used area with access to walking, bus and bicycle transit options. This physical transition continues a change that began on the stretch of La Cienega Boulevard from Colgate Avenue to Burton Way, which has undergone a change from a car sales lot to a mixed-use development with the adoption of a General Plan Amendment for the project located at 8500 Burton Way to Community Commercial to allow the transit-adjacent, mixed-use commercial and residential project.

The instant request provides the City an opportunity to create consistency along and to the south of La Cienega Boulevard while simultaneously developing an underutilized site in a manner consistent with the goals, objectives and policies of the General Plan Framework for commercial uses and for pedestrian-oriented projects. Specifically, the proposed Zone Change allows the construction of 125 residential units in conjunction with commercial uses under the corresponding C2 zone. While the Zone Change will change the project site's height district from Height District No. 1VL to Height District No. 2D with approval of the General Plan Amendment from Neighborhood Office to General Commercial and modification of Footnote No. 5.1, the project will be consistent with the land use designation. Redesignating the land use of the project site reinforces the General Plan Framework's guidance of locating density and jobs near transit. The redesignation also reflects changing development patterns in the City, specifically locating high density, mixed-use developments near transit lines. Furthermore, the project supports the General Plan by contributing to the available housing stock within the City, specifically within the Wilshire Community Plan area, and towards the housing crisis in the City, as well as the Mayor's initiative to build 100,000 homes by 2020.

Thus, the City concludes that approval of the Plan Amendment to General Commercial and modification of Footnote No. 5.1 is necessary for the vision of the Wilshire Community Plan to create a significant and important social, physical and economic identity for the area with the construction of the mixed-use project. It will allow an underutilized building currently only used as a parking structure to be improved with much needed affordable housing and neighborhood commercial uses in a transit-rich area where mixed-use projects are encouraged.

- b. **Initiation of Amendments.** In compliance with this sub-section, the Director of Planning proposed the amendment to the Wilshire Community Plan (General Plan Land Use Element), pursuant to the memo dated March 2, 2015.
- c. Commission and Mayoral Recommendations. The noticing and hearing requirements of the General Plan Amendment were satisfied, pursuant to LAMC Section 12.32-C,3. The hearing was scheduled, duly noticed, and held in City Hall on September 21, 2016. The City Planning Commission shall make its recommendation to the Mayor upon a recommendation of approval, or to the City Council and the Mayor upon a recommendation of disapproval.

This action is further subject to the following sections of Charter Section 555:

- d. Council Action. The Council shall conduct a public hearing before taking action on a proposed amendment to the General Plan. If the Council proposes any modification to the amendment approved by the City Planning Commission, that proposed modification shall be referred to the City Planning Commission and the Mayor for their recommendations. The City Planning Commission and the Mayor shall review any modification made by the Council and shall make their recommendation on the modification to the Council in accordance with subsection (c) above. If no modifications are proposed by the Council, or after receipt of the Mayor's and City Planning Commission's recommendations on any proposed modification, or the expiration of their time to act, the Council shall adopt or reject the proposed amendment by resolution within the time specified by ordinance.
- e. Votes Necessary for Adoption. If both the City Planning Commission and the Mayor recommend approval of a proposed amendment, the Council may adopt the amendment by a majority vote. If either the City Planning Commission or the Mayor recommends the disapproval of a proposed amendment, the Council may adopt the amendment only by a two-thirds vote. If both the City Planning Commission and the Mayor recommend the disapproval of a proposed amendment, the Council may adopt the amendment only by a three-fourths vote. If the Council proposes a modification of an amendment, the recommendations of the Commission and the Mayor on the modification shall affect only that modification."

#### 4. Charter Findings - City Charter Sections 556 and 558 (General Plan Amendment).

The proposed General Plan Amendment Complies with Section 556 and 558 in that the plan amendment promotes an intensity and pattern of development that is consistent with the proposed General Commercial General Plan Framework designation which encourages local commercial uses at the intersections of major and secondary streets. In this case, the proposed function of the project is to serve as a mixed-used development, which supports the Framework Element's goal of encouraging development in proximity to rail and bus transportation corridors and stations, thereby encouraging transit use, reducing vehicle dependency, and improving air quality. In addition, the framework further promotes the development of multi-family housing and community serving commercial uses, which enhances the pedestrian environment. The General Plan Amendment will change the land use designation from Neighborhood Office Commercial to General Commercial and allow a modification of Footnote No. 5.1, promoting many of the City's land use policies and addressing the City's need to accommodate job and housing growth in established employment and multi-family residential areas. The General Commercial land use designation will provide consistency in the existing and future planned zoning and land use pattern for this portion of La Cienega Boulevard. The requested amendment will help promote the general welfare and reflects good zoning practices by supporting many of the land use policies and objectives identified in the Wilshire Community Plan, including reducing vehicular trips and congestion by developing new housing in close proximity to regional and community commercial centers, subway stations, and existing bus route stops; providing affordable housing; protecting existing and planned commercially zoned areas especially in Regional Commercial Centers, from encroachment by standalone residential development; encouraging the incorporation of retail, restaurant, and other neighborhood serving uses in the first floor street frontage of structures; and promoting distinctive commercial districts and pedestrian-oriented areas.

The project replaces an underutilized commercial building currently used solely as a parking structure with a mixed-use commercial and residential development, which is compatible with other mixed-used developments and improvements in the immediate vicinity along La Cienega Boulevard. The General Plan Amendment will unify land use and zoning with adjacent and future planned land use patterns. Moreover, it would allow for redevelopment of the site, providing much-needed rental housing including 7 units for Very Low Income Households and 6 units for Moderate Income Households, a neighborhood-serving grocery market, restaurant, and a publically accessible open space in the Wilshire Community Plan area to accommodate a growing population in the surrounding area.

#### **Entitlement Findings**

- 1. Zone and Height District Change Findings
  - a. Pursuant to L.A.M.C. Section 12.32.C.7, and based on these Findings, the recommended action is deemed consistent with the General Plan and is in conformity with public necessity, convenience, general welfare and good zoning.

The project includes a Zone and Height District Change for the entire project site from C2-1VL-O to (T)(Q)C2-2D-O. Approval of the Zone and Height District Change will create a project site that is consistent and compatible with the nearby commercially zoned properties. Specifically, the proposed (T)(Q)C2-2D-O zone is consistent with, and conforms to, the zoning pattern of properties in the immediate vicinity, where properties immediately to the east and southeast are designated as General Commercial with corresponding zones.

The project includes the replacement of a standalone existing commercial building used solely as a parking structure into a mixed-use residential and commercial development that creates general commercial uses (restaurant and grocery market) similar to those in the surrounding vicinity. The project will further contribute to the concentration of general commercial land uses in the vicinity. Specifically, the Beverly Connection and Beverly Center are located across 3rd Street to the northeast and north, and are in the [T][Q]C2-1VL-O, C2-1 and C2-1-O Zones. Pet Smart, Coffee Bean, a bridal shop, cell phone stores and a flower shop are located across La Cienega Boulevard to the east and are in the C2-1VL-O Zone. A mixed-use residential/retail building, 8500 Burton Way, lies directly to the south across Burton Way and is in the (Q)C2-2D-O Zone. The project also creates new residential uses that are consistent with the multi-family residential development, the Westbury Terrace condominium tower, located to the west directly across San Vicente Boulevard and numerous multi-family residential buildings farther west and southwest along Burton Way, including 8500 Burton Way. In addition, the requested Zone and Height District Change will facilitate development of much-needed rental housing, including 7 units for Very Low Income Households and 6 units for Moderate Income Households. Finally, the infill development would further the objectives, policies and programs of the Wilshire Community Plan by reducing vehicular trips by developing new housing in close proximity to regional and community commercial centers; encouraging higher density residential uses near major public transportation centers; preserving and strengthening viable commercial development; and promoting distinctive commercial districts and pedestrian-oriented areas. Based on the analysis above, the City finds that the project is consistent with the General Plan and is in conformity with the public necessity, convenience, general welfare and good zoning. Approval of the Zone and Height District Change will provide consistency between the land use designation and the zoning of the project site.

#### ADDITIONAL FINDINGS FOR A 'Q' QUALIFIED CLASSIFICATION:

## b. The project will protect the best interests of and assure a development more compatible with the surrounding property or neighborhood.

The project is a development consisting of almost an entire City block (a strip mall borders the project site to the north) that will convert an underutilized commercial building with much-needed housing, as well as a mix of retail, restaurant, and open space amenities adjacent to several Metro Local, Rapid and D Dash bus stops. The project is located in an area of the Wilshire Community Plan consisting of Regional Center, General Commercial, Community Commercial, Neighborhood Office Commercial, and High Medium Residential land uses. The variety of uses is evident in the development that includes commercial, retail and restaurant establishments; institutional uses (church and hospital); and multi-family residential uses contained in structures ranging from low-rise to mid-rise buildings. The project's ground floor commercial uses will be compatible and complementary with the commercial uses in the vicinity, such as the uses located across 3<sup>rd</sup> Street to the north and northeast, and across La Cienega Boulevard to the east and southeast. In addition, the project's mixed-use nature that includes residential uses will be compatible and complementary with the mixed-use building to the south, and the residential complexes to the west.

The "Q" Conditions will ensure that the project is constructed as approved herein and subject to the mitigation measures and project design features identified in the EIR.

## c. The project will secure an appropriate development in harmony with the objectives of the General Plan.

The project promotes an intensity and pattern of development that is consistent with the proposed General Commercial General Plan Framework designation that encourages these areas to have a diversity of retail sales and services, and residential uses allowed in the C2 zone along mixed-use boulevards and at the intersections of major and secondary streets. The project will serve as a pedestrian friendly development that supports the Framework Element's goal of encouraging high activity, mixed-use centers near transit lines. Moreover, the framework further promotes the development of new projects that accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhood and community activity, are compatible with adjacent neighborhoods, and are developed to be desirable places to live, work and visit, during the day and night. The project, as conditioned, will also create consistency between the current and proposed land uses and zoning in the area.

The project will provide an appropriate development that is in harmony with the General Plan by supporting many of the land use goals, objectives and policies identified in the Wilshire Community Plan. The project will: reduce vehicular trips by developing new housing in close proximity to regional and community commercial centers; encourage higher density residential uses near major public transportation centers; preserve and strengthen viable commercial development; and promote distinctive commercial districts and pedestrian-oriented areas.

# d. The project will prevent or mitigate potential adverse environmental effects of the zone change.

The project has been conditioned herein to comply with all project design features, mitigation measures and the mitigation monitoring program of environmental impact report,

Case No. ENV-2015-897-EIR (SCH No. 2016011061), which are hereby identified as Condition Nos. Q-16, Q-17 and Q-18.

#### 2. Conditional Use Findings

a. The project will enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city, or region.

The applicant requested the approval of a Master Conditional Use to permit the on-site and off-site sale of a full line of alcoholic beverages. Based on the application and plans submitted (Exhibit A), the Master Conditional Use is limited to 1) the on-site and off-site sale of a full line of alcoholic beverages in conjunction with a proposed grocery market and 2) the on-site sale and consumption of a full line of alcoholic beverages for a full service restaurant. Each individual establishment is required to file an application with the Department of City Planning for and obtain an Approval of Plans, as conditioned by this grant.

The mixed-use project includes a restaurant and a grocery market to encourage residents and employees to remain on-site to meet their retail and restaurant needs. In addition, the project is located in an urban area where nearby residents and employees that are within walking distance will be able to take advantage of the neighborhood services included in the project.

The availability of alcoholic beverages in conjunction with the project's restaurant and grocery market is a customary and incidental component of these uses. For example, restaurant patrons expect the ability to order alcoholic beverages in conjunction with food service. In addition, the ability to offer alcoholic beverages to patrons is essential in attracting top quality dining establishments to the project. The restaurant will serve as an attraction for visitors and neighbors in the area and will reduce the need for local residents to travel to other areas for dining experiences. Customers expect that a full-service grocery market will offer a full line of alcoholic beverages for purchase and consumption off the premises. In addition, the new business model for specialty grocery stores includes on-site consumption, which allows visitors and neighbors to reduce the need to travel and to stay on-site.

The Master Conditional Use permit provides an umbrella entitlement with conditions that apply to all establishments within the project. Specific physical and operational conditions will be included as part of the Approval of Plans determination required for each establishment pursuant to the Master Conditional Use permit provisions. The proposed grocery market and restaurant, in conjunction with the imposition of operational conditions as part of the Approval of Plans, will provide a service that is essential or beneficial to the community.

b. The project's location, size, height, operations and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety.

The project site is located in a highly urbanized part of Central Los Angeles. Adjacent land uses are a mix of low-, mid-, and high-rise buildings containing commercial, retail, institutional, and residential uses. The Beverly Connection, Beverly Center, and Cedars-Sinai Medical Center are located across 3rd Street to the northeast, north, and northwest.

One- and two-story commercial/retail centers occupied by Pet Smart, Coffee Bean, a bridal shop, cell phone stores and a flower shop are located across La Cienega Boulevard to the east. A mixed-use residential/retail building located at 8500 Burton Way, lies directly to the south across Burton Way. The Westbury Terrace condominium tower and Our Lady of Mount Lebanon-St. Peter Cathedral church are located to the west directly across San Vicente Boulevard. The project includes 145 residential units, a 27,685 square-foot grocery market and a 3,370 square-foot restaurant.

The sale of alcoholic beverages will be controlled within the bounds of the project site. The ground floor restaurant and grocery market will be desirable to the public convenience and welfare because the project is near multi-family residential and commercial uses. An outdoor dining plaza along San Vicente Boulevard and La Cienega Boulevard will help activate the sidewalk during the day and evening hours. The grocery market and restaurant are in convenient locations that residents, visitors, and employees can patronize by walking, biking or taking public transit.

As proposed, the use will serve public convenience and welfare because the location is compatible with the surrounding community. Mitigation measures and project design features identified in the EIR are imposed herein as conditions of this grant to further minimize potential impacts to the surrounding neighborhood. The grant also includes conditions that are generally recommended by the Los Angeles Police Department (LAPD). In addition, these conditions will be supplemented by more specific conditions designed to address the characteristics of each individual establishment through an Approval of Plans determination. The additional conditions may include, but are not limited to security measures, hours of operation, seating, size and any other conditions that are intended to minimize impacts on surrounding uses. Under each review, the Zoning Administrator and LAPD have the opportunity to comment and recommend any conditions. The sale of alcohol is regulated by the State of California through the issuance of an Alcohol Beverage Control (ABC) license. ABC has the authority to impose further alcohol related conditions on the applicant. Thus, as conditioned, combined with the enforcement authority of ABC and LAPD, the approval for the sale of alcohol will not be detrimental to the public health, safety and welfare.

# c. The project substantially conforms with the purpose, intent and provisions of the General Plan, the applicable community plan, and any applicable specific plan.

There are eleven elements of the General Plan. Each of these Elements establishes policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The majority of the policies derived from these Elements are in the form of Code requirements of the Los Angeles Municipal Code. The Land Use Element of the City's General Plan divides the city into 35 Community Plans. The Wilshire Community Plan Community Plan Map designates the property for Neighborhood Office Commercial land use with the corresponding zones of C1, C1.5, C2, C4, P, CR, RAS3 and RAS4. However, with approval of the General Plan Amendment and Zone Change, the project site will be changed to the General Commercial land use with the (T)(Q)C2-2D-O zone which is intended to provide for commercial uses, including a restaurant and grocery market, within the mixed-use building. The Wilshire Community Plan text is silent with regards to alcohol sales. In such cases, the decision-maker must interpret the intent of the plan.

The sale of a full line of alcoholic beverages in conjunction with the grocery market and restaurant in conjunction with the residential uses are consistent with the commercial land use discussion of the community plan, including, but not limited to:

Policy 2-2.3: Encourage the incorporation of retail, restaurant, and other neighborhood serving uses in the first floor street frontage of structures, including mixed-use projects located in Neighborhood Districts.

In addition, the plan encourages pedestrian oriented areas. The request achieves the policies of the Wilshire Community Plan, which seeks to promote uses that will address the needs of employees, residents, and visitors to the area.

#### **ADDITIONAL FINDINGS FOR ALCOHOL SALES:**

a. The proposed use will not adversely affect the welfare of the pertinent community.

The project site is planned for a General Commercial land use with the corresponding C1.5, C2, C4, RAS3 and RAS4 zones. The mixed-use project includes 145 residential units and a restaurant and grocery market that offer the sale of alcohol for on- or off-site consumption.

Conditions are herein imposed to integrate the uses into the community as well as protect community members from adverse potential impacts. All future operators are required to file an Approval of Plans prior to receiving a Certificate of Occupancy to allow for the review of the mode of operation, security, and the floor plan. The State of California Department of Alcohol Beverage Control will also have the opportunity to impose additional conditions upon each establishment, including limitations on hours of alcohol sales. The limited term of the grant for each individual plan approval allows the City to review the operation of the establishment and consider any changes in the surroundings. Therefore, as conditioned, the Master Conditional Use to allow the sale of alcohol will not adversely affect the welfare of the surrounding community.

b. The granting of the application will not result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages, including beer and wine, in the area of the City involved, giving consideration to applicable State laws and to the California Department of Alcoholic Beverage Control's guidelines for undue concentration; and also giving consideration to the number and proximity of these establishments within a one thousand foot radius of the site, the crime rate in the area (especially those crimes involving public drunkenness, the illegal sale or use of narcotics, drugs or alcohol, disturbing the peace and disorderly conduct), and whether revocation or nuisance proceedings have been initiated for any use in the area.

According to the California State Department of Alcoholic Beverage Control, there are 19 active on-site licenses and one off-site license in subject Census Tract No. 2149.02. The number of active licenses exceeds the number of licenses authorized (two on-site and one off-site) for the census tract due to the concentration of commercial activity – specifically, restaurants – in the immediate area. The establishments that have either an on- or off-site alcohol license include restaurants associated with the Beverly Center, 8500 Burton Way and other commercial centers, bars in hotels in the immediate area including the Hotel Sofitel, standalone restaurants and a liquor store.

The project site is planned for General Commercial land use, which is intended to be for areas with a diversity of retail sales and services including residential uses allowed in the C2 zone along mixed-use boulevards and at the intersection of major and secondary streets.

Given the diversity of uses permitted and encouraged within the General Commercial land use, a higher concentration of alcohol licenses is anticipated. The daytime and nighttime population in the immediate vicinity includes the visitors and employees to the Beverly Center and other commercial centers, nearby hotels, the Cedars-Sinai Medical Center, and residents of several nearby multi-family residential developments.

Statistics from the Los Angeles Police Department's Central Division reveal that in Crime Reporting District No. 721, which has jurisdiction over the subject property, a total of 284 crimes were reported in 2015, compared to the citywide average of 181 crimes and the high crime reporting district average of 217 crimes for the same period. Of the 284 crimes reported, one arrest was made for liquor laws, two arrests were made for drunkenness, and nine arrests were for driving under the influence. This constitutes a total of 0.04 arrests for alcohol abuse out of the 284 listed crimes.

The above figures indicate that the mixed-use project is located in a high-crime reporting district. Due to high crime statistics, conditions typically recommended by the Los Angeles Police Department, such as those related to the STAR Program, installation of surveillance cameras and age verification, have been imposed in conjunction with this Master Conditional Use Permit approval. Each establishment is part of a larger development that will benefit from oversight of the project as a whole. In addition, concerns associated with any individual establishment will be addressed in more detail through the required Approval of Plans determination. A Zoning Administrator will have the opportunity to consider more specific operational characteristics as each tenant is identified and the details of each establishment are identified. Security plans, floor plans, seating limitations and other recommended conditions, as well as the mode and character of the operation, will be addressed and assured through site-specific conditions.

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

The following sensitive uses are located within a 500-foot radius of the project:

- Cedars-Sinai Medical Center 8700 Beverly Blvd; and
- Our Lady of Mt. Lebanon-St. Peter Cathedral 333 San Vicente Boulevard.

In addition, there are residentially zoned properties within 500 feet of the project site, including the Westbury Terrace condominiums.

The sale of alcoholic beverages at the proposed restaurants and retail establishments will not adversely affect the nearby residential buildings or the sensitive uses listed above because they will operate within the confines of the project site and will be subject to numerous conditions of approval. To further ensure that the sensitive uses are not adversely affected, each of the individual establishments is required to file an Approval of Plans with the Department of City Planning and will be subject to additional conditions of approval. Therefore, the proposed restaurant and retail establishments will not detrimentally affect nearby residential uses or other sensitive uses.

#### 3. Variance Findings

a. The strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.

The applicant is seeking approval of a Variance to permit alternative bicycle stall siting for the required long-term bicycle parking. The project is providing 299 bicycle parking spaces, including 266 long-term spaces and 33 short-term spaces. LAMC Section 12.21-A,16(e)(2), which became effective on March 13, 2013, requires short and long-term bicycle parking spaces to be provided on the same lot as the use it is intended to serve, with short-term parking to be provided outdoors and long-term parking to be provided either outdoors or within the first level of a parking garage closest to the ground floor.

A total of 146 bicycle parking spaces for long-term residential uses and 120 for long-term commercial uses are located in Basement Levels P1 and P2 of the parking structure. Although the LAMC requires that long-term bicycle parking be located along the shortest walking distance to the nearest pedestrian entrance, or on the level of the parking garage closest to the ground floor and with direct access to a public street, the high-density, mixeduse project has site and design restrictions that necessitate the Variance request. Specifically, the parking cannot all be located along La Cienega Boulevard because there would be conflicts between bicycle traffic and vehicular movement because of the driveway located at the intersection of Blackburn Avenue and La Cienega Boulevard. In addition, there is an existing Metro bus stop on the southern edge of the project along La Cienega that will prevent stalls from being located there, especially since the project will install a new bus shelter. Furthermore, the sidewalk on La Cienega in front of the grocery market is only 12 feet wide, preventing more bicycle stalls from being located on this portion of the project site. Because the sidewalks around the project site along La Cienega Boulevard currently only feature palm trees, the new 24-inch box trees need larger tree wells that occupy more area. Therefore, the trees are located inside landscaped parkways. If the bicycle parking were located on the sidewalk along La Cienega Boulevard, there would be reduced walkability due to the narrow sidewalk width. In addition, locating the bicycle parking in the sidewalk could cause conflicts with pedestrian safety.

Locating the bicycle parking spaces on the San Vicente Boulevard frontage is also not feasible because there would be conflicts between bicycle traffic and vehicular movement due to the location of the driveways for the residential and retail parking garages on this side of the project. Access to the fire control room and the trash & recycling room is also along San Vicente Boulevard next to the residential lobby - therefore, bicycle parking cannot obstruct this area. In addition, locating the parking spaces on the San Vicente frontage would prevent the pedestrian improvements – specifically, the landscaped parkways – from being built. Similarly, locating the bicycle parking spaces on the southern end of the project site would prevent the landscaped plaza from achieving permeability and visual continuity between the sidewalk and the open space. Furthermore, the plan, Vision Zero Los Angeles: 2015-2025, identifies 4th Street, which transitions to Burton Way at the southern border of the project site, as a "High Injury Network" corridor. Because of the project site's location along this corridor, the likelihood of conflicts between bicycle traffic and vehicular movement is greater, creating dangerous conditions for bicyclists. Therefore, locating the bicycle parking in enclosed spaces provides enhanced safety and serves to improve the public welfare.

In addition, American with Disabilities Act (ADA) requirements, and ingress and egress requirements make it practically difficult to locate all of the long-term bicycle parking on the

ground floor, or the floor closest to the ground floor. Devoting the ground floor parking level to bicycle parking will reduce the amount of retail and restaurant floor area, required circulation areas, residential lobby, emergency access and vehicular access spaces. The retail and restaurant uses are an integral component of the mix of uses and are essential to increasing the pedestrian activity at street level.

The bicycle ordinance requires very specific locations for long-term bicycle parking; however, the intent of the requirements is based on making the long-term bicycle parking convenient and accessible to residents. The long-term commercial and residential bicycle parking will be accessible via an elevator and stairway located on the ground floor next to the restaurant entrance on La Cienega Boulevard. As such, the project will meet the intent of the bicycle ordinance, including providing the number or LAMC require spaces. To ensure that the intent of the bicycle siting requirements of the LAMC are fulfilled, the applicant has been conditioned to be in substantial compliance with Exhibit A

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

The applicant is seeking approval of a Variance to permit alternative bicycle stall siting for the required long-term bicycle parking. The project replaces an underutilized commercial building currently only used as a parking structure with much-needed housing, neighborhood-serving retail uses, and publicly accessible open space. The project is providing 299 bicycle parking spaces, exceeding LAMC requirements.

Short-term bicycle parking spaces are provided inside the ground floor in a bike lounge, with direct access to San Vicente Boulevard, and at stalls next to the retail entrances on the sidewalk along La Cienega Boulevard. Long-term bicycle parking spaces for the commercial and residential uses are located inside the subterranean parking structure.

The project site is located in a prime location of the City that is near several public transit options, housing, employment centers and retail uses, encouraging high-density, mixed-use development to strengthen the jobs/housing balance and encourage multimodal transit. Specifically, the immediate vicinity offers several public transportation options including several Metro Rapid and Local lines and Dash line and a future subway portal within one mile of the project site. The sidewalk on La Cienega features two transit stops to the north and south of the project. Therefore, there are many pedestrians who walk on this stretch of La Cienega Boulevard in front of the project site. The sidewalk in front of the project's grocery market is only 12 feet wide, preventing bicycle stalls from being located on this portion of La Cienega Boulevard. Locating the bicycle parking in the sidewalk could cause conflicts with pedestrian safety.

The surrounding area and project also encourage the use of bicycles. The City's Bicycle Plan designates San Vicente Boulevard as a Bicycle Route, and 3rd Street is designated as a Bicycle Lane. In addition to providing a total of 299 bicycle parking spaces, the project includes a "bike lounge" for short-term bicycle parking on the ground floor that is secured, fully covered, and is directly accessible from the bike lane on San Vicente Boulevard. The entry to the "bike lounge" is clearly demarcated with storefront glazing with the use of custom imagery graphics (e.g., a picture of a bicycle). Because the project is located directly to the north of 4th Street/Burton Way, which is identified as a "High Injury Network" corridor in the Vision Zero Los Angeles: 2015-2025 plan, the likelihood of conflicts between bicycle traffic and vehicular movement is greater, creating dangerous conditions for bicyclists. Therefore, locating the bicycle parking in enclosed spaces provides enhanced safety and serves to improve the public welfare.

The size and type of the project, including the addition of 145 housing units in the Wilshire Community plan area, and the location of the project adjacent to and within a short walking distance to several public transportation options and bicycle lanes, are special circumstances that do not generally apply to other properties in the City. In addition, physical limitations on the project site prevent the long-term bicycle parking to all be located on the ground floor or as close as possible to the ground floor. Specifically, the project site is constrained by a storm drain easement that runs underneath the project site on the western side. This easement prevents the floor plate of the subterranean garage from spanning the entire project site. Furthermore, the transformer vault for the project will be constructed in the basement levels, precluding the development of a larger subterranean parking level below the ground floor. In addition, the project site has a high water table that does not allow the construction of an additional subterranean parking level. For these reasons, the bicycle parking cannot all be located on the first subterranean parking level. These limitations only apply to the project site given its location between San Vicente Boulevard and La Cienega Boulevard and in an area with a storm drain easement and high water table. Therefore, it is impossible to locate all of the long-term residential or commercial bicycle parking spaces on the first level of the subterranean parking. Nevertheless, the project features an entry exclusively for bicyclists along La Cienega Boulevard adjacent to the restaurant entrance that leads to an elevator and stairway that provide direct access to the subterranean garage where the bicycle parking spaces are located. The project provides the LAMC required number of parking spaces in thoughtfully placed locations throughout the project site that are easily accessible.

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

The project site is subject to special circumstances that do not generally apply to other properties in the same zone and vicinity, including the size, type and location of the project. The project replaces an underutilized commercial building currently only used as a parking structure with much needed housing, neighborhood serving retail uses, and open space. Should the project be required to locate long-term bicycle parking spaces on the first parking level, project residents, visitors and employees will not be able to enjoy the amenities offered by the project, as explained below.

The LAMC requires long-term bicycle parking spaces to be inside a parking garage on the level of the parking garage closest to the ground floor and must provide direct access to a public street. There is no parking on the ground floor of the project because the ground floor of the building is dedicated for the commercial uses, bike lounge, commercial loading, and the residential lobby. Should the project be required to provide all long-term bicycle parking spaces on the ground floor, the retail establishments are greatly reduced in size and the project is unable to provide the neighborhood serving grocery market and restaurant. In addition, expanding the floor plate of the building to the southern corner of the project site prevents the development of the ground level publicly accessible landscaped plaza. Therefore, locating the long-term bicycle parking on the ground floor does not allow the project to function as a pedestrian friendly development with access to the publicly accessible open space, grocery store and restaurant. The project site is also constrained by the irregular shape of the site and a storm drain easement that runs underneath the project site on the western side. This easement prevents the floor plate of the subterranean garage from spanning the entire project site. Therefore, it is impossible to locate all of the long-term residential or commercial bicycle parking spaces on the first level of the subterranean parking.

Therefore, the requested Variance to allow alternative stall siting is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other properties in the same zone and vicinity but which, because of the hardship of losing the publicly accessible open space and neighborhood-serving retail uses at the ground level, and the practical infeasibility of adding another subterranean parking level, is denied to the subject property.

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

In addition to providing a total of 299 bicycle parking spaces as required by the LAMC, the project offers alternative locations for the bicycle parking stalls in thoughtfully placed locations throughout the project site that are easily accessible and improve the public welfare. As mentioned above, the surrounding area and project encourage the use of bicycles. The City's Bicycle Plan designates San Vicente Boulevard as a Bicycle Route and 3rd Street as a Bicycle Lane. Given the project's location directly to the north of 4th Street/Burton Way, which is identified as a "High Injury Network" corridor in the Vision Zero Los Angeles: 2015-2025 plan, the likelihood of conflicts between bicycle traffic and vehicular movement is greater, creating dangerous conditions for bicyclists. Therefore, locating the bicycle parking in enclosed spaces provides enhanced safety and serves to improve the public welfare. In addition to providing safe, enclosed parking stalls in the subterranean levels that are directly accessible via stairways and elevators, the project includes a "bike lounge" for short-term bicycle parking on the ground floor that is secured, fully covered, and is directly accessible from the bike lane on San Vicente Boulevard. As such, the granting of the Variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity in which the property is located.

e. The granting of the variance will not adversely affect any element of the General Plan.

The project site is located within the Wilshire Community Plan area, a part of the Land Use Element. The project is consistent with the following objectives and policies of the Wilshire Community Plan regarding accessibility:

Policy 1-1.4: Provide for housing along mixed-use boulevards where

appropriate.

Objective 1-2: Reduce vehicular trips and congestion by developing new housing

in close proximity to regional and community commercial centers,

subway stations, and existing bus route stops.

Policy 1-2.1: Encourage higher density residential uses near major public

transportation centers.

Objective 2-2: Promote distinctive commercial districts and pedestrian-oriented

areas.

Policy 2-2.1: Encourage pedestrian-oriented design in designated areas and in

new development.

Policy 2-2.3: Encourage the incorporation of retail, restaurant, and other

neighborhood serving uses in the first floor street frontage of structures, including mixed-use projects located in Neighborhood

Districts.

The 2010 Bicycle Plan, a component of the Transportation Element, adopted on March 1, 2011, is not affected by the approval of the Variance. The three goals of the Bicycle Plan and the applicable policies implemented by the project are as follows:

Goal 1: Increase the number and types of bicyclists who bicycle in the

City.

Policy 1.2.4: Ensure the maintenance of safe, secure bicycle parking facilities.

Policy 1.2.8: Encourage creative solutions to increase the availability of bicycle

parking.

Goal 2: Make every street a safe place to ride a bicycle.

Policy 2.3.2: Mitigate obstacles or obstructions that impede safe and

convenient bicycle passage.

Goal 3: Make the City of Los Angeles a bicycle friendly community.

The project is accessible via bicycle as envisioned by City regulations. As mentioned above, the surrounding area and project encourage the use of bicycles. Specifically, the City's Bicycle Plan designates San Vicente Boulevard as a Bicycle Route, and 3rd Street is designated as a Bicycle Lane.

The project supports the visions of the Wilshire Community Plan and Bicycle Plan by providing a mixed-use project adjacent to various public transit options and existing bicycle infrastructure and by increasing the supply of secure bicycle parking. As such, the project is in conformance with the applicable plans, provides adequate bicycle access to the project site and provides LAMC required bicycle parking. Therefore, granting of the Variance to allow alternative stall siting will not adversely affect any element of the General Plan.

#### 4. Density Bonus/Affordable Housing Incentives Compliance Findings

Pursuant to Section 12.22-A,25(g)(3) of the LAMC, the City Planning Commission shall approve a density bonus and requested incentive(s) unless the director finds that:

a. The incentives are not required to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.

The record does not contain substantial evidence that would allow the City Planning Commission to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for very low, low, and moderate income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

#### Requested On-Menu Incentive

The list of on-menu incentives in 12.22-A,25 were pre-evaluated at the time the Density Bonus Ordinance was adopted to include types of relief that minimize restrictions on the size of the project. As such, the City Planning Commission will always arrive at the conclusion that the density bonus on-menu incentives are required to provide for affordable housing costs because the incentives by their nature increase the scale of the project. The project site's current zoning designation is C2-1VL-O. The zoning designation restricts the height to 45 feet or 3 stories. The zoning designation limits the project site to a 1.5:1 FAR.

Pursuant to LAMC Section 12.22-A,25(F)(4)(i), a project qualifies for a percentage increase in the allowable floor area ratio equal to the percentage of Density Bonus for which the housing development is eligible, not to exceed 35%. The project is setting aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. The applicant is eligible for a 20 percent Density Bonus in exchange for providing 5 percent of the total base units for Very Low Income Households, although the project is only utilizing a 16 percent Density Bonus, to provide an additional 20 units in lieu of 125 base units, for a total of 145 units. In addition, the applicant is seeking approval of an on-Menu Incentive to permit a 20 percent FAR increase to allow a 4.8:1 FAR in lieu 4:1 FAR set forth in the proposed "D" limitation.

#### Requested Off-Menu Incentive

The applicant is requesting one off-menu incentive, as follows:

Pursuant to LAMC Section 12.22-A,25(G)(3), a Waiver of Development Standard (Off-Menu) to allow a 6:1 FAR in lieu of 4.8:1 FAR.

The requested off-menu incentive, pursuant to LAMC Section 12.22-A,25(G)(3), for a Waiver of Development Standard (Off-Menu) to permit a 6:1 FAR in lieu of 4.8:1 FAR, is not expressed in the Menu of Incentives pursuant to LAMC Section 12.22-A,25(F) and, as such, is subject to LAMC Section 12.22-A,25(G)(3), which requires a pro forma or other documentation to show that the waiver or modification of any development standards are needed in order to make the Restricted Affordable Units economically feasible.

The applicant submitted a pro forma, along with an independent third-party financial analysis of the pro forma in order to evaluate the financial feasibility of the original project, attached as Exhibit C.

Four scenarios were evaluated. Scenario 1 involved an analysis of a project without a density bonus or other incentives that would result in 16 market rate units, 13 affordable units, 20,570 square feet of retail space, and an allowable floor area of 1.6 FAR. Scenario 1 is not financially feasible because the return on total development cost falls below a minimum threshold required to attract investment capital to the project (i.e., 2.1% vs. 4.9%); and because it yields a negative developer profit margin.

Scenario 2 evaluated a project without a density bonus or other incentives that would result in 78 market rate units, 13 affordable units, 31,055 square feet of retail space, and a 4.1 FAR with a General Plan Amendment. Scenario 2 is not financially feasible because the return on total development cost falls below the minimum threshold required to attract investment capital to the project (i.e., 4.1% vs. 4.9%) and below the minimum acceptable profit margin (i.e., 2.6% vs. 12.5%).

Scenario 3 evaluated a project with an on-menu density bonus and FAR incentive that would result in 102 market rate units, 13 affordable units, 31,055 square feet of retail space, and a 4.9 FAR with a General Plan Amendment. Scenario 3 is not financially feasible because the return on total development cost falls below the minimum threshold required to attract investment capital to the project (i.e., 4.5% vs. 4.9%) and below the minimum acceptable profit margin (i.e., 10.7% vs. 12.5%).

Scenario 4 evaluated the proposed project; that is, a development with 132 market rate units, 13 affordable units, 31,055 square feet of retail space with the density bonus, and offmenu additional FAR incentive that accommodates a 6.0 FAR.

Of the four scenarios evaluated, only Scenario 4 (the proposed project) is financially feasible because it produces a return on total development cost that is equal to the minimum threshold (i.e., 4.9%) and a developer profit margin that is greater than the minimum acceptable threshold (i.e., 17.8% vs. 12.5%).

As of 2008, Government Code Section 65915 no longer requires a developer to show the requested incentives are necessary to make the proposed housing units economically feasible. Nevertheless, the requested off-menu incentive allows the developer to expand the building envelope so the additional 13 restricted affordable units can be constructed and the overall space dedicated to residential uses is increased. Thus, these incentives support the applicant's ability to set aside 7 units for Very Low Income households and 6 units for Moderate Income households for a period of 55 years.

b. The incentive will have a specific adverse impact upon public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources and for which there are no feasible method to satisfactorily mitigate or avoid the specific adverse Impact without rendering the development unaffordable to Very Low, Low and Moderate Income households. Inconsistency with the zoning ordinance or the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.

There is no evidence that the proposed incentives will have a specific adverse impact because this project would cause identified impacts even if the project did not incorporate the requested incentives. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22-A.25(b)). The proposed project and potential impacts were analyzed in accordance with the City's Environmental Quality Act (CEQA) Guidelines and the City's L.A. CEQA Thresholds Guide. These two documents establish guidelines and thresholds of significant impact, and provide the data for determining whether or not the impacts of a proposed project reach or exceed those thresholds. Analysis of the proposed project involved the preparation of an Environmental Impact Report (EIR) (Case No. ENV-2015-897-EIR), and it was determined that the proposed project may have an impact on the following environmental factors: Aesthetics; Land Use and Planning; Noise; and Transportation and Circulation. Mitigation Measures and Project Design Features will reduce impacts, except short-term noise, to a less-than-significant level and are imposed as a Condition of Approval herein (Condition No. 25). Short-term noise impacts from construction at sensitive off-site locations will be significant and unavoidable. However, the Off-Menu Density Bonus incentive to allow a 6:1 FAR would not create the significant and unavoidable impact to construction noise, as those impacts would occur during construction, regardless of the FAR increase incentive. Moreover, that impact is temporary in nature during construction and during operation of the project.

Therefore, there is no substantial evidence that the incentives for the project will have a specific adverse impact on the physical environment, or on public health and safety, or on any property listed in the California Register of Historical Resources.

#### DENSITY BONUS LEGISLATION BACKGROUND

The California State Legislature has declared that "[t]he availability of housing is of vital statewide importance," and has determined that state and local governments have a responsibility to "make adequate provision for the housing needs of all economic segments of the community." Section §65580, subds. (a), (d). Section 65915 further provides that an applicant must agree to, and the municipality must ensure, the "continued affordability of all low and very low income units that qualified the applicant" for the density bonus. Although the State Density Bonus law has been updated to remove the requirement of a pro forma, they remain required by the LAMC. A pro forma has therefore been incorporated as Exhibit C.

NOTE: California State Assembly Bill 2222 recently went into effect January 1, 2015. It introduces rental dwelling unit replacement requirements, which pertain to cases filed (not issued) as of January 1, 2015. This determination letter does not reflect replacement requirements because the case application was submitted to the Department of City Planning on August 19, 2013, prior to the effective date of the amended Law, and moreover there were no residential units on the site. The new state law also increases covenant restrictions from 30 to 55 years for cases issued (not just filed) as of January 1, 2015. This determination letter does reflect 55-year covenant restrictions, given that the case decision, or approval, as noted on the front page, is being issued after January 1, 2015.

With Senate Bill 1818 (2004), state law created a requirement that local jurisdictions approve a density bonus and up to three "concessions or incentives" for projects that include defined levels of affordable housing in their projects. In response to this requirement, the City created an ordinance that includes a menu of incentives (referred to as "on-menu" incentives) comprised of eight zoning adjustments that meet the definition of concessions or incentives in state law (California Government Code Section 65915). The eight on-menu incentives allow for: 1) reducing setbacks; 2) reducing lot coverage; 3) reducing lot width, 4) increasing floor area ratio (FAR); 5) increasing height; 6) reducing required open space; 7) allowing for an alternative density calculation that includes streets/alley dedications; and 8) allowing for "averaging" of FAR, density, parking or open space. In order to grant approval of an on-menu incentive, the City utilizes the same findings contained in state law for the approval of incentives or concessions.

Under Government Code Section § 65915(a), § 65915(d)(2)(C) and § 65915(d)(3) the City of Los Angeles complies with the State Density Bonus law by adopting density bonus regulations and procedures as codified in Section 12.22 A.25 of the Los Angeles Municipal Code. Section 12.22 A.25 creates a procedure to waive or modify zoning code standards which may prevent, preclude or interfere with the effect of the density bonus by which the incentive or concession is granted, including legislative body review. The Ordinance must apply equally to all new residential development.

In exchange for setting aside a defined number of affordable dwelling units within a development, applicants may request up to three incentives in addition to the density bonus and parking relief which are permitted by right. The incentives are deviations from the City's development standards, thus providing greater relief from regulatory constraints. Utilization of the Density Bonus/Affordable Housing Incentives Program supersedes requirements of the Los Angeles Municipal Code and underlying ordinances relative to density, number of units, parking, and other requirements relative to incentives, if requested.

For the purpose of clarifying the Covenant Subordination Agreement between the City of Los Angeles and the United States Department of Housing and Urban Development (HUD) note that the covenant required in the Conditions of Approval herein shall prevail unless preempted by State or Federal law.

#### FINANCIAL ANALYSIS/PRO-FORMA

Pursuant to the Affordable Housing Incentive Density Bonus provisions of the LAMC (Section 12.22-A,25) proposed projects that involve on-menu incentives are required to complete the Department's Master Land Use Permit Application form, and no supplemental financial data is required. The City typically has the discretion to request additional information when it is needed to help make required findings. However, the City has determined that the level of detail provided in a pro forma is not necessary to make the findings for on-menu incentives. Although the State Density Bonus law has been updated to remove the requirement of a pro forma, the City's Density Bonus Ordinance requires "a pro forma or other documentation" with requests for off-menu incentives, and the applicant submitted a pro-forma attached as Exhibit C. However, off-menu density bonus cases do not have different findings from on-menu cases and do not require explicit financial analysis in the form of cap rates, construction costs, operating income and expenses.

#### 5. Site Plan Review Findings

a. Pursuant to L.A.M.C. Section 16.05, and based on these Findings, the recommended action is deemed in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan.

The project includes the construction of a mixed-use development consisting of a 16 percent Density Bonus (although the project is eligible for up to a 20 percent Density Bonus) to provide an additional 20 units in lieu of 125 base units, for a total of 145 residential units, with 10 percent of the permitted base density set aside for affordable housing, and 31,055 square feet of commercial uses. As part of the total 145 units, the project will set aside 7 units for Very Low Income Households and 6 units for Moderate Income Households. The development features one tower, up to 240 feet in height. The total floor area of the project upon full buildout is 294,294 square feet. The project also includes 362 vehicular parking spaces and 299 bicycle parking spaces. The project site is located within the Wilshire Community Plan area.

The mixed-use project is consistent with several goals, objectives, and polices of the Wilshire Community Plan. The plan text includes the following relevant residential and commercial land use goals, objectives and policies:

Policy 1-1.4: Provide for housing along mixed-use boulevards where appropriate.

Objective 1-2: Reduce vehicular trips and congestion by developing new housing in close proximity to regional and community commercial centers,

subway stations, and existing bus route stops.

Policy 1-2.1: Encourage higher density residential uses near major public

transportation centers.

Objective 1-4: Provide affordable housing and increased accessibility to more

population segments, especially students, the handicapped and

senior citizens.

Policy 2-1.2: Protect existing and planned commercially zoned areas especially

in Regional Commercial Centers, from encroachment by standalone residential development by adhering to the community

plan land use designations.

Objective 2-2: Promote distinctive commercial districts and pedestrian-oriented

areas.

Policy 2-2.3: Encourage the incorporation of retail, restaurant, and other

neighborhood serving uses in the first floor street frontage of structures, including mixed-use projects located in Neighborhood

Districts.

The mixed-use project replaces an underutilized commercial building currently used solely as a parking structure in an area characterized by institutional (church and medical center), retail and multi-family residential uses that are in close proximity to several public transit options. The project provides much-needed rental housing and jobs to the Wilshire Community Plan area, including a neighborhood-serving grocery market and restaurant, and a publically accessible open space that support this area of Central Los Angeles as a vibrant commercial center for population growth, employment and retail services adjacent to transit.

With adoption of the General Plan Amendment to change the land use designation of the project site to General Commercial and to modify Footnote No. 5.1, the project will be consistent with the applicable objectives and policies set forth in the Wilshire Community Plan. Based on the above analysis, the project is in substantial conformance with the purposes, intent and provisions of the General Plan.

b. That the project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that is or will be compatible with existing and future development on adjacent properties and neighboring properties.

The surrounding area is highly urbanized and includes a mix of low- to high-intensity commercial, institutional (church and medical center), hotel and multi-family residential uses. The existing buildings include: the Beverly Connection, Beverly Center, and Cedars-Sinai Medical Center across 3rd Street to the northeast, north, and northwest; one- and two-story commercial/retail centers occupied by Pet Smart, Coffee Bean, a bridal shop, cell phone stores and a flower shop across La Cienega Boulevard to the east; a mixed-use residential/retail building, 8500 Burton Way, to the south across Burton Way; and the Westbury Terrace condominium tower and Our Lady of Mount Lebanon-St. Peter Cathedral church to the west directly across San Vicente Boulevard.

The following project elements are incorporated into the project design in a manner that is compatible with both existing and future development in the surrounding area:

i. <u>Building Design</u>. The project is designed in a contemporary architectural style that includes a residential tower over a retail podium and three levels of above-grade

parking with a variety of materials and facade articulation. The residential tower is stepped to create a transition to surrounding uses and to create vertical articulation. Materials for the tower include glass, perforated metal screens, glass guardrails, and custom fiber-reinforced plastic (FRP) panels. The retail podium includes horizontal articulation to differentiate ground floor retail uses from the fully integrated parking garage on Levels 2 through 4. Materials at the ground floor and the mezzanine include an aluminum frame storefront system for the retail uses; painted steel canopies with wood soffiting; stone panels around the aluminum storefront system; lightweight concrete; and metal allow panels. The parking garage enclosure screen consists of a perforated metal screen with FRP panels. The ground floor retail storefronts and entry to the residential lobby are differentiated from the rest of the ground floor facade with the incorporation of recessed entries and an aluminum frame storefront system under painted steel canopies. Finally, the "bike lounge" on the San Vicente Boulevard façade features storefront glazing with custom graphics. Accordingly, the project is designed to implement the type of high-quality architecture that is compatible with commercial districts.

ii. <u>Building Orientation/Frontage</u>. The project includes the development of a triangular-shaped lot between San Vicente Boulevard and La Cienega Boulevard that spans almost the entire block (an existing strip mall borders the project site to the north). A majority of the pedestrian activity will be oriented on the longest façade of the project along La Cienega Boulevard (360 feet 5 inches) with the grocery market and restaurant entrances, including outdoor dining, located along La Cienega Boulevard and directly accessible from the public sidewalk.

The buildings integrate a pedestrian scale at ground level by incorporation of a variety of materials, canopies and landscaping appropriate to the project site, thereby minimizing the effects of building mass in relation to street frontage. Architectural features such as recessed storefront glazing, tenant signage, and pedestrian-scaled lighting also help to create a pedestrian oriented building frontage. The project includes improvements to all sidewalks around the perimeter of the project site. Sidewalk widths around the perimeter of the project are as follows:

- La Cienega Boulevard, north of Blackburn Avenue = 10 feet 6 inches
- La Cienega Boulevard, between San Vicente Boulevard and Blackburn Avenue = 15 feet
- San Vicente Boulevard = variable 11 feet 6 inches at the new ground floor landscaped plaza up to 21 feet 9 inches on the northwest corner of the project site

All sidewalks include planting of new street trees and parkways, and installation of new streetlights, bicycle racks and a new bus shelter. Street tree types include Pink Trumpet trees within parkways featuring boxwood, turf, fairy lilies and iceberg roses.

- iii. <u>Height/Bulk</u>. The residential tower is 240 feet in height to the top of parapet. The retail/parking podium is 58 feet in height to the top of Level 5.
- iv. <u>Setbacks</u>. Pursuant to LAMC Section 12.14-C, no setbacks are required for the commercial portion of the project. Pursuant to the exception granted in LAMC Section 12.22-A,18(C)(3), no setbacks are required for the residential portion of the project. Therefore, no setbacks are provided.

Open Space and On-Site Landscaping. Pursuant to LAMC requirements, the required amount of open space for the project is 19,425 square feet. However, the project

includes 28,748 square feet of open space in the form of a landscaped plaza and other open space features for the residential uses. Therefore, the project exceeds its open space requirement by 9,323 square feet.

Approximately 75 percent of the provided open space is designated common open space and 25 percent is designated private open space (e.g., unit patios and balconies). Pursuant to LAMC requirements, 25 percent (2,428 square feet) of the common open space, including the landscaped plaza with a water feature, will be planted with Fruitless Olive Trees, turf, South African Jasmine, Alba, White Rock Rose, Compacta, Sweet Bay, Primrose Trees, Camphor trees, Pink Trumpet Trees, Fairy Lily, and Peppermint Trees. At least 62, 24-inch box trees will be planted throughout the property, including tree wells in the parkways along the project site perimeter.

The residential open space amenities include a pool deck on Level 20 with a fire pit, cabanas and deck chairs; a gym; spa; a "Great Room;" lounge; lobbies; a community room; and outdoor dining areas. On the ground floor, the project includes a 6,910 square foot publically accessible landscaped plaza with shading trees, a turf lawn, benches, a water feature and seating areas that will anchor the project on the southern corner and activate the public realm and create a space for public gathering.

- vi. Off-Street Parking and Driveways. The project includes 362 vehicle parking spaces. Vehicle parking is provided within a two-level subterranean parking structure and within a three-level, above grade parking structure. Vehicular access to the subterranean parking structure is from the driveway at the northwest corner of the project along San Vicente Boulevard, while access to the above grade parking is through the driveway located midblock accessible from the covered entry court. Vehicles can also enter the project from La Cienega Boulevard and drive through to the parking garage ramps. The driveway locations are at approximately mid-block locations and situated to not interfere with driver and pedestrian visibility and safety. As part of the project, the applicant will install a new controlled right-turn light along the southbound lane of La Cienega Boulevard and a new pedestrian signalized crossing with enhanced crosswalks at La Cienega Boulevard and Blackburn Avenue. In addition, the project provides 299 bicycle parking spaces located throughout the project site. Residential and restaurant valet service will be provided.
- vii. Building Signage and Lighting. All lighting will be designed to limit off-site light intrusion and dark-sky light pollution. Low-Level pedestrian lighting in the ground floor landscaped plaza and surrounding sidewalks will be provided. Specialty lighting, such as string lighting near seating areas and ground-mounted and/or tree mounted lighting to highlight landscape features, will be provided. Lighting at commercial storefronts will be provided with a combination of lighting integrated into the canopy and wall sconces at the pedestrian level. Accent up-lighting on architectural walls and landscape lighting will be provided at street trees and back-of-curb parkway planting along commercial storefronts. Residential balconies on the upper floors will be provided with exterior low-level lighting and will be directed inward or equipped with baffles to prevent off-site light pollution. Podium level patios and garden common areas will have similar lighting strategies as the ground level common areas. Street lighting, in coordination with LADOT, will comply with all City standards. Commercial tenant signage will be integrated into architectural features, such as dimensional lettering on the facia of canopies, blade signs or handpainted lettering on storefront glass. Custom wall-mounted signage featuring a tenant logo maybe by provided, but no "box" signage will be allowed.
- viii. Loading Areas. The loading area for the project is integrated into the building and is located on the northern side of the project abutting the neighboring strip mall to the

north. Service vehicles will enter from San Vicente Boulevard and will exit from La Cienega Boulevard and make a right turn to exit the project.

ix. <u>Trash Collection</u>. The trash area is located within an enclosed trash room within the ground floor, and not visible to the public.

The project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that are compatible with existing and future planned development on adjacent and neighboring properties.

The project adds to the variety of mixed-use buildings immediately surrounding the site. The mixed-use residential and commercial development replaces an underutilized commercial building currently only used as a parking structure with housing, a grocery market and restaurant, and open space to serve the community. The project enhances the existing urban mix of uses in the neighborhood by providing much-needed housing and a grocery market and restaurant to meet the needs of the residential and employee population in the area.

c. That any residential project provide recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.

As previously mentioned, the project includes 28,748 square feet of open space in the form of a landscaped plaza and other open space features for the residential uses. Approximately 75 percent of the provided open space is designated common open space and 25 percent is designated private open space (e.g., unit patios and balconies). The residential open space amenities include a pool deck with fire pit, cabanas and deck chairs; a gym; spa; a "Great Room;" lounge; lobbies; a community room; and outdoor dining areas. The ground floor landscaped plaza features seating areas, turf mounds, a bench and seating areas for restaurant patrons, turf, trees, and a water feature.

In addition, the Initial Study prepared for the project found that with implementation of regulatory requirements, such as the payment of Quimby Fees, impacts to local parks and recreation facilities will be less than significant. Therefore, it is determined that the project provides sufficient recreational and service amenities to serve residents without creating negative impacts on neighboring properties.

#### 6. Findings of Fact (CEQA)

#### I. INTRODUCTION

The Environmental Impact Report (EIR), consisting of the Draft EIR and the Final EIR, is intended to serve as an informational document for public agency decision-makers and the general public regarding the objectives and components of the project at 333 S. La Cienega Boulevard, Los Angeles. CRM Properties (project applicant) filed a Master Land Use Application with the City of Los Angeles (City) on March 4, 2015.

#### II. ENVIRONMENTAL DOCUMENTATION BACKGROUND

The project was reviewed by the Los Angeles Department of City Planning, Environmental Analysis Section (serving as Lead Agency) in accordance with the requirements of the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.). The City prepared an Initial Study in accordance with Section

15063(a) of the State CEQA Guidelines. Pursuant to the provisions of Section 15082 of the State CEQA Guidelines, the City then circulated a Notice of Preparation (NOP) to State, regional and local agencies, and members of the public for a 30-day period commencing on January 25, 2016 and ending February 25, 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.

In addition, a public scoping meeting was conducted on February 16, 2016, to further inform the public agencies and other interested parties of the project and to solicit input regarding the Draft EIR. The meeting provided interested individuals, groups, and public agencies the opportunity to provide oral and written comments to the Lead Agency regarding the scope and focus of the Draft EIR as described in the NOP and Initial Study. Written comment letters responding to the NOP were submitted to the City by public agencies and interested organizations. Comment letters were received from four public agencies. In addition, written comments were provided by 20 interested organizations and/or individuals via mail, email or submittal at the NOP scoping meeting. The NOP letters and comments received during the comment period, as well as comment sheets from the public scoping meeting, are included in Appendix A-2 and A-3 of the Draft EIR.

The Draft EIR evaluated in detail the potential effects of the project. It also analyzed the effects of a reasonable range of three alternatives to the project, including a "No Project" alternative. The Draft EIR for the project (State Clearinghouse No. 2016011061), incorporated herein by reference in full, was prepared pursuant to CEQA and State, Agency, and City CEQA Guidelines (Pub. Resources Code § 21000, et seq.; 14 Cal. Code Regs. §15000, et seq.; City of Los Angeles Environmental Quality Act Guidelines). The Draft EIR was circulated for a 47-day public comment period beginning on May 19, 2016, and ending on July 5, 2016, beyond the 45 days required by CEQA Guidelines Section 15105(a). Copies of the written comments received are provided in the Final EIR. Pursuant to Section 15088 of the CEQA Guidelines, the City, as Lead Agency, reviewed all comments received during the review period for the Draft EIR and responded to each comment in Chapter 2, Comments and Responses, of the Final EIR.

The City published a Final EIR for the project on September 12, 2016, which is hereby incorporated by reference in full. The Final EIR is intended to serve as an informational document for public agency decision-makers and the general public regarding objectives and components of the project. The Final EIR addresses the environmental effects associated with implementation of the project, identifies feasible mitigation measures. and alternatives that may be adopted to reduce or eliminate these impacts, and includes written responses to all comments received on the Draft EIR during the public review period. Responses were sent to all public agencies that made comments on the Draft EIR at least 10 days prior to certification of the Final EIR pursuant to CEQA Guidelines Section 15088(b). In addition, all individuals that commented on the Draft EIR also received a copy of the Final EIR. The Final EIR was also made available for review on the City's website. Hard copies of the Final EIR were also made available at four libraries and the City Department of Planning. Notices regarding availability of the Final EIR were sent to those within a 500-foot radius of the project site as well as individuals who commented on the Draft EIR, attended the NOP scoping meeting, or provided comments during the NOP comment period.

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

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

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

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

- A. The first possible finding is that "[c]hanges or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR." (Guidelines Section 15091 (a)(1)); and
- B. The second possible finding is that "[s]uch changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency." (Guidelines Section 15091(a)(2)); and
- C. The third possible finding is that "[s]pecific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible, the mitigation measures or Project alternatives identified in the final EIR." (Guidelines, Section 15091(a)(3)).

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

- <u>Description of Significant Effects</u> A specific description of the environmental effects identified in the EIR, including a judgment regarding the significance of the impact;
- 2. <u>Project Design Features</u> Reference to the identified Project Design Features that are a part of the project (numbering of the features corresponds to the numbering in the Draft EIR);
- 3. <u>Mitigation Measures</u> Reference to the identified mitigation measures or actions that are required as part of the project (numbering of the mitigation measures correspond to the Mitigation Monitoring Program, which is included as Chapter 4 of the Final EIR. All of the project Mitigation Measures and Project Design Features are included in their entirety in Chapter 4);
- Finding One or more of the three specific findings in direct response to CEQA Section 21081 and CEQA Guidelines Section 15091;

- 5. Rationale for Finding A summary of the reasons for the finding(s):
- 6. Reference A notation on the specific section in the Draft EIR which includes the evidence and discussion of the identified impact.

Although the findings below identify specific pages within the Draft EIR and Final EIR in support of various conclusions reached below, the City incorporates by reference and adopts as its own, the reasoning set forth in both environmental documents and their appendices, and thus relies on that reasoning, even where not specifically mentioned or cited below, in reaching the conclusions set forth below, except where additional evidence is specifically mentioned.

#### IV. DESCRIPTION OF THE PROJECT

The project is a mixed-use development consisting of: a 16 percent Density Bonus (although the project is eligible for up to a 20 percent Density Bonus) to provide an additional 20 units in lieu of 125 base units, for a total of 145 residential units, with 10 percent of the permitted base density aside for affordable housing, and 31,055 square feet of commercial uses consisting of a 27,685 square-foot grocery market and a 3,370 square-foot restaurant. As part of the total 145 units, the project will set aside 7 units, equal to 5 percent, for Very Low Income Households and 6 units, equal to 5 percent, for Moderate Income Households (this is a revision from the originally submitted project). The development will be up to 240 feet in height on an approximately 1.15-acre site. The project provides 362 parking spaces, including 119 parking spaces for commercial uses in the two-level subterranean parking garage, and 243 parking spaces in the aboveground enclosed garage on Levels 2 through 4 for residential uses and for use by the mixed-use development at 8500 Burton Way, as required by Condition No. 11 in Ordinance 180,766. The project also includes 299 bicycle parking spaces (this is a revision from the originally submitted project). The project will contain 294,294 square feet of floor area upon full build out. This project description is a refinement from the project description presented in the Draft EIR. As described in the Final EIR, the project refinements do not result in any physical changes from the impacts described in the Draft EIR.

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

The City Planning Department prepared an Initial Study dated January 25, 2016. The Initial Study is located in Appendix A of the Draft EIR.

CEQA provides that "[a]esthetic and parking 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." (Pub. Resources Code, § 21099, subd. (d)(1). The project is a mixed-use residential development on an infill site. CEQA defines "infill site" as a "site that has been previously developed for qualified urban uses." (Pub. Resources Code, § 21061.3.) "Qualified urban use" means "any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." (Pub. Resources Code, § 21072.) As described in the EIR, the project site is developed with a single-tenant department store space (formerly a Loehmann's).

A "transit priority area" is an "area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning

horizon included in a Transportation Improvement Program adopted pursuant to Section 450.213 or 450.322 of Title 23 of the Code of Federal Regulations." (Pub. Resources Code, § 21099, subd. (a)(7).) "Major transit stop" is defined as "a site containing . . . the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods." (Pub. Resources Code, § 21064.3.) The following major transit stops are located within one-half mile of the project site at the intersections of Wilshire Boulevard and La Cienega Boulevard, La Cienega Boulevard and 3rd Street, and La Cienega Boulevard and San Vicente Boulevard: Metro Local bus lines 105, 218, 16/316, and Metro Rapid bus line 705 stop at the southwest corner of La Cienega Boulevard and 3rd Street. Metro Local bus lines 20 and 105 and Metro Rapid bus lines 705 and 720 stop at the northwest corner of La Cienega Boulevard and San Vicente Boulevard.

The Initial Study found the following environmental impacts not to be significant or less than significant.

#### A. Aesthetics

- 1. Scenic Vista
- 2. Scenic Resources
- 3. Visual Character and Quality
- 4. Cumulative Impacts

#### B. Agricultural and Forest Resources

- 1. Farmland
- 2. Existing zoning for agricultural use or Williamson Act Contract
- 3. Forest Land or Timberland Zoning
- 4. Loss of Conversion of Forest Land
- 5. Cumulative Impacts

#### C. Air Quality

- Implementation of the South Coast Air Quality Management District Plan or Congestion Management Plan
- 2. Violate any Air Quality Standards
- 3. Net Increase in Criteria Pollutants
- 4. Objectionable Odors
- 5. Cumulative Impacts

#### D. Biological Resources

- 1. Sensitive Biological Species
- 2. Riparian Habitat and Wetlands
- 3. Movement of any Resident or Migratory Species
- Local Biological Resources Policies or Ordinances/Tree Preservation Policy or Ordinance
- 5. Habitat Conservation Plans
- 6. Cumulative Impacts

#### E. Cultural Resources

- 1. Historical Resources
- 2. Human Remains
- 3. Cumulative Impacts

#### F. Geology and Soils

- 1. Rupture of Known Earthquake Fault (Alquist-Priolo Earthquake Fault Map)
- 2. Seismic-Related Ground Failure (Liquefaction)

- 3. Landslides
- 4. Soil Erosion and Loss of Topsoil
- 5. Unstable Geologic Unit
- 6. Expansive Soil
- 7. Septic Tanks
- 8. Cumulative Impacts

#### G. Greenhouse Gas Emissions

- 1. Generation of Greenhouse Gas Emissions
- 2. Conflict with Applicable Plans, Policies, or Regulations
- 3. Cumulative Impacts

#### H. Hazards and Hazardous Materials

- 1. Routine Transport, Use, or Disposal of Hazardous Materials
- 2. Emit Hazardous Materials within ¼ mile of an Existing or Proposed School
- 3. Included on List of Hazardous Materials Pursuant to Government Code 65962.5
- 4. Airport Land Use Plan and Private Airstrips
- 5. Emergency Response Plan or Emergency Evacuation Plan
- 6. Wildland Fires
- 7. Cumulative Impacts

#### I. Hydrology and Water Quality

- 1. Water Quality Standards/Waste Discharge Requirements
- 2. Alteration of Drainage Patterns/Course of Stream or River
- 3. Stormwater Drainage Systems and Runoff Water
- 4. Degrade Water Quality
- 5. 100-Year Flood Hazard Areas and 100-Year Flood
- 6. Failure of Levee or Dam.
- 7. Seiche, Tsunami, or Mudflow
- 8. Cumulative Impacts

#### J. Land Use and Planning

- 1. Physically Divide a Community
- 2. Habitat or Natural Community Conservation Plans
- 3. Cumulative Impacts

#### K. Mineral Resources

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

#### L. Noise

- Ambient Noise Levels
- 2. Airport Land Use Plan and Private Airstrips

#### M. Population and Housing

- 1. Population Growth
- 2. Displace Housing and People
- 3. Cumulative Impacts

#### N. Public Services

- 1. Fire Protection Services
- 2. Police Protection Services
- 3. Schools

- 4. Parks
- 5. Public Library System
- 6. Cumulative Impacts

#### O. Recreation

- 1. Physical Deterioration of Neighborhood and Regional Parks
- 2. Construction or Expansion of Recreational Facilities
- 3. Cumulative Impacts

#### P. Transportation and Circulation

- 1. Congestion Management Program
- 2. Air Traffic Patterns
- 3. Hazards to a Design Feature/Incompatible Use
- 4. Emergency Access
- 5. Public Transit, Bicycle, or Pedestrian Facilities
- 6. Cumulative Impacts

#### Q. Utilities and Service Systems

- 1. Wastewater Treatment Requirements of Regional Water Quality Board
- 2. Water and Wastewater Treatment Facilities
- 3. Stormwater Drainage Facilities
- 4. Water Supplies and Wastewater Treatment Capacity
- Landfill
- 6. Solid Waste
- 7. Cumulative Impacts

#### R. Energy Resources

- 1. Energy Conservation Plans
- 2. Non-Renewable Resources
- 3. Cumulative Impacts

# VI. ENVIRONMENTAL IMPACTS FOUND NOT TO BE SIGNIFICANT WITH INCORPORATION OF PROJECT DESIGN FEATURES IN THE INITIAL STUDY OR PRIOR TO MITIGATION IN THE DRAFT EIR

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

## Impacts Found Not to Be Significant in the Initial Study with Incorporation of Project Design Features

#### A. Air Quality

Expose Sensitive Receptors to Substantial Pollutant Concentrations: Projects in the South Coast Air Basin are required to analyze local air quality impacts. The nearest sensitive receptor to the project site is a multi-family residential building located approximately 110 feet from the project site's western boundary. SCAQMD has developed localized significance thresholds (LSTs) that represent the maximum emissions from a project that are not expected to cause or contribute to an exceedance of the most stringent applicable federal or state ambient air quality standards and, thus, would not cause or contribute to localized air quality impacts. Since the nearest receptor

to the project site is located approximately 110 feet away, the LSTs for a receptor distance of 82 feet are used to evaluate the potential localized air quality impacts associated with the project's peak day emissions to present a conservative analysis. The daily unmitigated on-site emissions generated during the project's worst-case construction scenario are presented in Table 4 of the Initial Study. The pollutant emissions calculated for the project's on-site demolition activities takes into account the incorporation of PDF AQ-1, which requires all off-road construction equipment exceeding 50 hp used during the project's demolition phase to either meet, at a minimum, USEPA Tier IV interim engine certification requirements, or apply other available technologies to the construction equipment that would achieve the same pollutant emissions reduction as USEPA Tier IV construction equipment. With implementation of this PDF, the daily unmitigated emissions generated onsite by the project's worst-case construction scenario do not exceed any of the applicable SCAQMD LSTs for a one-acre site in SRA 1 during any of the construction years. As the project's worst-case construction emissions do not exceed SCAQMD's applicable LSTs, the localized air quality impacts associated with the project's construction emissions are less than significant.

Cumulative Impacts: The nearest related project to the proposed project is located approximately 1,265 feet away at 316 North La Cienega Boulevard; however, at this time it is not known if this project would be constructed within the same time period as the proposed project. Nonetheless, under the condition where this project would be constructed concurrently with the proposed project, a sensitive receptor located equidistant from these two construction sites could be exposed to pollutant concentrations. However, a receptor located between the proposed project site and these two construction sites (i.e., a receptor located approximately 800 feet from the proposed project and the construction site located at 316 North La Cienega Boulevard, respectively) would be exposed to both construction emissions from the proposed project and would have a greater LSTs that would need to be exceeded before a potential localized air quality impact result. The proposed project will not exceed the more stringent LSTs for receptors located 82 feet from the project site, compared to the LSTs for receptors located 656 or 1,640 feet from a project site, which are more representative of cumulatively impacted receptors. Therefore, it is not anticipated that the on-site emissions that could potentially be generated concurrently at the project site and the nearest related projects site will be of a magnitude that exceeds the LSTs for a receptor distance of 656 or 1,640 feet. As such, the cumulative impacts related to exposure of sensitive receptors to substantial pollutant concentrations are less than significant.

#### 1. Project Design Feature

The City finds that Project Design Feature, PDF AQ-1, which is incorporated into the project and incorporated into the Findings as set forth herein, reduce the impacts related to air quality to less than significant. This Project Design Feature was taken into account in the analysis of project impacts.

#### B. Cultural Resources

#### 1. Archaeological Resources

The SCCIC records search results indicated that a total of 17 cultural resources studies have been conducted within a ½-mile radius of the project site, although none include any portion of the project site. No archaeological resources have been previously documented within the project site or a ½ mile-radius. Given the amount of previous development within the majority of the project site, the potential for subsurface

archaeological resources is considered low. However, since the project includes ground-disturbing activities of up to 19 feet below ground surface and since the project includes excavation in areas that have not been subject to substantial previous disturbance (such as the paved parking lot), the project has the potential to disturb previously unknown significant archaeological resources. Therefore, with implementation of PDF CUL-1, the project has a less-than-significant impact to archaeological resources.

Cumulative Impacts: Although all of the related projects are located within an urban environment that has been previously disturbed, excavation activities associated with the related projects could contribute to the progressive loss of archaeological resources. Given the amount of previous development within the project site, the potential for subsurface archaeological resources in the project site is considered low. Since the project includes ground-disturbing activities of up to 19 feet below ground surface and since the project includes excavation in areas that have not been subject to substantial previous disturbance (such as the paved parking lot), the project has the potential to disturb previously unknown significant archaeological resources. Implementation of the proposed project, in combination with the other related projects in the project site vicinity, will result in the continued redevelopment and revitalization of the surrounding area. However, impacts to cultural resources are site-specific and are assessed on a site-bysite basis. In addition, each related project will be required to comply with existing regulations and undergo CEQA review to assure that any impacts are appropriately evaluated and, if necessary, mitigated. Therefore, any cumulative impact is less than significant. The analysis of the proposed project's impacts to cultural resources also concluded that the proposed project does not have significant impacts with respect to cultural resources following incorporation of PDF CUL-1 discussed above. Therefore, the proposed project's incremental contribution to a cumulative impact would not be considerable.

#### 2. Tribal Cultural Resource

The NAHC has indicated that no sacred sites or Native American cultural resources are known to exist within the project site or vicinity. In addition, pursuant to AB 52, the City of Los Angeles notified tribes of the proposed project and received a response from the Soboba Band of Luiseño Indians in a letter dated January 4, 2016, but they did state any concerns with the project. In addition, the Gabrieleño Band of Mission Indians - Kizh Nation also responded in letters dated December 15, 2015 and February 1, 2016, in which they mentioned that, due to the sensitivity of the area, the tribe requested a Native American monitor to be on the project site during ground disturbing activities. A third letter dated September 15, 2016 from the Gabrieleño Band of Mission Indians - Kizh Nation was also received, but the letter did not present any new information beyond what was presented in their previous letters. The Gabrieleño Band of Mission Indians -Kizh Nation did not request consultation with the City of Los Angeles. Nevertheless, with implementation of PDF CUL-5, which states that at least 30 days prior to the start of ground disturbance, the applicant shall retain a Native American monitor listed on the Native American Heritage Commission contact list as traditionally and culturally affiliated with the project area to observe all ground-disturbing activities, the project results in a less-than-significant impact to tribal cultural resources as defined in Public Resources Code 21074.

Cumulative Impacts: Implementation of the proposed project, in combination with the other related projects in the project site vicinity, will result in the continued redevelopment and revitalization of the surrounding area. Impacts to cultural resources tend to be site-specific and are assessed on a site-by-site basis. Each related project will be required to comply with existing regulations and undergo CEQA review to assure that

any impacts are appropriately evaluated and, if necessary, mitigated. Therefore, any cumulative impact with regard to tribal cultural resources is less than significant.

#### 3. Project Design Features

The City finds that the Project Design Features, PDFs CUL-1 and CUL-5, which are incorporated into the project and incorporated into these Findings as though fully set forth herein, reduce the potential for archaeological and tribal cultural resources impacts of the project. These Project Design Features were taken into account in the analysis of potential impacts.

#### C. Geology and Soils

#### Seismic Ground Shaking

Ground shaking during a major earthquake at the project site could cause structural damage to the project. Given the potential for strong seismic ground shaking, the project will be constructed with latest construction materials and built to the requirements of the California Building Code (CBC) and, thus, will have the structural integrity to withstand strong seismic ground shaking. The final choice of foundation design, site preparation requirements, and construction materials for the project will be informed by soil and/or geotechnical engineering reports to be prepared prior to final designs, as required by PDF GEO-1. In addition to compliance with CBC, the proposed project is subject to the provisions of the Seismic Hazards Mapping Act, which requires the implementation of feasible design measures to address seismic hazards, depending on the results of sitespecific geotechnical studies. Required compliance with the CBC through the implementation of PDF GEO-1 and compliance with the provisions of the Seismic Hazard Mapping Act ensure that potential impacts from strong seismic ground shaking are less than significant. Therefore, with implementation of PDF GEO-1, the project will not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking and impacts would be less than significant.

Cumulative Impacts: Impacts related to geology are generally localized or site-specific, because each project site has a different set of geologic considerations that are subject to specific site development and construction standards. As such, the potential for cumulative impacts to occur is geographically limited. Similar to the proposed project, potential impacts related to geology and soils will be assessed on a case-by-case basis and, if necessary, the applicants of the related projects will be required to implement the appropriate mitigation measures. The analysis of the proposed project's geology and soils impacts concluded that there are no active faults in the project area or close enough to the project site to be considered a concern for fault rupture. Thus, impacts related to fault rupture and ground shaking are less than significant. Therefore, the proposed project does not make a cumulatively considerable contribution to any potential cumulative impacts, and the cumulative geology and soil impacts described herein will be less than significant.

#### 2. Project Design Feature

The City finds that the Project Design Feature, PDF GEO-1, which is incorporated into the project and incorporated into these Findings as though fully set forth herein, reduces the potential geology and soils impacts of the project. This Project Design Feature was taken into account in the analysis of potential impacts.

#### D. Greenhouse Gas Emissions

#### 1. Applicable Plan, Policy or Regulation

The project is designed to comply with the CARB AB 32 Scoping Plan, the Los Angeles Green Building Code, CALGreen Code, Green LA Plan, and SCAG 2012-2035 RTP/SCS to ensure that the project uses resources (energy, water, etc.) efficiently and that the project significantly reduces pollution and waste. Compliance with the Los Angeles Green Building Code results in reductions in energy and water consumption equal to or in excess of the CALGreen Code requirements. The Final EIR added PDF GHG-1 to further reduce the potential from greenhouse gas impacts. Therefore, impacts from the project on conflicts with GHG plans, policies or regulation are less than significant.

Cumulative Impacts: Implementation of the proposed project is consistent with both the CARB Scoping Plan as well as the Green LA Plan, as detailed in Section 7b of the Initial Study. Therefore, the project will not hinder or adversely affect the statewide attainment of GHG emission reduction goals of AB 32. This impact is less than cumulatively considerable.

#### 2. Project Design Feature

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

#### Impacts Found Not to Be Significant Prior to Mitigation in the Draft EIR

#### E. Aesthetics

#### 1. Light or Glare

Construction Impacts: Construction activities associated with the project involve the use of various lighting sources which have the potential to spill over to off-site sensitive land uses surrounding the project site. To reduce impacts to light sensitive receptors, construction activities at the project site will occur between the hours of 7:00 a.m. and 4:00 p.m. on Monday through Friday, and during the hours of 8:00 a.m. and 4:00 p.m. on Saturday. Lighting during the nighttime hours is required on-site for safety and security purposes and has the potential to result in nighttime lighting impacts if not directed properly. To reduce potential nighttime lighting impacts, the project implements PDF AES-1, which requires the shielding of construction-related light sources and ensures that impacts are less than significant.

Daytime glare associated with construction activities could occur if reflective construction materials are positioned in highly visible locations where the reflection of sunlight occurs; however, this is unlikely to occur and any glare produced during construction activities is highly transitory and short-term, given the movement of construction equipment and materials within the construction site and the temporary nature of construction activities. The potential for nighttime glare is negligible as construction occurs primarily during the daytime hours, as noted above, and the lighting during nighttime hours will be used for safety and security purposes and, as such, is shielded and/or aimed so that no direct beam spills over outside of the project site boundary, as ensured by the implementation of PDF AES-1, as described above. Therefore, impacts to offsite sensitive uses from

daytime and nighttime glare during construction of the project are considered less than significant.

Operation Impacts: During operation of the project, site lighting will be installed throughout the project site, which will assist with safety, security, and wayfinding, which has the potential to spill over to off-site sensitive land uses in the project vicinity. However, the lighting will be low intensity and directed towards the interior of the project site to avoid light spillover and be subject to the provisions of the LAMC lighting regulations which are found in various chapters within the LAMC. Chapter 9, Article 3, Section 93.0117(b) of the LAMC establishes the standards for exterior lighting, and states no exterior lighting may cause more than two-foot candles of lighting intensity or generate direct glare onto exterior glazed windows or glass doors on any residential property; an elevated habitable porch, deck or balcony on any property containing residential units; or any ground surface intended for uses such as recreation, barbecues or lawn areas. Furthermore, lighting on the project site will be subject to PDFs AES-2 and AES-3, which outline standards for exterior lighting design on the project site. Compliance with LAMC requirements and PDFs AES-2 and AES-3 ensure that impacts from site lighting during operation of the project are less than significant.

Building lighting will be used for building identification, building accents, and includes lighting associated with the project's signage, interior lighting visible through the windows of the residential units and the ground floor and mezzanine commercial/retail uses, and aboveground parking garage. Building lighting used for the project will be low intensity. Building signage is regulated by LAMC, Chapter 1, Article 4.4, Section 14.4.4, which limits light intensity of signage to three foot candles above ambient lighting, as measured at the property line of the nearest residentially zoned property. PDF AES-3 prohibits the use of spotlights, floodlights, klieg lights, or similar high-intensity light source for outdoor lighting. All new street lighting associated with the project is required to meet the standards of LAMC Chapter 1, Article 4.7, Section 17.08 C. The project as designed, and including PDFs AES-2 and AES-3 and compliance with the LAMC, results in less-than-significant lighting impacts.

The project will introduce new sources of glare, including building surfaces and project-related vehicles. As described above under PDF AES-4, glass used in building facades will be anti-reflective or treated with anti-reflective coating in order to minimize glare from reflected sunlight. Thus, implementation of PDF AES-4 reduces any potential impacts from glare as a result of the use of glass or other building materials. Vehicles will be parked within the parking garages and, thus, do not have the potential to produce glare when exposed to the sun.

Cumulative Impacts: Development of the project, as well as the related projects in the area, will introduce new or expanded sources of artificial light. However, no related projects are located within 0.25 mile of the project site and, as such, do not significantly alter the existing lighting environment currently experienced in the area. Additionally, cumulative lighting is not be expected to interfere with the performance of off-site activities given the moderate to high ambient nighttime artificial light levels already present. Furthermore, like the project, related projects are subject to applicable lighting guidelines and the City's design review process to ensure that potential artificial light sources will not significantly alter the light environment and result in cumulative impacts. Similarly, with regard to glare, the project and related projects are subject to design review to ensure that significant sources of glare are not introduced. Adherence to these measures ensures that building materials do not have the potential to produce a substantial degree of glare. Therefore, cumulative light and glare impacts from development of the project and related projects are less than significant.

#### 2. Shade and Shadow

Development of the project will generate new shading with varied lengths and angles depending on the time of day and season, particularly to the west and east during the winter and fall solstices. However, no residential building or other sensitive use is shaded by the project for more than three hours, the threshold of significance, between the hours of 9:00 a.m. and 3:00 p.m. Pacific Standard Time (between early November and early March) or more than four hours, the threshold of significance, between 9:00 a.m. and 5:00 p.m. Pacific Daylight Time (between early March and early November). Therefore, impacts are less than significant.

Cumulative Impacts: There are no related projects within a 0.25-mile radius of the project site and, therefore, there is no potential to create cumulative shading impacts in combination with the project.

#### 3. Project Design Features

The City finds that the Project Design Features, PDFs AES-1, AES-2, AES-3, and AES-4, which are incorporated into the project and incorporated into these Findings as though fully set forth herein, reduce the potential aesthetics impacts with regard to light and glare of the project. The Project Design Features were taken into account in the analysis of potential impacts.

#### 4. Aesthetic Impacts are Less Than Significant According to SB 743

Furthermore, CEQA states that "[a]esthetic and parking impacts of a residential, mixeduse residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment." (Pub. Resources Code, § 21099, subd. (d)(1).) As explained in Section V, the project meets these requirements and, thus, aesthetic impacts are considered less than significant.

#### F. Land Use and Planning

#### 1. Consistency with Land Use Plans and Policies

The development of the project is subject to numerous state, regional, and City land use plans and policies, such as the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), City of Los Angeles General Plan Framework Element, Wilshire Community Plan, and City Zoning Ordinance. The project is generally consistent with all land use plans and policies. Specifically, the Wilshire Community Plan identifies the importance of mixed-use commercial developments, specifically mixed-use commercial and residential boulevards, along Beverly, Olympic, Pico, Robertson, and La Cienega Boulevards to encourage pedestrian activity, reduce traffic circulation and congestion, and invigorate commercial areas. Development of the project is consistent with these policies by creating a mixed-use residential building along the major corridors, La Cienega Boulevard and 3rd Street.

The project also conforms to the RTP/SCS as explained in the Draft EIR's Table 4.2-1 Consistency Analysis with Local Land Use Plans. The 2016 RTP/SCS identifies the anticipated population of the City of Los Angeles in 2040 to be approximately 4,609,400 persons, an increase of 617,700 persons in a 20-year period. The project adds a population of approximately 331 persons, or less than one percent (0.05 percent) of the total increase in population within that time period. The project will result in an increase in 84 jobs within the City, less than 0.1 percent of the total anticipated employment

increase. Therefore, the employment increase from the project is accounted for in the SCAG growth projections. The project is also accounted for in the SCAG growth projections as identified by the 2016 RTP/SCS. Because the project is consistent with the Community Plan and the employment and population growth resulting from the project is consistent with SCAG's regional forecast, the project is consistent with the growth projections accounted for in SCAQMD's Air Quality Management Plan. Therefore, impacts related to consistency with these land use plans are less than significant.

Cumulative Impacts: There are 53 related projects in the vicinity of the project site, which generally consist of infill development and redevelopment of existing uses, including mixed-use, office, residential, etc. The related projects consist of infill development within the larger Wilshire Community Plan Area as well as in the surrounding cities of West Hollywood and Beverly Hills, which are primarily built-out. As with the project, the related projects are subject to CEQA review and review by City regulatory agencies on a case-by-case basis. Therefore, the project and related projects will not have cumulatively significant land use impacts as both the project and related projects will be consistent with applicable land use and zoning plans and standards, which does not incrementally contribute to cumulative inconsistencies with respect to land use and zoning plans and standards. Thus, cumulative impacts with regard to potential conflicts with applicable land use plan, policy, or regulations are less than significant.

#### G. Transportation and Circulation

#### 1. Conflict with Applicable Plan, Ordinance, or Policy

Construction: Potential traffic impacts from project construction activities could occur as a result of the following: increase in haul truck and automobile traffic, temporary lane closures, and reduced access to emergency services. Construction activities are expected to be primarily contained within the project site; however, lane and sidewalk closures on La Cienega Boulevard and San Vicente Boulevard will be required at times for construction staging, utility relocations and hook ups, delivery of materials, and other construction activities. These closures will occur at different stages of construction and are implemented as a part of PDF TR-1, Construction Traffic Management Plan (CTMP), which will be prepared and implemented as a part of the project. Construction workers can also add traffic to roadways around the project site during the construction phase; however, because construction worker traffic occurs outside the peak hours, traffic from construction workers is not expected to create a significant impact on the street system. According to the traffic analysis, haul truck trips will be spread out throughout the day and are not anticipated to contribute to a substantial amount of traffic during the weekday morning and afternoon peak periods. Given that La Cienega Boulevard is listed as a designated disaster route in the General Plan Safety Element, the CTMP includes a disaster route detour plan to ensure that emergency access is maintained throughout construction. The CTMP is to be reviewed and approved by the LADOT prior to being implemented and the detour plan will be disseminated to emergency services providers prior to the start of construction. In addition, PDF TR-1 includes a requirement for the applicant to coordinate with Metro to ensure that access to transit services in maintained, including the relocation of the Metro Local Route 105 bus stop. This project design feature has been revised herein to include the relocation of the Metro Rapid 705 bus stop as well. Therefore, with implementation of PDF TR-1, transportation and circulation impacts associated with project construction are less than significant.

Operation: Traffic volume projections were developed for the project to analyze the existing traffic conditions after completion of the project. Twenty-five intersections were

evaluated, and 23 of the 25 intersections will operate at LOS D or better during both the morning and afternoon peak period. The remaining two intersections, La Cienega Boulevard and Wilshire Boulevard (Intersection 20) and La Cienega Boulevard and Olympic Boulevard (Intersection 21), will operate at LOS E or worse during the morning and afternoon peak periods; however, the addition of project traffic to existing conditions does not increase the V/C delay by more than 0.005 and, therefore, does not exceed the significance thresholds set forth in the *L.A. CEQA Thresholds Guidelines*. Furthermore, all driveway intersections, with the exception of the southern driveway on La Cienega Boulevard, are unsignalized. An LOS analysis for the unsignalized intersections was conducted using HCM methodology and the LOS for all driveway intersections was estimated to be LOS B or better in both the AM and PM peak hours.

The LOS analysis is based on trip generation rates from the Institute of Transportation Engineers Trip Generation Manual, with reductions made to account for pass-by trips, transit and walk trips, and pass-by trips for the restaurant. The reductions in trip generation are appropriate here to account for the urban and transit-oriented nature of the project, and the reductions applied in the analysis are well within typical ranges recommended by the ITE Manual. Furthermore, all of the trip reductions applied in the analysis are allowed by LADOT's Traffic Study guidelines and were reviewed and approved by LADOT staff.

Even though the reductions in trip generation are appropriate and supported by substantial evidence, further analysis was conducted to determine whether application of smaller reductions results in any significant impacts. That analysis demonstrates that even with just a 25-percent reduction in trips, impacts remain less than significant.

The project site is located in a pedestrian-oriented and bicycle accessible area that consists of a mix of residential uses, institutional, and regional commercial uses. Given that the project maintains the existing sidewalk and circulation system and includes streetscape and walkability improvements, it is not anticipated that the project will increase hazards to bicyclists, pedestrians, or vehicles. Therefore, impacts with regard to transportation and circulation during project operation are considered less than significant.

Cumulative Impacts: The construction of 53 related projects is anticipated in the project area between existing conditions and the cumulative conditions horizon year of 2019. These 53 projects are dispersed throughout the project vicinity within the general Wilshire Community Plan area and draw upon a workforce from all parts of Los Angeles County. There is the potential for the construction-related activities and/or haul routes of the project and related projects to overlap, particularly with respect to other projects located along La Cienega Boulevard. Specifically, there is potential for these related projects and the project to use the same haul routes at the same time. There is also the potential for the nearby related projects and the project to require lane closures during construction at the same time. However, the implementation of the CTMP ensures that disaster routes are established in the event of lane closures. The requirement of a CTMP also applies to any cumulative project that includes lane closures that affect emergency access routes. Therefore, cumulative effects of lane closures are not cumulatively considerable. The traffic models used in the analysis above incorporated forecasted traffic increases due to ambient growth and trip generation estimates for the related projects through the year 2019. Therefore, cumulative impacts on intersections, the regional transportation system and access as a result of the project are accounted for in the Draft EIR, and cumulative impacts are less than significant.

#### 2. Congestion Management Program (CMP)

At the intersection of La Cienega Boulevard and Wilshire Boulevard (Intersection 20), the project will add 52 trips, which is slightly higher than the arterial CMP station analysis threshold of 50 trips. However, this intersection operates at LOS E with or without the project, with an increase of the V/C ratio of 0.002 due to the project in the AM peak hour. While the intersection operates at LOS F during the PM peak hour, this is with or without the project and the project only increase the V/C ratio by 0.004 in the PM peak hour, below the CMP threshold. Therefore, there is no significant impact at this intersection. In addition to this intersection, the project will add a maximum of 19 trips at La Cienega Boulevard and Santa Monica Boulevard, three eastbound peak hour trips to the CMP freeway monitoring station located at I-10, east of Overland Avenue, and three westbound peak hour trips to the CMP freeway monitoring station located at I-10, east of La Brea Boulevard. Project related trips are well below the CMP threshold of 50 or more trips to any CMP intersection or more than 150 trips to a CMP mainline freeway location; therefore, the project does not conflict with the local CMP. This is considered a less-than-significant impact.

#### 3. Project Design Feature

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

## VII. ENVIRONMENTAL IMPACTS FOUND TO BE LESS THAN SIGNIFICANT AFTER MITIGATION

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

#### Impacts Found to Be Less Than Significant After Mitigation in the Initial Study

#### A. Cultural Resources

Paleontological Resources: Results of the paleontological resources records search indicated that surficial deposits within the project site consist of younger Quaternary Alluvium, derived as alluvial fan deposits from the Santa Monica Mountains to the north. A total of six localities (LACM 3176, 7669, 7671, 7672, 7673, and 7770) within the older Quaternary deposits have been recorded within the vicinity of the project site. While excavation into the younger Quaternary Alluvium is unlikely to impact significant paleontological resources, any substantial excavation below the uppermost layers and into the underlying older Quaternary deposits and/or the Palos Verdes Sand deposits has a good chance of uncovering significant vertebrate fossil remains. Excavations for the project shall reach depths of at least 19 feet below the existing ground surface and have the potential to encounter significant vertebrate fossils.

# 1. Mitigation Measure

The City finds that Mitigation Measures CUL-2, CUL-3, CUL-4 which are incorporated into the project and incorporated into the Findings as set forth herein, reduce the impacts related to paleontological resources to less than significant.

# 2. Finding

Paleontological Resources: With implementation of Mitigation Measure CUL-2, CUL-3, and CUL-4, impacts related to paleontological resources are less than significant. No further mitigation is required.

# 3. Rationale for Finding

Paleontological Resources: Results of the paleontological resources records search indicated that surficial deposits within the project site consist of younger Quaternary Alluvium, derived as alluvial fan deposits from the Santa Monica Mountains to the north. The younger Quaternary Alluvium deposits usually do not contain significant vertebrate fossils, at least in the uppermost layers; however, these deposits are underlain by older Quaternary deposits at relatively shallow depths that do contain significant vertebrate fossils. Below the older Quaternary Alluvium deposits are even older Quaternary deposits known as the Palos Verdes Sand. While excavation into the younger Quaternary Alluvium is unlikely to impact significant paleontological resources, any substantial excavation below the uppermost layers and into the underlying older Quaternary deposits and/or the Palos Verdes Sand deposits has a good chance of uncovering significant vertebrate fossil remains. Numerous fossil Pleistocene (approximately 2.6 million years ago-11,000 years ago) localities have been documented within Los Angeles County from deposits similar to those underlying the project site. Ice age animals recovered from these localities include, but are not limited to, mammoths, mastodons, horses, camels, ground sloths, and carnivores. Given that fossils localities have been previously documented within or immediately adjacent to the project site and several more have been documented within 0.50 mile of the project area in the same sediments that underlie the project site, the project site is considered highly sensitive for presence of paleontological resources. Excavations for the project shall reach depths of at least 19 feet below the existing ground surface and have the potential to encounter significant vertebrate fossils. Previous depths of disturbance for the existing buildings is unknown, but were likely more shallow than proposed excavation since existing buildings do not include subterranean parking and the project will include two levels of subterranean parking. Also, there are areas that have not been subject to substantial past ground disturbance. Therefore, the project has the potential to result in a significant impact to unique paleontological resources. However, implementation of Mitigation Measures CUL-2 through CUL-4, which includes pre-construction worker paleontological resources sensitivity training, monitoring of all ground-disturbing activities, and recommendations on what to do should paleontological resources be discovered during construction, ensure that potential impacts to any unique paleontological resources are less than significant.

#### 4. Reference

For a complete discussion of impacts associated with Cultural Resources, please see Section 5 of the Initial Study.

# B. Hazards and Hazardous Materials

Release of Hazardous Materials into the Environment: Construction and operational activities of the project require the use of some hazardous materials such as fuels, oils, paints, solvents, and glues. All potentially hazardous materials used during construction or operation of the project will be handled, stored, and disposed of in accordance with the manufacturers' specifications and applicable regulations. Nonetheless, during construction, there is the possibility of the inadvertent exposure or release of hazardous materials into the surrounding environment, which could inadvertently impact the soils, surface waters, or groundwater quality.

# 1. Mitigation Measures

The City finds that Mitigation Measures HAZ-1, HAZ-2, HAZ-3 and HAZ-4, which are incorporated into the project and incorporated into these Findings as fully set forth herein, reduce the potentially significant impact related to the accidental release of hazardous materials into the environment to less than significant.

# 2. Findings

Changes or alterations and mitigation measures have been required in, or incorporated into, the project that avoid or substantially lessen potential significant environmental effects on hazards associated with the accidental release of hazardous materials in the environment to less than significant levels with the implementation of Mitigation Measures HAZ-1 through HAZ-4. No further mitigation measures are required.

# 3. Rationale for Findings

Construction activities required for implementation of the project involve trenching, excavation, grading, and other ground-disturbing activities. The construction activities require the use of equipment, such as trucks, excavators, and other powered equipment, and will use potentially hazardous materials such as fuels (gasoline or diesel) and lubricants (oils and greases). In addition, construction of the structure may use hazardous materials such as glues, solvents, paints, thinners, or other chemicals. Reasonably foreseeable upset and accident conditions could occur involving the release of hazardous materials during the construction of the project, which could be an adverse impact to workers and/or the environment during construction activities. Operations of the project consist of the typical common activities associated with development of residential, associated amenities (e.g., spa, swimming pool), restaurant and commercial uses. Household and landscape maintenance materials such as cleaning supplies, paints, oil, grease, fertilizers, and chlorine will be used during project operations. However, all potentially hazardous materials will be used and stored in accordance with manufacturers' instruction and handled in compliance with federal, state, and local regulations. Compliance with these regulations ensures that any associated risk is adequately reduced to less than significant.

An Asbestos and Lead-Based Paint Survey Report was prepared for the project site and found that while asbestos containing materials (ACMs) were not found on the project site, lead-based paint (LBP) was detected in the existing structure. The lead concentration of the exterior of the existing building is over 1,000 ppm lead. Therefore, without proper abatement procedures, demolition/removal could expose workers and/or the environment to lead, a potentially significant impact. Implementation of Mitigation Measures HAZ-1 and HAZ-2 ensures the proper handling and removal of LBP and

reduces the potential impacts of exposure to these hazardous building materials to a less-than-significant level.

A previous subsurface soil investigation at the project site indicated concentrations of total recoverable petroleum hydrocarbons (TRPH) up to 4,900 mg/kg were detected. In the absence of proper handling procedures, soil excavation at the project site could expose workers to elevated concentrations of hazardous materials during project construction. To ensure proper handling of contaminated soils, Mitigation Measure HAZ-3, which requires the preparation and implementation of a site-specific Health and Safety Plan in accordance with federal OSHA regulations, and Mitigation Measure HAZ-4, which requires the preparation and implementation of a Soil and Groundwater Management Plan, will be implemented prior to and during project construction. Implementation of these mitigation measures ensures that potential impacts from the release of contaminated soils during project construction are reduced to a less-than-significant level.

The project site has been identified by the Los Angeles Department of Building and Safety (LADBS) as being located in a Methane Zone, which is defined as a site that has been found to have the risk of methane intrusion emanating from on-site geologic formations. All new buildings and paved areas located in a Methane Zone shall be required to comply with requirements set forth in the Los Angeles Building Code, Division 71, and the Methane Mitigation Standards established by the LADBS, including those listed below as Mitigation Measures HAZ-5 and HAZ-6, and impacts are reduced to less than significant.

#### 4. References

For a complete discussion of impacts associated with Hazards and Hazardous Materials, please see Section 8 of the Initial Study.

# C. Hydrology and Water Quality

Groundwater Supplies/Groundwater Recharge: Groundwater levels are estimated to be between 10 and 15 feet below ground surface (bgs) at the project site and the project includes two subterranean parking levels that will extend at least 19 feet bgs. As such, contact with the groundwater table could likely occur during construction and dewatering is likely required. Impacts to the groundwater table may result from implementation of the project through direct withdrawals per dewatering, or through interception of an aquifer by cuts or excavations. In addition, the groundwater table could be determined to be sufficiently high at consistent rates so as to require a permanent dewatering system throughout the project's operation in order to avoid consequential soil stability issues. Temporary and long-term dewatering that may be required could result in potentially significant impacts to the quantity of groundwater present in the local groundwater basin.

# 1. Mitigation Measures

The City finds that Mitigation Measures HYD-1, HYD-2, HYD-3, and HYD-4 which are incorporated into the project and incorporated into the Findings as set forth herein, reduce the impacts related to hydrological resources to less than significant.

# 2. Finding

Groundwater Supplies/Groundwater Recharge: With implementation of Mitigation Measures HYD-1, HYD-2, HYD-3, and HYD 4, impacts related to groundwater supplies and recharge are less than significant. No further mitigation is required.

# 3. Rationale for Finding

The project site is underlain by the Hollywood Subbasin of the Coastal Plain of Los Angeles Groundwater Basin. Based on review of local groundwater records and past geotechnical investigations, groundwater in the near-site vicinity has been encountered at depths ranging from approximately 10 to 15 feet below ground surface (bgs); the historic high groundwater level for the site, as of 1998, was less than 10 feet below bgs. Impacts to the groundwater table may result from implementation of the project through direct withdrawals per dewatering, or through interception of an aquifer by cuts or excavations. Additionally, the groundwater table could be determined to be sufficiently high at consistent rates so as to require a permanent dewatering system throughout the project's operation in order to avoid consequential soil stability issues. Any dewatering must be controlled to avoid inducing settlement or other impacts to adjacent structures and facilities. Temporary and long-term dewatering that may be required could result in potentially significant impacts to the quantity of groundwater present in the local groundwater basin. In order to reduce any potential impacts related to groundwater supplies, Mitigation Measure HYD-2 requires a groundwater hydrology report be prepared to assess to what extent temporary dewatering is necessary during construction and whether a permanent dewatering system is required for project operation. The report will also determine how the proposed dewatering affects the height of the local groundwater table and the extent of the impact of groundwater drawdown. In addition, Mitigation Measure HYD-3 requires the Applicant to prepare a Report of Waste Discharge for dewatering activities in order to determine what permit is required to cover those activities and ensure protection of water quality. Mitigation Measure HYD-1 will be required in the case that a permanent dewatering system is necessary as determined by Mitigation Measure HYD-2. Mitigation Measure HYD-1 requires the water obtained from the permanent dewatering system to serve a beneficial use on-site such as irrigation or be returned to the groundwater basin by an injection well. In addition, PDF-HYD-4 allows for the recharge of the local groundwater basin by requiring the construction of permeable sidewalks along the project's street frontages.

#### Reference

For a complete discussion of impacts associated with Hydrology and Water Quality, please see Section 9 of the Initial Study.

# Impacts Found to Be Less than Significant After Mitigation in the Draft EIR

# D. Noise

Impacts of Generation of Excessive Noise Onsite Construction: During project construction, the nearest and most notable off-site sensitive receptors that are exposed to increased noise levels are the existing multi-family residential, church, and medical center uses located around the project site. Due to the proximity of these off-site sensitive uses to the project site, the project's construction activities will expose these sensitive receptors to increased exterior noise levels. Over the course of a construction day, the highest noise levels are generated when multiple pieces of construction equipment are being operated concurrently. The peak day construction noise levels experienced by the off-site sensitive receptors will range from 67.4 dBA Leq at the

Cedars-Sinai Medical Center building located northwest of the project site to approximately 82 dBA Lea at the Our Lady of Mount Lebanon-St. Peter Cathedral located west of the project site. With the exception of the Cedars-Sinai Medical Center which will only experience a minimal noise increase, construction activities associated with the project will generate episodic noise levels above the ambient noise levels currently experienced in the remaining identified noise-sensitive receptors surrounding the project site. The project is measured against the significance thresholds set forth in the L.A. CEQA Thresholds Guide, which state that construction activities lasting more than 10 days in a three-month period, which increase ambient exterior noise levels by 5 dBA or more at a noise sensitive use, normally result in a significant impact. With the exception of the Cedars-Sinai Medical Center, an increase in ambient exterior noise levels by 5 dBA or more will occur at the remaining identified off-site sensitive receptors. The 5 dBA threshold from the L.A. CEQA Thresholds Guide is used because construction of the proposed project will occur for more than 10 days in a three-month period. Thus. potentially significant short-term noise impacts from construction will occur at these sensitive off-site locations. Mitigation Measures NOI-1 through NOI-9 shall be implemented to reduce the temporary increase in ambient daytime noise levels at the nearby sensitive receptors during project construction to the maximum extent feasible. as required under Section 112.05 of the LAMC.

Impacts of Excessive Ground-Bourne Vibration: Construction activities at the project site have the potential to generate low levels of ground borne vibration as the operation of heavy equipment (i.e., tractors, loaders, excavators, backhoes, haul trucks, etc.) generates vibrations that propagate through the ground and diminish in intensity with distance from the source. The nearest off-site receptors, both sensitive and nonsensitive uses, to the project site that could be exposed to vibration levels generated from project construction include the mixed-use residential/retail building located to the south, across San Vicente Boulevard and Burton Way, the multi-family residential buildings located to the southwest, across San Vicente Boulevard and Burton Way, the Our Lady of Mount Lebanon-St. Peter Cathedral and Westbury Terrace condominium tower located to the west, across San Vicente Boulevard, the retail uses located directly to the north, and the commercial/retail uses to the west, across La Cienega Boulevard. The retail structures located directly to the north of the project site will be exposed to potential vibration levels of 0.998 inches per second which exceed the 0.5 inches per second PPV Caltrans' and FTA building damage criteria as shown in Tables 4.3-4 and 4.3-6, respectively. As such, the vibration impacts at these retail structures would be potentially significant.

# 1. Mitigation Measures

Excessive On-site Construction Noise: The City finds that Mitigation Measures NOI-1 through NOI-7 and NOI-9, which are incorporated into the project and incorporated into these Findings as set forth herein, reduce the impacts related to on-site construction impacts to less than significant.

Ground-Borne Vibration: The City finds that Mitigation Measure NOI-8, which is incorporated into the project and incorporated into these Findings as set forth herein, reduce the impacts related to excess ground-borne vibration to less than significant.

# 2. Finding

Excessive On-site Construction Noise: With implementation of Mitigation Measures NOI-1 through NOI-7 and NOI-9, impacts related to off-site construction noise are less than significant. No further mitigation measure is required. With implementation of Mitigation

Measures NOI-1 through NOI-7 and NOI-9, the project's contribution to cumulative impacts related to noise is less than significant.

Ground-Borne Vibration: With implementation of Mitigation Measure NOI-8, impacts related to ground-borne vibration are less than significant. No further mitigation measure is required. With implementation of Mitigation Measure NOI-8, the project's contribution to cumulative impacts related to ground-borne vibration is less than significant.

#### Rationale for Finding

Excessive On-site Construction Noise: The project's estimated construction noise levels were calculated for a scenario in which all construction equipment was assumed to be operating simultaneously and located at the construction area nearest to the affected receptors to present a conservative impact analysis. The estimated noise levels at the off-site sensitive receptors were calculated using the FHWA's RCNM, and were based on the concurrent operation of 12 pieces of equipment (i.e., five air compressors, two concrete saws, excavator, front end loader, vacuum sweeper, tractor, and dump truck) on a peak construction day during the demolition phase. The peak day construction noise levels experienced by the off-site sensitive receptors range from 67.4 dBA L<sub>eq</sub> at the Cedars-Sinai Medical Center building located northwest of the project site to approximately 82 dBA Leg at the Our Lady of Mount Lebanon-St. Peter Cathedral located west of the project site. Thus, with the exception of the Cedars-Sinai Medical Center which will only experience a minimal noise increase, construction activities associated with the project will generate episodic noise levels above the ambient noise levels currently experienced in the remaining identified noise-sensitive receptors surrounding the project site. The increase in noise levels at the off-site locations during construction at the project site is temporary in nature, and will not generate continuously high noise levels, although occasional single-event disturbances from construction are possible. The typical operating cycle for a piece of construction equipment involves one or two minutes of full power operation followed by three or four minutes at lower power settings. Furthermore, while the estimated construction noise levels at each of the off-site locations is loudest when construction activities are occurring at an area within the project site that is nearest to the off-site location, the majority of the time noise levels at these off-site locations will be reduced as construction activities conclude or move to another more distant location within the project site. Based on criteria set forth in the L.A. CEQA Thresholds Guide, construction activities lasting more than 10 days in a threemonth period, which increase ambient exterior noise levels by 5 dBA or more at a noise sensitive use, normally result in a significant impact. Implementation of Mitigation Measures NOI-1 through NOI-7 and NOI-9 reduce the temporary increase in ambient daytime noise levels at the nearby sensitive receptors during project construction to the maximum extent feasible, as required under Section 112.05 of the LAMC. Therefore, the project's short-term on-site construction-related noise impacts are less than significant with implementation of these mitigation measures.

Ground-Borne Vibration: None of the existing off-site residential structures or the commercial/retail uses located to the east of the project site will be exposed to PPV ground borne vibration levels exceeding the FTA and Caltrans' 0.5 inches per second criteria. However, the retail structures located directly to the north of the project site will be exposed to potential vibration levels of 0.998 inches per second, which exceeds the 0.5 inches per second PPV Caltrans' and FTA building damage criteria. Implementation of Mitigation Measure NOI-8 reduces the ground-borne vibration levels at the retail structures located directly to the north of the project site during project construction. Under this mitigation measure, the operation of construction equipment that generates high levels of vibration, such as large bulldozers and loaded trucks, shall be prohibited

within 10 feet of existing retail structures located directly north of the project site during project construction. Instead, small bulldozers not exceeding 310 horsepower shall be used within this area during demolition, grading, and excavation operations. The use of smaller bulldozers results in vibration levels of 0.38 inches per second PPV at these retail uses to the north of the project site, which does not exceed Caltrans' vibration criteria of 0.5 inches per second PPV for continuous/frequent intermittent vibration sources. Therefore, the vibration impact is less than significant with the implementation of Mitigation Measure NOI-8.

# 5. Reference

For a complete discussion of impacts associated with the noise, please see Section 4.3 of the Draft EIR.

#### VIII. ENVIRONMENTAL IMPACTS FOUND TO BE SIGNIFICANT AND UNAVOIDABLE

The project results in the following impact, which is found to be significant and unavoidable.

#### A. Noise

Ambient Noise Levels: During project construction, the project is likely to expose existing off-site sensitive receptors to increased exterior noise levels. With the exception of Cedars-Sinai Medical Center, an increase in ambient exterior noise levels by 5 dBA or more will occur at all of the identified off-site sensitive receptors. Thus, short-term noise impacts from construction at these sensitive offsite locations are significant.

# Mitigation Measure

The City finds that Mitigation Measures NOI-1 through NOI-9, which are incorporated into the project and incorporated in these Findings as fully set forth herein, further reduce construction noise levels at the existing noise sensitive land uses located near the project site. These mitigation measures require the implementation of noise reduction devices and techniques during construction at the project site, which serve to reduce the noise levels associated with construction of the project to the maximum extent that is technically feasible. However, these mitigation measures do not reduce the impact to a less-than-significant level.

# Findings

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

Even with compliance with Mitigation Measures NOI-1 through NOI-9, the temporary impacts related to construction of the project remain significant and unavoidable.

# 3. Rationale for Finding

Due to the proximity of the existing off-site sensitive uses to the project site, the project's construction activities expose these sensitive receptors to increased exterior noise levels. As set forth in the *L.A. CEQA Thresholds Guide*, a project normally has a

significant impact on noise levels from construction if construction activities lasting more than 10 days in a three-month period exceed existing ambient exterior noise levels by 5 dBA or more at a noise-sensitive use. Based on the estimated noise levels at the nearest off-site sensitive receptors to the project site that are shown in Table 4.3-11, it was determined that an increase in ambient exterior noise levels by 5 dBA or more will occur at all of the identified off-site sensitive receptors, with the exception of the Cedars-Sinai Medical Center. The implementation of Mitigation Measures NOI-1 through NOI-9 reduce the construction noise levels at the existing noise sensitive land uses located near the project site. While implementation of these mitigation measures would render the project's construction activities in compliance with the City's noise regulations established in Sections 41.40 and 112.05 of the LAMC because all technically feasible noise-reduction measures will be used at the site, these mitigation measures do not fully attenuate the project's construction noise levels to a degree where an increase in ambient noise levels at the nearest off-site receptors by more than 5 dBA do not occur. An eight-foot barrier at the project site is only effective in reducing noise levels at the ground level. In addition to the Westbury Terrace condominium tower to the west, there are other nearby off-site uses that have receptors located at elevated heights in the direct line-of-sight of the project site during construction. These other nearby off-site uses are the mixed-use residential/retail building to the south (8500 Burton Way) and the multi-family residential buildings to the southwest on Burton Way, which are multi-story buildings. Due to the height of these nearby off-site buildings, no feasible measures are available to reduce the project's construction-related noise levels at these receptors. Consequently, the project's construction noise levels still exceeds the existing ambient noise levels at these nearby multi-story buildings by more than 5 dBA at receptors located above the ground level. Overall, because all of the identified off-site receptors, with the exception of the Cedars-Sinai Medical Center, will experience an increase in their existing ambient noise levels by more than 5 dBA, it is concluded that the project's construction activities generate a substantial temporary or periodic increase in ambient noise levels in the project vicinity, and these construction noise impacts are significant and unavoidable.

#### Reference

For a complete discussion of impacts associated with Noise, please see Section 4.3 of the Draft EIR.

#### IX. ALTERNATIVES TO THE PROJECT

In addition to the project, the Draft EIR evaluated a reasonable range of three alternatives to the project. These Alternatives are: (1) No Project Alternative; (2) Existing Zoning Alternative; and (3) Reduced Density Alternative. In accordance with CEQA requirements, the alternatives to the project include a "No Project" alternative and alternatives designed to reduce or avoid the significant adverse impacts of the project. These alternatives and their impacts, which are summarized below, are more fully described in section VI of the Draft EIR.

# A. Summary of Findings

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

# B. Project Objectives

An important consideration in the analysis of alternatives is the degree to which such alternatives would achieve the objectives of the project. As more thoroughly described in the Chapter 2, *Project Description*, of the Draft EIR, both the City and applicant have established specific objectives concerning the project, which are incorporated by reference herein and discussed further below.

#### C. Project Alternatives Analyzed

# Alternative 1 – No Project Alternative

Alternative 1, the No Project Alternative, would assume that the development of the 20-story mixed-use residential building on the 1.15-acre site would not occur. The No Project Alternative would not require a General Plan Amendment (GPA) to change the land use designation from Neighborhood Office Commercial to General Commercial. Nor would the alternative require a Vesting Zoning and Height District change from C2-1VL-O to (T)(Q)C2-2D-O to change the Height District 1VL to Height District 2D to allow construction of a 240-foot building. Under this Alternative, the existing vacant ground-floor commercial space, previously occupied by the Loehmann's Department Store, would be occupied by another commercial tenant. Under the No Project Alternative, there would be no project, no amendments, and the existing project site would continue to operate consistent with prior operations.

Impact Summary: The project results in a significant and unavoidable impact related to an increase in ambient exterior noise to existing sensitive receptors during construction. This would be avoided under the No Project Alternative. The No Project Alternative would avoid most of the project's less-than-significant impacts as well. The No Project Alternative would not implement or meet any regional or local planning policies.

Findings: The No Project Alternative reduces adverse environmental impacts compared to the project. Therefore, the No Project Alternative is environmentally superior to the project. However, the No Project Alternative does not satisfy any of the Project Objectives, discussed below. It is found, pursuant to Public Resources Code section 21081, subsection (a)(3), that specific economic, legal, social, technological, or other considerations, including considerations identified in Section XII of these Findings (Statement of Overriding Considerations), make infeasible the No Project Alternative described in the Draft EIR.

Rationale for Findings: The No Project Alternative maintains the project site in its current condition with the existing three-story building, with a single-tenant department store space on the ground floor and a three level parking garage (including the roof). There would be no GPA to change the land use designation from Neighborhood Office Commercial to General Commercial, and no demolition, construction, and use of a mixed-use residential project. As a result, the No Project Alternative would not create 145 residential units, 7 of which would be set aside for Very Low Income Households and 6 for Moderate Income Households, nor generate 84 employees. In addition, the No Project Alternative would not create community serving amenities such as the 31,055 square feet of commercial retail uses, including a 27,685 square-foot grocery market and 3,370 square feet restaurant space, or ground level open space and water features. Therefore, the No Project Alternative would not meet any of the Project Objectives.

Reference: For a complete discussion of impacts associated with Alternative 1, please see Chapter 6 of the Draft EIR.

# 2. Alternative 2 - Existing Zoning Alternative

Alternative 2, the Existing Zoning Alternative, would develop the project site in compliance with the existing zoning and height designations. The Wilshire Community Plan designates the project site as Neighborhood Office Commercial and the Citv's Zoning Code designates the project site as C2-1VL-O (Commercial, Height District 1VL, Oil Drilling District). Under the existing zoning, Height District 1VL is limited to a maximum building height of 45 feet, and a FAR of 1.5:1. Uses permitted in the C2 zone include, but are not limited to, offices (business or professional), retail stores or repair shops, restaurants or cafes, amusement enterprises, residential uses (that must comply with requirements of the R4 zone, Section 12.11, C.2 and 3), uses permitted in C1.5 Limited Commercial Zones, including retail and specialty stores, hotels, and residential uses, hospitals, and medical or dental clinics and laboratories. Under this Alternative, there would be no GPA to change the land use designation from Neighborhood Office Commercial to General Commercial. Under the Existing Zoning Alternative, there would be two development options. Option 1 would include the development of a 3-story, 45foot tall building, with 132,000 square feet of medical office uses on all three floors. Option 2 would include the development of a 3-story, 45-foot tall building, with ground floor medical office uses and 2 stories of residential units above, totaling 40 units (20 units per floor). Under both options, there would be two levels of underground parking.

Impact Summary: The Existing Zoning Alternative (Options 1 and 2) would not avoid the project's significant and unavoidable construction noise impact. In addition, this Option 1 would increase the daily vehicle trips to the project site compared to the project. Given this increase, the volume-to-capacity ratio at these intersections would increase and potentially exceed the significance thresholds set forth by LADOT and City of Beverly Hills.

Findings: The Existing Zoning Alternative would have a similar significant and unavoidable impact as the project, with regard to construction noise. In addition, this option would increase the daily vehicle trips to the project site compared to the project. Given this increase, the volume-to-capacity ratio at these intersections would increase and potentially exceed the significance thresholds set forth by LADOT and City of Beverly Hills. Thus, it is likely that Alternative 2, Option 1 would result in a greater transportation impact than the proposed project. Impacts associated with the remaining environmental issues would be similar or less than those of the proposed project. Alternative 2 is rejected as infeasible because it does not satisfy the basic project objectives.

Rationale for Findings: Option 1 would meet the project objectives to provide services needed in the community and to minimize impacts to the environmental by using sustainable building practices including water and energy saving design principles. Given that Alternative 2, Option 1 would develop the site with medical office uses only, though, it would not meet the project objective to develop the project site with an aesthetically pleasing and well-designed mixed-use housing and retail development. While this option would develop a new use on the project site, the aesthetic character and use of the site would be similar to what currently exists. In addition, Option 1 would not fully meet the project objectives that promote the development of high quality, high-density mixed-use residential and retail uses adjacent to major public transportation lines, in close proximity to employment, goods, and services, and near compatible uses. It would also not meet the project objective to create open space and recreational opportunities for residents, nor would it provide new ground level open space and water features that would enhance the visual character of the neighborhood. Furthermore, this

alternative would not encourage pedestrian activity with walkability and safety improvements, landscaping, and high quality architecture.

Option 2 would include the development of both medical office and residential uses. Similar to Option 1 and the project, Option 2 would meet the project objectives to provide goods and services needed in the community and to minimize impacts to the environmental by using sustainable building practices including water and energy saving design principles. However, while this alternative would provide mixed-use housing that is complementary to the community's character, adjacent to major public transportation lines, to employment, goods, and services, and near compatible uses, it would not provide high-density housing which is one of the key components of the project objectives. Thus, Option 2 would not meet this objective. In addition, Option 2 would not create open space and recreational opportunities for residents, nor would it provide new ground level open space and water features that would enhance the aesthetic of the neighborhood. Furthermore, this alternative would not encourage pedestrian activity with walkability and safety improvements, landscaping, and visually stimulating architecture.

Reference: For a complete discussion of impacts associated with Alternative 1, please see Chapter 6 of the Draft EIR.

# 3. Alternative 3 – Reduced Density Alternative

The Reduced Density Alternative would reduce the density of the project, including a reduction in height, commercial square footage, and residential units. The height of the building would be reduced from 240 feet to 87 feet, which would reduce the structure from 20 stories to a maximum of 8 stories in height. Residential units would be reduced to 87 units and commercial square footage would be reduced to 20,000 square feet. Under this Alternative, an amendment to the General Plan would still be required to change the land use designation from Neighborhood Office Commercial to General Commercial, consistent with surrounding designations. In addition, a Zoning and Height District amendment would also be required to change the designation from C2-1VL-O to (T)(Q)C2-2D-O, which would allow an increase in building height from 45 feet to 87 feet high. This Alternative would develop an 8-story, 87-foot tall, mixed-use residential building similar to the neighboring 8-story mixed use residential/retail building at 8500 Burton Way, with 20,000 square feet of ground floor commercial-retail land uses, 87 residential units above, and two levels of underground parking and two levels of above-ground parking.

Impact Summary: The Reduced Density Alternative would not avoid the project's significant and unavoidable construction noise impact. Impacts associated with the remaining environmental issues would be similar or slightly less than those of the project. Because Alternative 3 would not meet basic project objectives, it is rejected as infeasible.

Findings: Under Alternative 3, similar amendments to the Zoning and Height District designations would be required to change the allowable building height as the project. In addition, a GPA would be required to change the land use designation from Neighborhood Office Commercial to General Commercial. Alternative 3 would be required to comply with the City's Building Code requirements and, as such, noise impacts associated with land use compatibility would be less than significant, similar to those of the project. But the Reduced Density Alternative would not avoid the significant and unavoidable impact of the project with respect to construction noise.

Rationale for Findings: The Reduced Density Alternative would reduce the density of the project, including a reduction in height, commercial square footage, and residential units. The height of the building would be reduced from 240 feet to 87 feet, which would reduce the structure from 20 stories to a maximum of 8 stories in height. Residential units would be reduced to 87 units and commercial square footage would be reduced to 20,000 square feet. Similar to the project, the Reduced Density Alternative would include both commercial/retail and residential uses. The Reduced Density Alternative would meet the project objectives to include retail that provides goods and services needed in the community and to minimize impacts to the environment by using sustainable building practices including water and energy saving design principles. However, while this alternative would provide mixed-use housing that is complementary to the community's character and uses, adjacent to major public transportation lines, and close to employment, goods and services, it would not provide high-density housing, one of the key components of the project objectives. While this alternative would provide an amenity level, similar to the project, it would not provide new ground level open space and water features that would enhance the neighborhood. Thus, this alternative would not meet the project objectives to provide open space and amenities for pedestrians and residents. Furthermore, this alternative would not encourage pedestrian activity with walkability and safety improvements, landscaping, and high quality architecture.

Reference: For a complete discussion of impacts associated with Alternative 1, please see Chapter 6 of the Draft EIR.

# D. Alternatives Rejects as Being Infeasible

In addition to the three alternatives listed above, two other alternatives were considered and rejected. The first alternative considered, the All Commercial Alternative, would require the same General Plan Amendment and Zoning Code Change as the project. However, the building would contain a ground floor grocery market and commercial office above. Under this Alternative, there would be no residential uses on-site. The height of the building under this Alternative would be reduced to 11 stories. While this alternative would reduce the duration of construction activities and, therefore, shorten the duration of construction noise impacts to the surrounding sensitive receptors, there would still be a significant and unavoidable noise impact. In addition, as an all-commercial use, this alternative would conflict with the Wilshire Community Plan which identifies La Cienega Boulevard as a mixed-use corridor and which promotes the development of new mixed-use residential uses to activate a high-trafficked corridor. Accordingly, this alternative was considered but rejected as infeasible

The second alternative, Alternative Off-site Location, would consider an alternate site. This alternative was rejected as being infeasible because development of the project at an alternate off-site location would not be consistent with the project's purpose and objectives. The project's purpose and key objectives are to develop an underutilized site with an aesthetically pleasing and well-designed mixed-use housing and retail development that is distinctive and complementary to the community's commercial and mixed-use character and that locates high-density residential uses adjacent to major transportation lines including the planned Metro Purple Line station at Wilshire Boulevard and La Cienega Boulevard, existing Metro local bus lines, Los Angeles Department of Transportation DASH route and an Antelope Valley bus line. Moreover, the mixed-use nature of the project would not complement another location that is not designated a mixed-use boulevard. As such, the project is focused on the development of the particular site, which is under the ownership of the project applicant. No equivalent alternative site exists. Accordingly, this alternative was considered but rejected as infeasible.

#### E. Environmentally Superior Alternative

Section 15126.6(e)(2) of the CEQA Guidelines indicates that an analysis of alternatives to a project shall identify an Environmentally Superior Alternative among the alternatives evaluated in the EIR. The CEQA Guidelines also state that should it be determined that the No Project Alternative is the Environmentally Superior Alternative, then the EIR shall identify another Environmentally Superior Alternative among the remaining alternatives.

The Draft EIR provides a comparative summary of the environmental impacts anticipated under each alternative with the environmental impacts associated with the project in Table 6-1, Summary of Project and Alternative Impacts. Pursuant to Section 15126.6(c) of the CEQA Guidelines, the analysis presented above addresses the ability of the alternatives to "avoid or substantially lessen one or more of the significant effects" of the project.

As previously stated, the intent of the alternatives analysis is to reduce the significant impacts of a project. Implementation of the project would result in a significant and unavoidable impact on a project level with regard to construction noise.

Alternative 1, the No Project Alternative, would eliminate all of the significant impacts of the project, including construction noise, as there would be no change to the existing site conditions. As Alternative 1 eliminates all of the project's significant impacts, it is determined to be the Environmentally Superior Alternative. In accordance with the CEQA Guidelines requirement to identify an Environmentally Superior Alternative other than the No Project Alternative, a comparative evaluation of the remaining alternatives was conducted and indicates that Alternative 2, the Existing Zoning Alternative, Option 2 would reduce project impacts to a greater degree than Alternative 3; however, the significant and unavoidable impact to construction noise would remain under both Alternatives 2 and 3. Nonetheless, because Alternative 2, Option 2 reduces impacts to a greater degree than Alternative 3, the Existing Zoning Alternative, Option 2 is selected as the Environmentally Superior Alternative.

#### X. OTHER CEQA CONSIDERATIONS

# A. Growth Inducing Impacts

Section 15126(d) of *CEQA Guidelines* requires that an EIR discuss the ways in which the project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment.

The project would develop a 20-story mixed-use residential building, with commercial retail on the ground floor and 145 residential units (Levels 5-19), with 7 of those units set aside for Very Low Income Household and 6 units set aside for Moderate Income Households. The 145 residential units would generate approximately 331 new residents to the Wilshire Community Plan area. The project would also provide employment opportunities, primarily through employment associated with the 31,055 square feet of commercial retail development, including a 27,685 square-foot grocery market and 3,370 square feet of restaurant space. The residential units provided by the project would be expected to result in direct population growth. Growth inducement potential can be measured through evaluating consistency with regional growth projections. The City of Los Angeles anticipates at build-out (which was projected for the year 2010 but was not reached at the time), that the Wilshire Community Plan area would increase by an overall 29 percent to 377,144 from a 2014 population of 290,383 persons, which would

therefore accommodate the increases in population and housing anticipated by the project. The project's population represents 0.39 percentage of the 2010 population growth forecast. Because the proposed project would include the construction of both residential and commercial uses, some of the additional demand for commercial uses that would be generated by the proposed residential uses could be accommodated on the project site. The proposed commercial uses could also result in a limited potential to demand housing for its employees, but employees would be filled by the local economy and would not require employees to move to the project or vicinity. Therefore, the implementation of the project would not result in a substantial inducement of growth at the project site or in the vicinity.

A project would indirectly induce growth if it would increase the capacity of infrastructure in an area in which the public service currently meets demand. Examples would be increasing the capacity of local utilities or roadway improvements beyond that needed to meet existing demand. Such an increase could indirectly induce population growth within the vicinity of a project. The project proposes amendments to the General Plan and Zoning Code, which would modify the City's existing land use and could potentially result in the need to increase the City's infrastructure to service the project site. However, as discussed in the Initial Study (Appendix A), the project site is located on an already developed site and would utilize existing infrastructure connections. Thus, the project would not result in the need for additional infrastructure in the vicinity of the project and, thus, no indirect growth would occur. No other sources of indirect growth have been identified.

# B. Significant Irreversible Environmental Changes

In accordance with Section 15126.2(c) of the CEQA Guidelines, an EIR is required to evaluate significant irreversible environmental changes that would be caused by implementation of the project. As stated in CEQA Guidelines Section 15126.2(c), "[u]ses 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 unlikely. 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 require the consumption of renewable and non-renewable resources during the temporary construction phase of the project and would continue throughout its operational lifetime. Project development would include the following commitment of resources: building materials, fuel and operational materials/resources, and transportation of goods and people to the project site. Several non-renewable resources, or renewable resources that are non-replenishable or may renew so slowly as to be considered non-renewable, would be required during project construction, such as certain types of lumber and other forest supplies; aggregate materials contained in concrete and asphalt including sand, gravel and stone; metals such as steel, cooper, and lead; petrochemical construction materials such as plastics; and water. Additionally, non-renewable fossil fuels such as gasoline and oil would also be consumed in the use of construction vehicles and equipment, as well as the transportation of goods and people to and from the project site.

Project operation would increase the amount of nonrenewable resources that are currently consumed within the City. These resources would include energy resources and natural gas, petroleum-based fuels required for vehicle-trips, fossil fuels and water.

Fossil fuels would be considered the primary energy source associated with both construction and ongoing operation of the proposed project, and the existing, finite supplies of these natural resources would be incrementally reduced. However, this resource consumption would be consistent with growth and anticipated growth in the Los Angeles area.

In addition, the project would contribute to a land use pattern that would reduce reliance on private automobiles and the consumption of nonrenewable resources when considered in a larger context. The project would provide 145 residential units close to the regional commercial uses immediately north of the project site such as the Beverly Center and Beverly Connection. The project site is located within a highly urbanized neighborhood, with access to public transit and bicycle infrastructure. Given its location, the project site would support pedestrian access to a considerable range of employment, retail, and entertainment activities. The project also provides access to the regional transit system, including various Metro Local bus lines 105, 21, 707, 16/316, and 30/330; the DASH bus lines; and the Antelope Valley Transit bus lines. The future Wilshire/La Cienega Station as a result of the heavy-rail (subway) Metro Purple Line extension is anticipated to be located within one-half mile of the project site. These factors would contribute to a land use pattern that is considered to reduce the consumption of non-renewable resources.

The project would be designed to meet certain LEED standards through the incorporation of green building techniques and other sustainability features. Energy efficient features include, but are not limited to: energy efficiency above that required by Title 24; construction and demolition waste recycling; bicycle storage; storm water treatment features; energy-star rated residential appliances, green roofs to provide open space and reduce solar gain; and HVAC features that improve indoor environmental quality.

Continued use of non-renewable resources during construction and operation on a relatively small scale would be 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. Also, 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 be less than significant.

# C. CEQA Considerations

- 1. The City, acting through the Department of City Planning, is the "Lead Agency" for the project evaluated the EIR. The City finds that the EIR was prepared in compliance with CEQA and the CEQA Guidelines. The City finds that it has independently reviewed and analyzed the EIR for the project, that the Draft EIR which was circulated for public review, reflected its independent judgment, and that the Final EIR reflects the independent judgment of the City.
- 2. The EIR evaluated the following potential project and cumulative environmental impacts: Aesthetics, Land Use and Planning, Noise, and Transportation and Circulation. Additionally, the EIR considered Growth Inducing Impacts and Significant Irreversible Environmental Changes. The significant environmental impacts of the project and the alternatives were identified in the EIR.

- 3. The City finds that the EIR provides objective information to assist the decisions makers and the public at large in their consideration of the environmental consequences of the project. The public review period provided all interested jurisdictions, agencies, private organizations, and individuals the opportunity to submit comments regarding the Draft EIR. The Final EIR was prepared after the review period and responds to comments made during the public review period.
- 4. Textual refinements and errata were compiled and presented to the decision makers for review and consideration. The City staff has made every effort to notify the decision makers and the interested public/agencies of each textual change in the various documents associated with project review. These textual refinements arose for a variety of reasons. First, it is inevitable that draft documents would contain errors and would require clarifications and corrections. Second, textual clarifications were necessitated in order to describe refinements suggested as part of the public participation process.
- 5. The Department of City Planning evaluated comments on environmental issues received from persons who reviewed the Draft EIR. In accordance with CEQA, the Department of City Planning prepared written responses describing the disposition of significant environmental issues raised. The Final EIR provides adequate, good-faith and reasoned response to the comments. The Department of City Planning reviewed the comments received and responses thereto and has determined that neither the comments received nor the responses to such comments add significant new information regarding environmental impacts to the Draft EIR. The Lead Agency has based its actions on full appraisal of all viewpoints, including all comments received up to the date of adoption of these findings, concerning the environmental impacts identified and analyzed in the EIR.
- 6. The Final EIR documents changes to the Draft EIR. The Final EIR provides additional information that was not included in the Draft EIR. Having reviewed the information contained in the Draft EIR and the Final EIR and in the administrative record, as well at the requirements of CEQA and the CEQA Guidelines regarding recirculation of Draft EIRs, the City finds that there are no new significant impacts, substantial increase in the severity of a previously disclosed impact, significant information in the record of proceedings or other criteria under CEQA that would require recirculation of the Draft EIR, or preparation of a supplemental or subsequent EIR.

#### Specifically, the City finds that:

- a) The Responses To Comments contained in the Final EIR fully considered and responded to comments claiming that the project would have significant impacts or more severe impacts not disclosed in the Draft EIR and include substantial evidence that none of these comments provided substantial evidence that the project would result in changed circumstances, significant new information, considerably different mitigation measures, or new or more severe significant impacts than were discussed in the Draft EIR.
- b) The City has thoroughly reviewed the public comments received regarding the project and the Final EIR as it relates to the project to determine whether under the requirements of CEQA any of the public comments provide substantial evidence that would require recirculation of the EIR prior to its adoption and has determined that recirculation of the EIR is not required.
- c) None of the information submitted after publication of the Final EIR constitutes significant new information or otherwise requires preparation of a supplemental or

subsequent EIR. The City does not find this information and testimony to be credible evidence of a significant impact, a substantial increase in the severity of an impact disclosed in the Final EIR, or a feasible mitigation measure or alternative not included in the Final EIR.

- 7. The mitigation measures identified for the project were included in the Draft and Final EIRs. As revised, the final mitigation measures for the project are described in the Mitigation Monitoring Program (MMP). Each of the mitigation measures identified in the MMP is incorporated into the project. The City finds that the impacts of the project have been mitigated to the extent feasible by the mitigation measures identified in the MMP.
- 8. CEQA requires the Lead Agency approving a project to adopt a MMP or the changes to the project which it has adopted or made a condition of project approval in order to ensure compliance with the mitigation measures during project implementation. The mitigation measures included in the EIR as certified by the City as adopted by the City serves that function. The MMP includes all of the mitigation measures and project design features adopted by the City in connection with the approval of the project and has been designed to ensure compliance with such measures during implementation of the project. In accordance with CEQA, the MMP provides the means to ensure that the mitigation measures are fully enforceable. In accordance with the requirements of Public Resources Code Section 21081.6, the City hereby adopts the MMP.
- 9. In accordance with the requirements of Public Resources Section 21081.6, the City hereby adopts each of the mitigation measures expressly set forth herein as conditions of approval for the project.
- 10. The custodian of the documents or other material which constitute the record of proceedings upon which the City's decision is based is the Department of City Planning.
- 11. The City finds and declares that substantial evidence for each and every finding made herein is contained in the EIR, which is incorporated herein by this reference, or is in the record of proceedings in the matter.
- 12. The City is certifying an EIR for, and is approving and adopting findings for, the entirety of the actions described in these Findings and in the EIR as comprising the project.
- 13. The EIR is a Project EIR for purposes of environmental analysis of the project. A Project EIR examines the environmental effects of a specific project. The EIR serves as the primary environmental compliance document for entitlement decisions regarding the project by the City and other regulatory jurisdictions.
- 14. The City finds that none of the public comments to the Draft EIR or subsequent public comments or other evidence in the record, including the changes in the project in response to input from the community and the Council Office, include or constitute substantial evidence that would require recirculation of the Final EIR prior to its certification and that there is no substantial evidence elsewhere in the record of proceedings that would require substantial revision of the Final EIR prior to its certification, and that the Final EIR need not be recirculated prior to its certification.

# XI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Final EIR identified the following significant and unavoidable impact: 1) Noise – Onsite Construction Noise. Section 21081 of the California Public Resources Code and

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

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

Summarized below are the benefits, goals, and objectives of the project. These provide the rationale for approval of the project. Any one of the overriding considerations of economic, social, aesthetic and environmental benefits individually would be sufficient to outweigh the significant unavoidable impact of the project and justify the approval, adoption or issuance of all of the required permits, approvals and other entitlements for the project and the certification of the completed Final EIR.

Despite the unavoidable noise impact caused by the construction of the project, the City approves the project based on the following contributions of the project to the community. The project will:

- Develop an infill site with a high-density, mixed-use development with much needed rental housing, including 7 units for Very Low Income Households and 6 units for Moderate Income Households, near employment centers like the Cedars-Sinai Medical Center and Beverly Center, and next to the mixed-use boulevard and district identified in the Wilshire Community Plan along 3<sup>rd</sup> Street between La Cienega Boulevard and Fairfax Avenue.
- Provide new retail with goods and services needed in the community, specifically a 27,685 square-foot grocery market and a 3,370 square-foot restaurant, that complements the commercial uses in the surrounding vicinity, including the Beverly Center, Beverly Connection, commercial/retail shops along 3<sup>rd</sup> Street and the ground floor retail located at 8500 Burton Way. These new retail uses will also generate 84 new jobs.
- Reinforce the City's commitment to facilitating a reduction in air quality, greenhouse
  gas and traffic impacts by locating employment-generating land uses and residences
  in an area well served by public transportation, including, but no limited to, the Metro
  Purple Line station at Wilshire Boulevard and La Cienega Boulevard (expected 2023)
  and existing Metro local bus lines, a Los Angeles Department of Transportation
  DASH route, and an Antelope Valley bus line, thereby reducing vehicles miles
  traveled and associated air quality and greenhouse gas emissions impacts.

- Support the City's policies related to encouraging multimodal transit by providing 299 bicycle parking spaces throughout the project site, including in a fully-covered and secured "bike lounge" with direct access to the bicycle lane on San Vicente Boulevard. In addition, the project improves bicyclist safety by adding green painted bicycle lanes with conflict markings along San Vicente Boulevard and Burton Way, and adding a bicycle signal request light on the west side of the project site along San Vicente Boulevard. The project further supports other modes of transit by adding a new bus shelter for the Metro Local Route 105 bus line along La Cienega Boulevard, north of San Vicente Boulevard.
- Add new open space by replacing an underutilized building currently used as a
  parking structure with a new, ground level 6,910 square-foot plaza with landscaping
  and a water feature with sitting areas at the corner of La Cienega Boulevard and San
  Vicente Boulevard that enhances the visual character of the neighborhood and
  creates a pedestrian-friendly environment within and around the project site. This
  new open space at this location also establishes a primary entry to the Cedars SinaiBeverly Center as recommended by the Wilshire Community Plan.
- Activate the public realm and improve the pedestrian experience by enhancing the existing streetscape with improvements, such as new trees and sidewalk parkways. In addition, the project further supports pedestrian safety by adding the following: enhanced crosswalks from the project site across La Cienega Boulevard, San Vicente Boulevard and on Burton Way; a widened crosswalk in front of 8500 Burton Way; a new controlled right-turn light along the southbound lane of La Cienega Boulevard, north of San Vicente Boulevard; a new landscaped median with a pedestrian refuge island along La Cienega Boulevard, north of San Vicente Boulevard; and a new pedestrian signalized crossing with enhanced crosswalks at La Cienega Boulevard and Blackburn Avenue.
- Create a 1,650 square-foot community room with a small meeting room and preparation kitchen for the use of residents and other community members.

Finding: For all the foregoing reasons, the City finds that the benefits of the project, as approved, outweigh and override the significant and unavoidable impact identified above.

#### PUBLIC HEARING AND COMMUNICATIONS

# **Summary of Public Hearing Testimony and Communications Received**

The Public Hearing on this matter was held at Los Angeles City Hall in Downtown Los Angeles, Room 1020 on September 21, 2016 at 10:30 AM.

- 1. Present: Approximately 45 people attended the hearing including, but not limited to, the applicant and team members, community members, members of organizations such as the Mid City West Community Council and the Westbury Terrace Homeowner's Association, and a representative from Council District 5.
- 2. Public Speakers: 27 total speakers, approximately 7 people spoke in opposition and/or stated concerns with the project and 20 people spoke in support of the project.
- 3. The Applicant and team member, Rick Caruso and Sam Garrison, made an approximately 15 minute presentation. Mr. Caruso presented an overview of the project's site history and described the neighborhood, and Mr. Garrison provided a description of the community outreach and the proposed project and community benefits. Below is a summary of Mr. Garrison's comments:
  - The applicant team met with local groups including Mid City West Community Council and Westbury Terrace Homeowner's Association;
  - The project was designed to create walkable streets surrounding the project site and improve pedestrian safety. Specifically, the project will create a new crosswalk at La Cienega Boulevard and Blackburn Avenue and a controlled right-turn lane on southbound La Cienega to Burton Way;
  - A publically accessible open space is provided;
  - The project creates neighborhood-serving retail;
  - The applicant will improve existing bicycle lanes in the project vicinity and provide additional amenities for bicyclists;
  - A community room will be included in the project;
  - Affordable housing is provided pursuant to SB 1818 including units for Very Low Income Households;
  - Architecture will create an iconic building that is built to last;
  - The applicant will landscape medians on San Vicente Boulevard and La Cienega Boulevard:
  - The project will provide a new bus shelter;
  - During construction, a one-call phone number and email address will provided.
- 4. Below is a summary of comments from speakers opposed to or concerned with one or more aspects of the project:
  - The project is an example of spot-zoning;
  - Project's height overshadows neighbors:
  - Traffic will increase:
  - Homelessness around project site not addressed;
  - Want planned development not City Council legislative actions;
  - No community need for luxury housing:
  - Entitlements outweigh community benefit;
  - Project does not comply with Wilshire Community Plan or General Plan Framework.

- 5. Below is a summary of comments from speakers in support of the project:
  - The project will beautify the neighborhood and promote public safety;
  - The project will replace 3 levels of parking;
  - A modern building that is vivid and will create a safe, walkable environment;
  - Reduced traffic from creating a housing option near multimodal transit, reducing greenhouse gases in the process;
  - Helps address housing shortage by creating both market-rate and affordable housing;
  - The project will help create a better live/work balance;
  - Raised revenue for the City will be created;
  - Project will create employment opportunities;
  - The developer, Rick Caruso, is trusted. 8500 Burton Way improvements are a good example:
  - The proposed grocery market will serve the community, especially seniors;
  - The existing commercial building is outdated and this project is an improvement that coincides with the renaissance of 3<sup>rd</sup> Street;
  - Bike and street improvements are welcomed;
  - Community members will be able to walk to the project's retail establishments and experience urban living;
  - Keep the thinner, 20-story tower rather than a wider, shorter alternative;
  - The development will raise local property values;
  - Developer listened to community concerns at multiple meetings;
  - Project will improve crosswalks for Our Lady of Mt. Lebanon-St. Peter Cathedral parishioners around the project site;
  - Sidewalks will be improved with street trees and a median will be landscaped;
  - This is a high-density area in which the project is appropriate;
  - Community needs change; needs to go forward not backward.
- 6. The representative from Council District 5 spoke generally in support of the project and communicated that the neighborhood council should weigh in first before a formal position is taken by the Council Office.
- 7. Prior to the close of the hearing Mr. Caruso and Mr. Garrison answered questions from the Deputy Advisory Agency and the Bureau of Engineering and made the following final comments:
  - Bicycle land improvements will be made on San Vicente Boulevard and La Cienega Boulevard in accordance with Mobility Plan 2035;
  - The applicant commits to landscaping and maintenance of medians as a condition of approval for the project;
  - Homeless individuals do not congregate on the current property but in the public rights-of-way including the traffic islands;
  - Crime has gone down at the Grove and this project will feature security.
- 8. Communications Received.
  - Approximately 33 letters were received which are located in the case file.



EXHIBIT A

# 333 LA CIENEGA BOULEVARD

ENTITLEMENT DRAWING SET - OCTOBER 21, 2016





ZONING CALCULATIONS **SUMMARY OF PARKING REGULATIONS** - per LAMC 12.21.A.4 ZONING Residential 1 Bedroom Unit 1.5 spaces/unit (dwelling unit =3 habitable rooms) 1 Bed+Den, 2 & 3 Bedroom Units 2.0 spaces/unit (dwelling unit >3 habitable rooms) Commerical 4 spaces/1,000 sf Restaurant (>1,000 sf) 10 spaces/1,000 sf **REQUIRED PARKING** Residential Ratio 1 Bedroom Units (=3 habitable rooms) 1.5/unit 1+Den, 2, 3-Bed Units (>3 habitable rooms) 75 2.0/unit 150 Sub-Total Required Required Stalls: Less Bicycle Parking Reduction (15% Max. Used): Total Required Residential Stalls: Area Ratio Commerical Required Spaces 27,685 4/1,000 sf Restaurant 3,370 10/1,000 sf Sub-Total Required Required Stalls: 145 Less Bike Conversion Reduction (30% Max. - 18% Used): **Total Required Commercial Stalls:** Parking for Burton Way: TOTAL PARKING REQUIREMENT 361 PARKING PROVIDED Level 4 Level 3 Level 2 Sub-Total Residential: Level P1 Level P2 Sub-Total Commercial: TOTAL PARKING PROVIDED: 362 **BICYCLE PARKING** - per Ordinance 182386, LAMC - 12.21.A.16 Residential Short-Term Bicycle Parking 0.1 spaces/unit Long-Term Bicycle Parking 1.0 spaces/unit Commerical (Retail & Restaurant) FAR Short-Term Bicycle Parking 1 space/2,000 sf Long-Term Bicycle Parking 1 space/2,000 sf **REQUIRED BICYCLE PARKING** Residential Units Ratio Required Spaces Short-Term Bicylce Parking 145 0.1/unit Long-Term Bicycle Parking 145 1.0/unit Commerical Ratio Required Spaces Short-Term Bicylce Parking 31,055 1/2,000 sf Long-Term Bicycle Parking 31,055 1/2,000 sf Additional Bike Parking for Commerical Reduction of vehicle parking \*4 bike parking stalls for 1 vehicle parking stall from reduction (4 x 26) COMMERCIAL & RESIDENTIAL SHORT-TERM Bike Parking Required: COMMERCIAL LONG-TERM Bike Parking Required: RESIDENTIAL LONG-TERM Bike Parking Required: **BICYCLE PARKING PROVIDED** Enclosed Short-Term Bike Parking Room - Level 1, San Vicente Access: Uncovered Short-Term Bike Parking at La Cienega Retail Entries: Total Short-Term Bike Parking Provided: **33** >31 req'd **COMMERCIAL LONG-TERM Bike Parking Room - Level P1:** 120 =120 req'd RESIDENTIAL LONG-TERM Bike Parking Room - Level P1 (separated from Commercial Bike Parking): RESIDENTIAL LONG-TERM Bike Parking Room - Level P2 118 TOTAL RESIDENTIAL LONG-TERM BIKE PARKING 146 >145 req'd **SUMMARY OF OPEN SPACE REGULATIONS** Residential 1 Bedroom Unit 100 sf/unit (dwelling unit = 2 habitable rooms) 1 Bedroom + Den Units 125 sf/unit (dwelling unit = 3 habitable rooms) ( dwelling unit > 4 habitable rooms) 2 Bedroom & 3 Bedroom Units 175 sf/unit \*For the purpose of calculating open space, a kitchen is not considered a habitable room **REQUIRED OPEN SPACE** Ratio Required Spaces 1 Bedroom Units (=2 habitable rooms) 70 100sf/unit 1 Bed + Den Units (=3 habitable rooms) 1,750 14 125sf/unit 1+Den, 2, 3-Bed Units (<3 habitable rooms) 61 175sf/unit Required Open Space: 19,425 Minimum Common Open Space Required (50%): 9,713 Minimum of 25% of Common Open Space Required for Planting: Maximum Private Open Space at 50sf/unit (all units w/ balconies): 7,250 OPEN SPACE PROVIDED Outdoor Amenity Deck (Level 20): Passive Garden (Level 5): Indoor Amenity Space (Mezzanine @ Lobby): 816 Landscaped Plaza (Level 1): 6,910 > 2,428 sf planting area **Total Common Open Space: 21,498** → *9,713 sf reg'd* All units provided with private balconies: 145 units x 50sf Private Open Space Provided: 7,250 TOTAL OPEN SPACE PROVIDED: 28,748 TREES REQUIRED One 24" box for every 4 units: 145 units / 4 = 37 TREES REQUIRED Trees Provided w/in Property Lines (at-grade & on landscaped decks): New Street Trees Immediately Adjacent to Site: PROVIDED: 62 TREES

ZONE: **CURRENT ZONE - C2-1VL-O** PROPOSED ZONE - C2-2-O **INFORMATION** \*NOTE: The following calculations assume a zone/height district change to C2-2D-O

LOT AREA:

FLOOR AREA:

50,216 sf (1.153 acres) BUILDABLE AREA: 50,216 sf (1.153 acres)

\*Per LAMC Section 12.03, C2 zone buildable area shall have the same meaning as lot area

LOT COVERAGE: - Building: 42.931 sf - Landscaping: 7,285 sf \*5.89:1 Ratio (Building to Landscaping)

SETBACKS REQUIRED: None for Commercial portions [per LAMC Section 12.14.C] None for Residential portions [per exception granted by 12.22.A.18(c)(3)]

SETBACKS PROVIDED: San Vicente: None La Cienega: None Burton Way: None

Common Lot Line (Northern Boundary): None

**BUILDING HEIGHT:** Height District 2 - Max. Height Allowed: No Limit Proposed Building Height:

6.0:1 Ratio (C2-2D zone)

Allowable Floor Area: 50,215 sf X 6.0 = 301,296 sf

- Commercial Restaurant: 3,370 sf

Proposed Floor Area: 294,294 sf - Residential: 265,663 sf - Residential Lobby & Ground Floor Amenity: 3,516 sf Commercial Retail: 27,685 sf

251 DU (50,216 / 200 sf) RESIDENTIAL DENSITY: Allowable Residential Density: \*Per LAMC Section 12.22.A.18

CALCULATION

LEVEL	FLOOR AREA (FAR)	USES
Level 20	10,700 sf	Residential Amenity
Level 19	15,673 sf	Residential Dwelling Units
Level 18	15,973 sf	Residential Dwelling Units
Level 17	15,973 sf	Residential Dwelling Units
Level 16	15,973 sf	Residential Dwelling Units
Level 15	15,973 sf	Residential Dwelling Units
Level 14	15,973 sf	Residential Dwelling Units
Level 13	15,973 sf	Residential Dwelling Units
Level 12	15,973 sf	Residential Dwelling Units
Level 11	15,973 sf	Residential Dwelling Units
Level 10	15,973 sf	Residential Dwelling Units
Level 9	15,973 sf	Residential Dwelling Units
Level 8	15,973 sf	Residential Dwelling Units
Level 7	15,973 sf	Residential Dwelling Units
Level 6	15,973 sf	Residential Dwelling Units
Level 5	15,973 sf	Residential Dwelling Units
Level 4	391 sf	Residential Parking
Level 3	391 sf	Residential Parking
Level 2	391 sf	Residential Parking
L1 Mezzanine	17,074 sf	Commercial & Res. Amenity
Level 1	25,580 sf	Commerical & Res. Lobby
Level P1	235 sf	Commerical Parking
Level P2	237 sf	Commerical Parking
	294,294 sf	TOTAL FAR

RESIDENTIAL **UNIT SUMMARY** 

**DWELLING UNIT MIX** Count Total NET SF 70 72,450 One Bedroom One Bedroom + Den 14 18,690 Two Bedroom 28 53,998 28 31,500 Two Bedroom + Den B Bedroom (incl. Penthouse) 5 44,972 TOTAL UNIT COUNT 145 221,610

\* 7 UNITS DEDICATED TO VERY-LOW INCOME RESIDENTS (5% REQUIREMENT FOR SB 1818) \*\* 6 UNITS DEDICATED TO MODERATE INCOME RESIDENTS (VOLUNTARY)

PARCEL MAP



SHEET INDEX A0.00 COVERSHEET A0.10 ZONING SUMMARY

A0.20 RENDERING A0.30 RENDERING A0.40 RENDERING A0.50 RENDERING A0.60 RENDERING

C1.00 SURVEY A1.00 SITE PLAN A2.01 LEVEL B2 PLAN

A2.02 LEVEL B1 PLAN A2.03 LEVEL 01 PLAN A2.04 LEVEL 01 MEZZANINE PLAN A2.05 LEVEL 02 PLAN

SITE ADDRESS

**OWNERSHIP** 

**CRM Properties** 

T 323.900.8100

F 323.900.8101

101 The Grove Drive

Los Angeles, CA 90036

Contact: Samuel Garrison

RECORDS.

333 La Cienega Boulevard

Los Angeles, CA 90048

PROJECT

**PROJECT** 

LEGAL

DESCRIPTION

DESCRIPTION

VICINITY MAP

INFORMATION

A2.07 LEVEL 04 PLAN A2.08 LEVEL 05 PLAN A2.09 LEVEL 06-18 PLAN A2.10 LEVEL 19 PLAN A2.11 LEVEL 20 PLAN A2.12 ROOF PLAN A0.70 PUBLIC IMPROVEMENTS DIAGRAM

ARCHITECT

500 S. Figueroa Street

Los Angeles, CA 90071

T 213.327.3600

Contact: Olivier Sommerhalder

SECTIONS 8324, 8325, AND 8340, RECORDED DECEMBER 18, 1990 AS INSTRUMENT NO. 90-2079959, OFFICIAL

Beverly Boulevard Dei Barbara Dei Beverly Place

SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 10.72 FEET TO THE TRUE POINT OF BEGINNING. AS

VACATED (BY) RESOLUTION TO VACATE NO. 90-21592, CALIFORNIA STREETS AND HIGHWAYS CODE

Gensler

A3.01 BUILDING SECTION A3.02 BUILDING SECTION A4.01 EAST (LA CIENEGA) ELEVATION A4.02 SOUTH (BURTON WAY) ELEVATION A4.03 WEST (SAN VICENTE) ELEVATION A4.04 NORTH ELEVATION

A2.06 LEVEL 03 PLAN

L.1 GROUND LEVEL PLAZA LANDSCAPE L.2 PODIUM DECK (LEVEL 05) LANDSCAPE L.3 AMENITY DECK (LEVEL 20) LANDSCAPE

LAND USE CONSULTANT

Los Angeles, CA 90049

Contact: Matt Dzurec

Armbruster Goldsmith & Delvac LLP

11611 San Vicente Blvd., Suite 900

T 310.254.9052 F 310.209.8801

Gensier

CARUSO

AFFILIATED

101 The Grove Drive

Los Angeles, CA 90036

500 S. Figueroa Street

Los Angeles, CA 90071

Telephone 213.327.3600

Facsimile 213.327.3601

**CRM Properties** 

	Issue Date & Issue Description By Check
	1 10/05/2016 Revised Entitlement Set
20 STORY RESIDENTIAL & COMMERCIAL RETAIL BUILDING WITH GROUND FLOOR MEZZANINE FOR RETAIL SPACES. 15 RESIDENTIAL LEVELS PLUS ONE RESIDENTIAL AMENITY LEVEL AT TOP OF BUILDING. LOWER 4 LEVELS OF BUILDING CONSIST OF GROUND FLOOR RESTAURANT AND RETAIL (MARKET) SPACES, PLUS MEZZANINES BELOW 3 LEVELS OF ABOVE GRADE PARKING. 2 BASEMENT LEVELS OF PARKING AND MECHANICAL SPACES.	
THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:	
PARCEL 1: LOTS 1, 2, 3, 4, AND 5 IN BLOCK 50 OF TRACT NO. 7555, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 88 PAGES 79 TO 84 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.	
EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS UNDER AND IN LOTS 1, 2, 3, 4, AND 5 IN BLOCK 50 (TITLE CO DESC. SHOWS "30") OF TRACT NO 7555, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 88 PAGES 79 TO 84 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITHOUT RIGHT OF ENTRY, AS CONVEYED TO 2025 NORTH ARGYLE AVENUE, A CORPORATION, BY DEED RECORDED JUNE 20, 1962 IN BOOK D-1656 PAGE 918, OFFICIAL RECORDS.	
PARCEL 2: THAT PORTION OF SAN VICENTE BOULEVARD, VARIABLE WIDTH, ADJOINING LOTS 1 THROUGH 4, BLOCK 50, TRACT NO. 7555, RECORDED IN BOOK 88, PAGES 79 TO 84 INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, BOUNDED AND DESCRIBED AS FOLLOWS:	
COMMENCING AT THE SOUTHEASTERLY CORNER OF LOT 1, BLOCK 50, SAID TRACT NO. 7555; THENCE NORTH 82°10'40" WEST ALONG THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 2.03 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT 2.00 FEET WESTERLY MEASURED AT RIGHT ANGLES FROM THE EASTERLY LINE OF SAID LOT 1, SAID POINT TO BE THE TRUE POINT OF BEGINNING; THENCE SOUTH 01°40'00"	
EAST ALONG SAID PARALLEL LINE A DISTANCE OF 67.94 FEET; THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 17.21	
FEET, THROUGH A CENTRAL ANGLE OF 142°19'19", AN ARC DISTANCE OF 42.75 FEET; THENCE NORTH 39°20'41" WEST ALONG A LINE TANGENT TO SAID CURVE 84.90 FEET; THENCE NORTHWESTERLY ALONG A	
TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 190.00 FEET, THROUGH A CENTRAL	<u> </u>
ANGLE OF 30°58'00", AN ARC DISTANCE OF 102.68 FEET; THENCE NORTH 08°22'41" WEST ALONG A LINE	
TANGENT TO SAID LAST MENTIONED CURVE, 206.59 FEET TO THE SOUTHWESTERLY LINE OF LOT 4, SAID	
BLOCK 50; THENCE SOUTH 26°52'00" EAST, ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 50, 316.16	
FEET TO THE SOUTHWESTERLY CORNER OF SAID BLOCK 50; THENCE SOUTH 82°10'40" EAST ALONG THE	

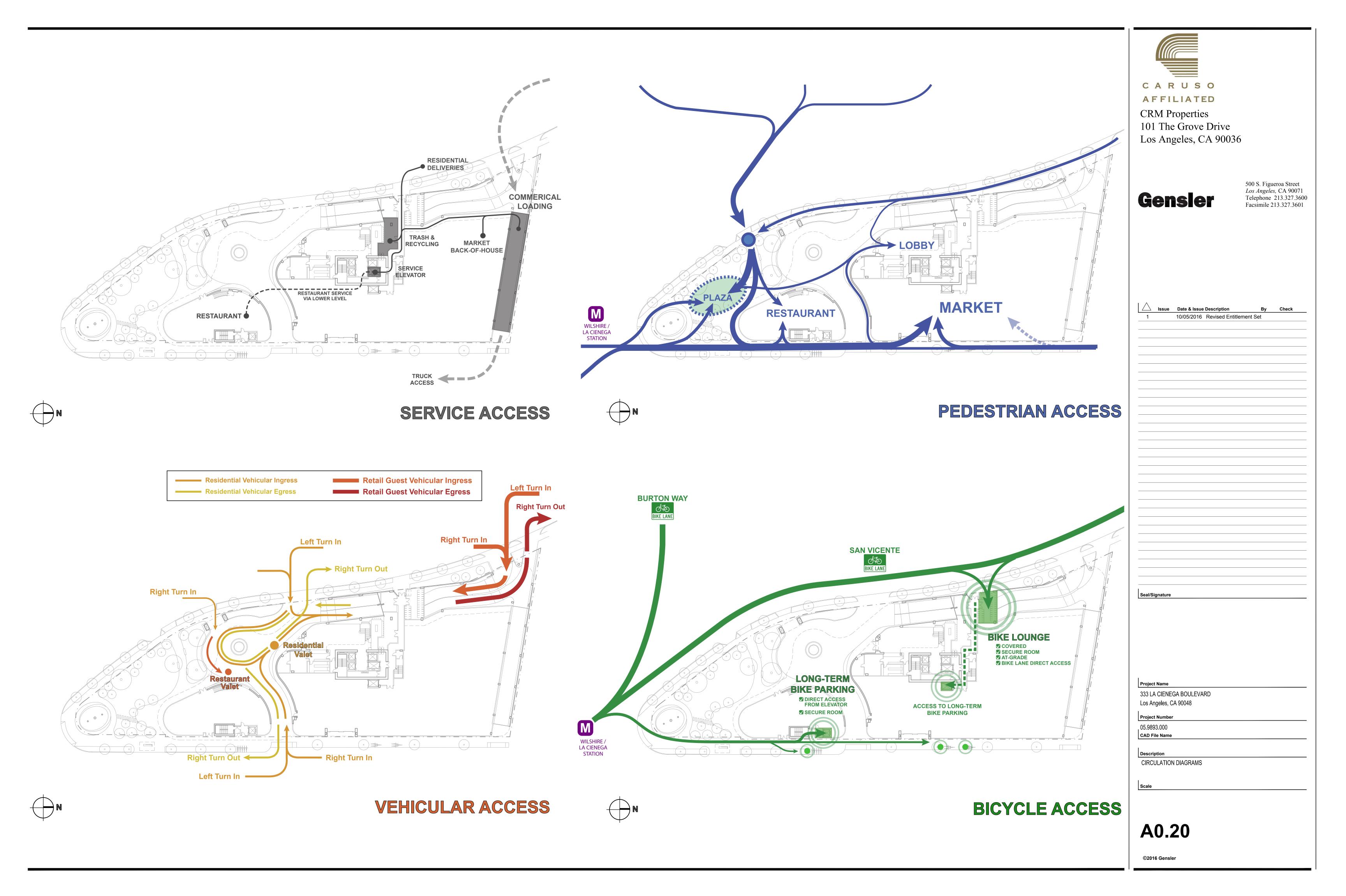
Davis G. Research Bullding Saperstein Critical Care	Codar-Stell Sepvices Building Beverly Boulevard		Elan-Hotel	
Tower Tower	- 8005- B		Los Angeles 8	Helen Oycle
Thalians Mental	Beverly Center	Beverly Connection		
			South Croft Avenue	South Kings Road
Arnaz Dive	South Holt Avenue			West 3rd Street
Burton Way ← 8	+- Burton Way	PROL	FCTS	
/ay → B →	Burton Way  Burton Way	PROJ		Blackbum Avenue
				Avenue
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South Williaman Dr. South Williaman Dr. South Seeborne, Coldate Avenue Roac South Seeborne, Coldate Avenue Roac South Seeborne, Coldate Avenue Roac Roac Roac Roac Roac Roac Roac Roac	South tel		Colgati	e Avenue
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ACTIONS OFFINE PROPERTY		1		Drexel Avenue
110 E3 E3	Ciliton Way			

Project Name 333 LA CIENEGA BOULEVARD Los Angeles, CA 90048 Project Number . 05.9893.000 CAD File Name Description **ZONING SUMMARY** Scale

A0.10

Seal/Signature

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URBAN PLAZA - INTERSECTION OF BURTON WAY, SAN VICENTE AND LA CIENEGA, LOOKING NORTH



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1 10/05/2016 Revised Entitlement Set	
Seal/Signature	

Project Name
333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048
Project Number
05.9893.000
CAD File Name
Description
RENDERING 2
Scale

A0.30

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500 S. Figueroa Street *Los Angeles*, CA 90071 Telephone 213.327.3600 Facsimile 213.327.3601

SUMSVOY	333 MINION TO THE PROPERTY OF		

ENTRY COURT & PLAZA - SAN VICENTE BOULEVARD, LOOKING NORTHWEST

∠ Issue	Date & Issue Description	Ву	Chec
1	10/05/2016 Revised Ent	itlement Set	

Project Name

333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048

Project Number

05.9893.000
CAD File Name

Description
RENDERING 3

A0.40

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500 S. Figueroa Street Los Angeles, CA 90071 Telephone 213.327.3600 Facsimile 213.327.3601

RESTAURANT & PLAZA - VIEW FROM LA CIENEGA BOULEVARD, LOOKING SOUTHWEST

1	Issue		Description  Revised Entitlem	
•		. 5. 55. 25 10	. torious Entitioni	

333 LA CIENEGA BOULEVARD		
Los Angeles, CA 90048		
Project Number		
05.9893.000		
CAD File Name	_	
Description		
RENDERING 4		

A0.50

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STREETSCAPE AT MARKET - LA CIENEGA BOULEVARD, LOOKING NORTHWEST



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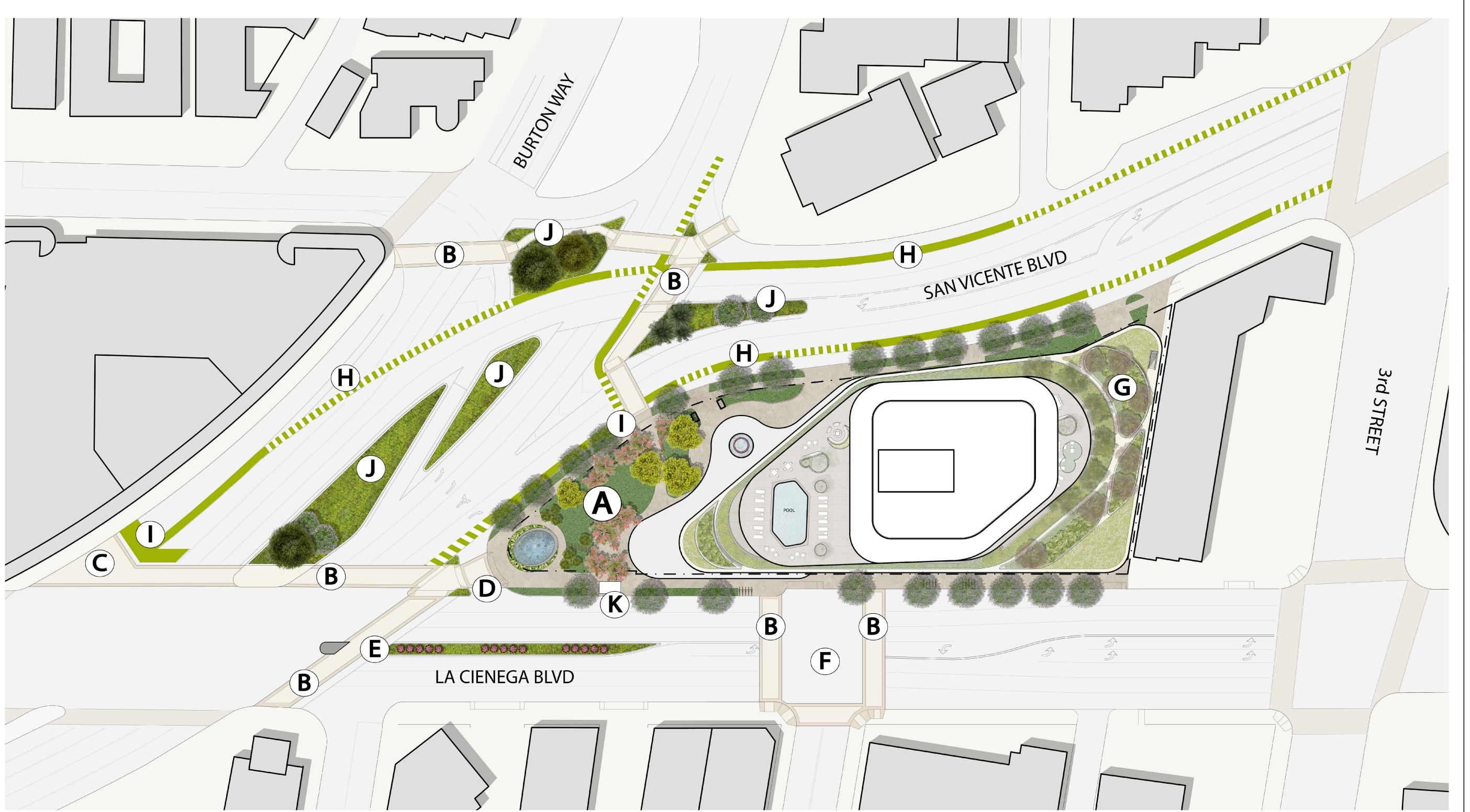
500 S. Figueroa Street *Los Angeles*, CA 90071 Telephone 213.327.3600 Facsimile 213.327.3601

	issue	Date & Issue		ву	Cnec
1		10/05/2016	Revised Entitlement	Set	

333 LA CIENEGA BOULEVARD	
Los Angeles, CA 90048	
Project Number	
05.9893.000	
CAD File Name	
Description	
RENDERING 5	
Scale	

**A0.60** 

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- **G** LANDSCAPED PODIUM LEVEL
- (H) GREEN PAINTED BIKE LANE WITH CONFLICT MARKINGS

- **I** BICYCLE SIGNAL REQUEST
- (J) MAINTAINED LANDSCAPE MEDIANS
- (K) NEW TRANSIT STOP SHELTER

CARUSO AFFILIATED **CRM Properties** 101 The Grove Drive Los Angeles, CA 90036

Gensler

500 S. Figueroa Street Los Angeles, CA 90071 Telephone 213.327.3600 Facsimile 213.327.3601

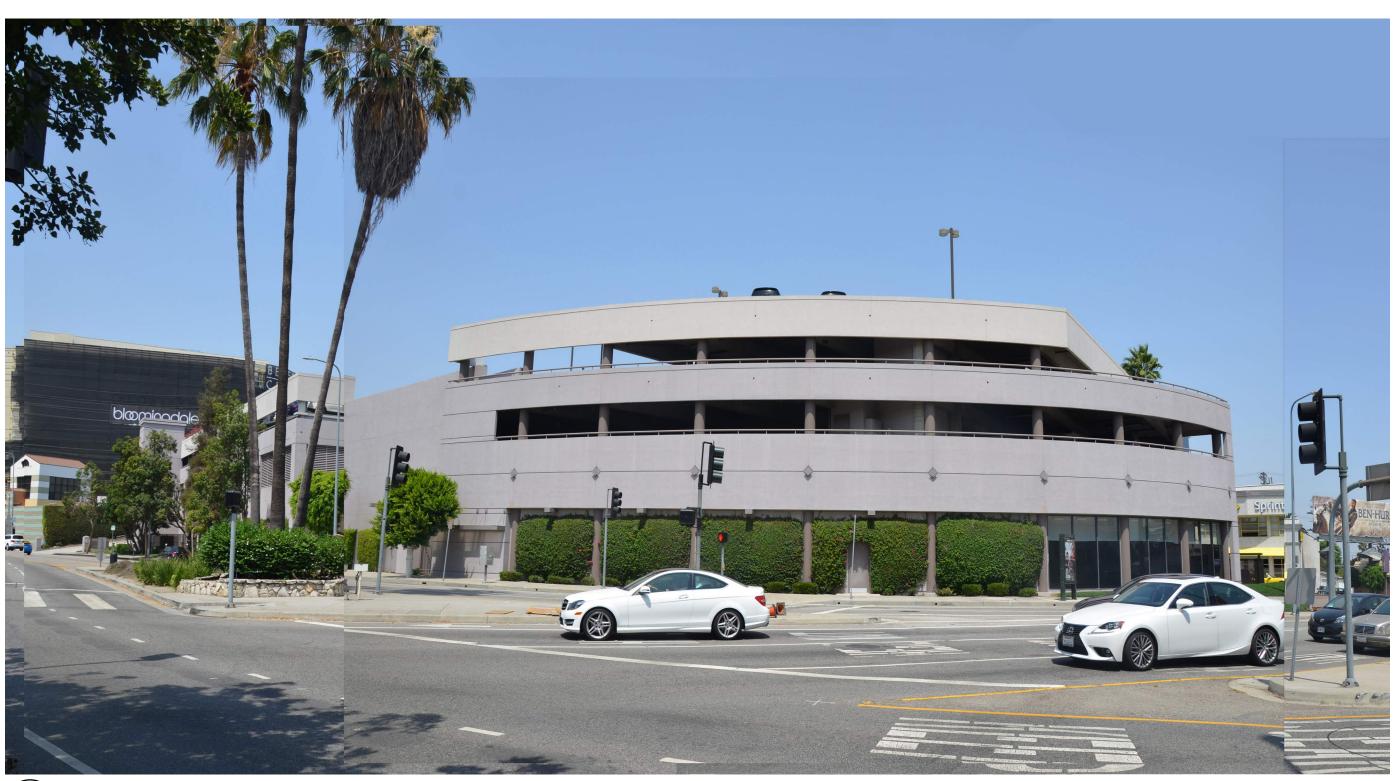
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Issue	Date & Issue	Description	Ву	Check
	10/05/2016	Revised Entitlemen	nt Set	
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	gnature			10/05/2016 Revised Entitlement Set

Project Name 333 LA CIENEGA BOULEVARD Los Angeles, CA 90048 Project Number 05.9893.000 CAD File Name PUBLIC IMPROVEMENTS

A0.70

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- **A** URBAN PLAZA
- **B** ENHANCED CROSSWALK
- C WIDENED CROSSWALK
- **D** CONTROLLED RIGHT TURN LIGHT
- **E NEW LANDSCAPED MEDIAN** WITH PEDESTRIAN REFUGE ISLAND
- F NEW PEDESTRIAN SIGNALIZED CROSSING AT BLACKBURN



1 View from Southwest (San Vicente & Burton Way)



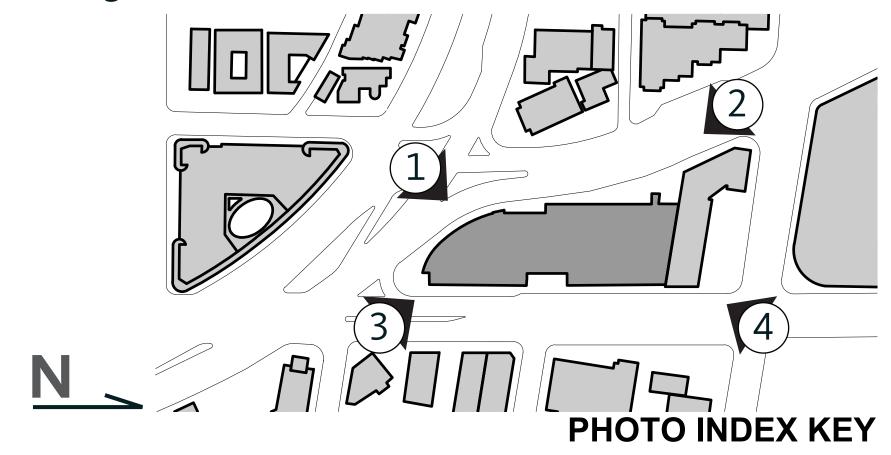
3 View from Southeast (La Cienega & San Vicente)



2 View from Northwest (San Vicente & 3rd)



4 View from Southwest (La Cienega & 3rd)





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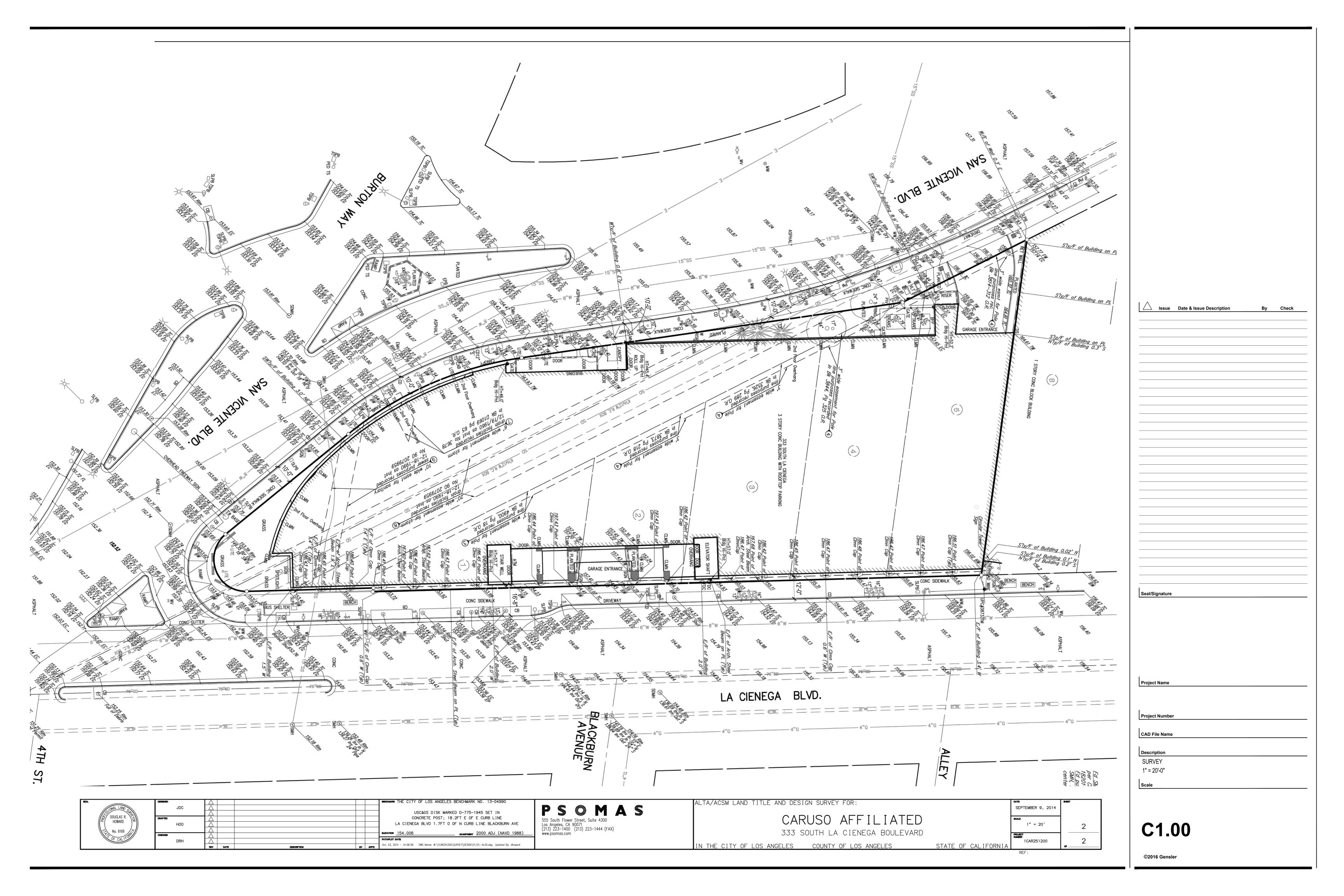
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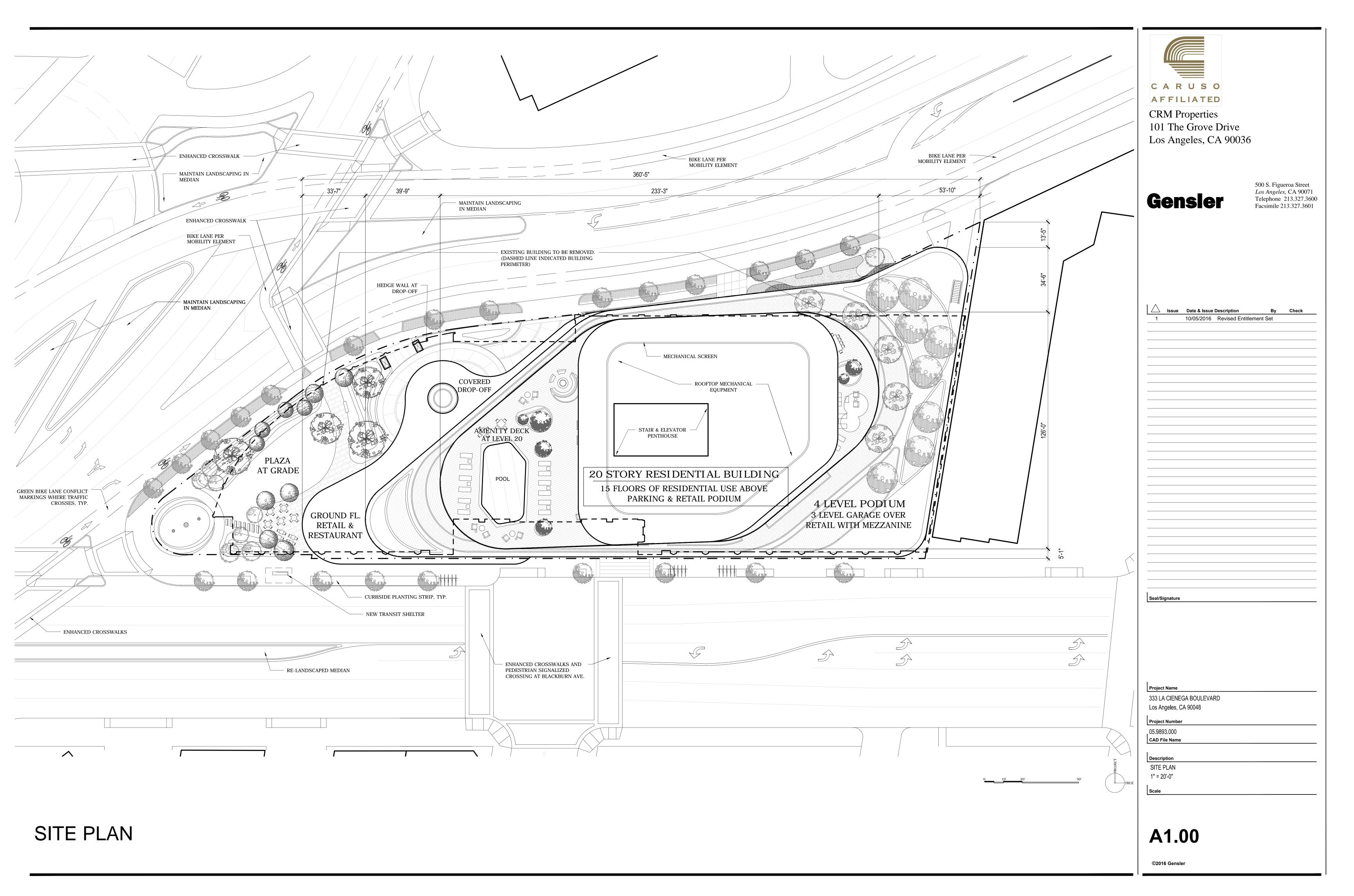
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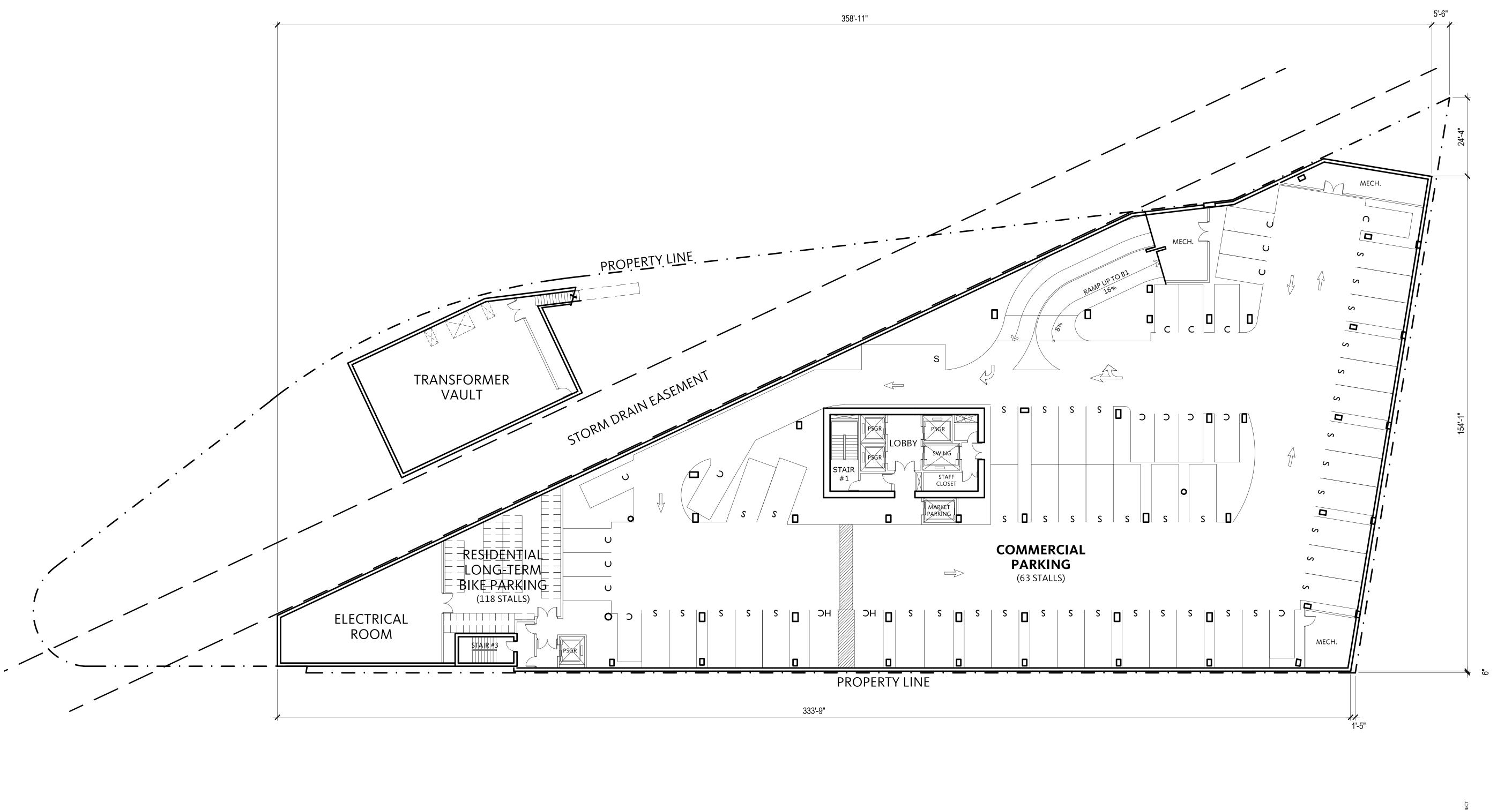
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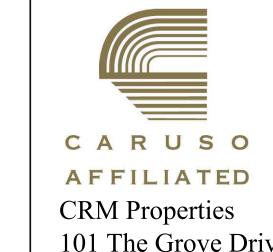
10/05/2016 Revised Entitlement Set

**EXISTING SITE PHOTOGRAPHS** 









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CAD File Name

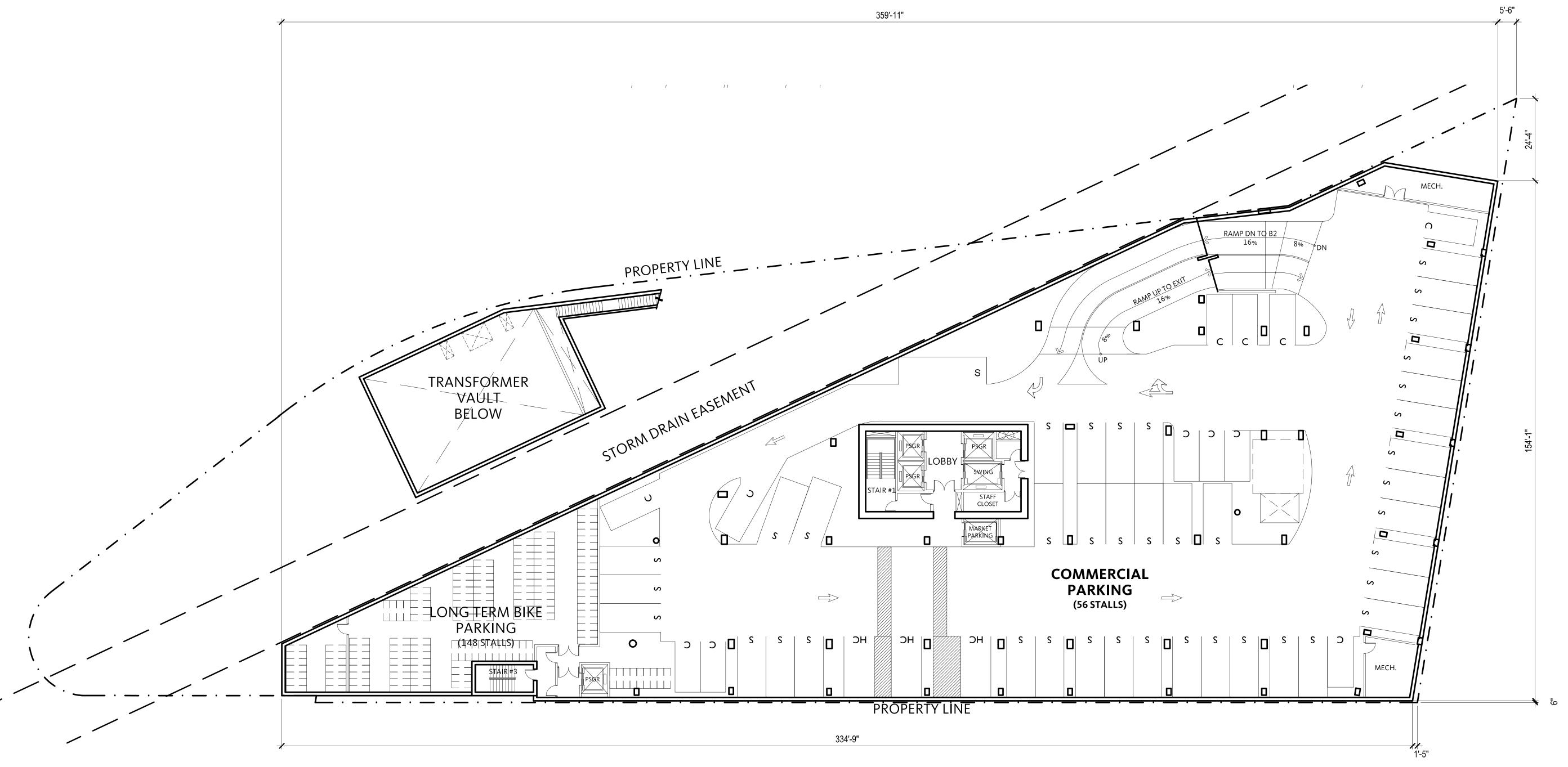
PLOOR PLAN - LEVEL B2
1/16" =1'-0"

6" =1'-0"

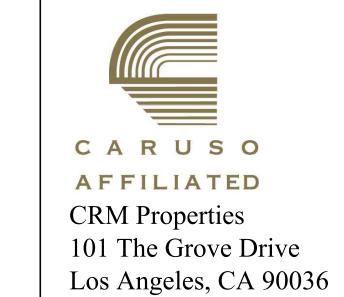
A2.B2

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BASEMENT LEVEL 2 PLAN - COMMERCIAL RETAIL PARKING Level B2







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FLOOR PLAN - LEVEL B1		
1/16" =1'-0"		

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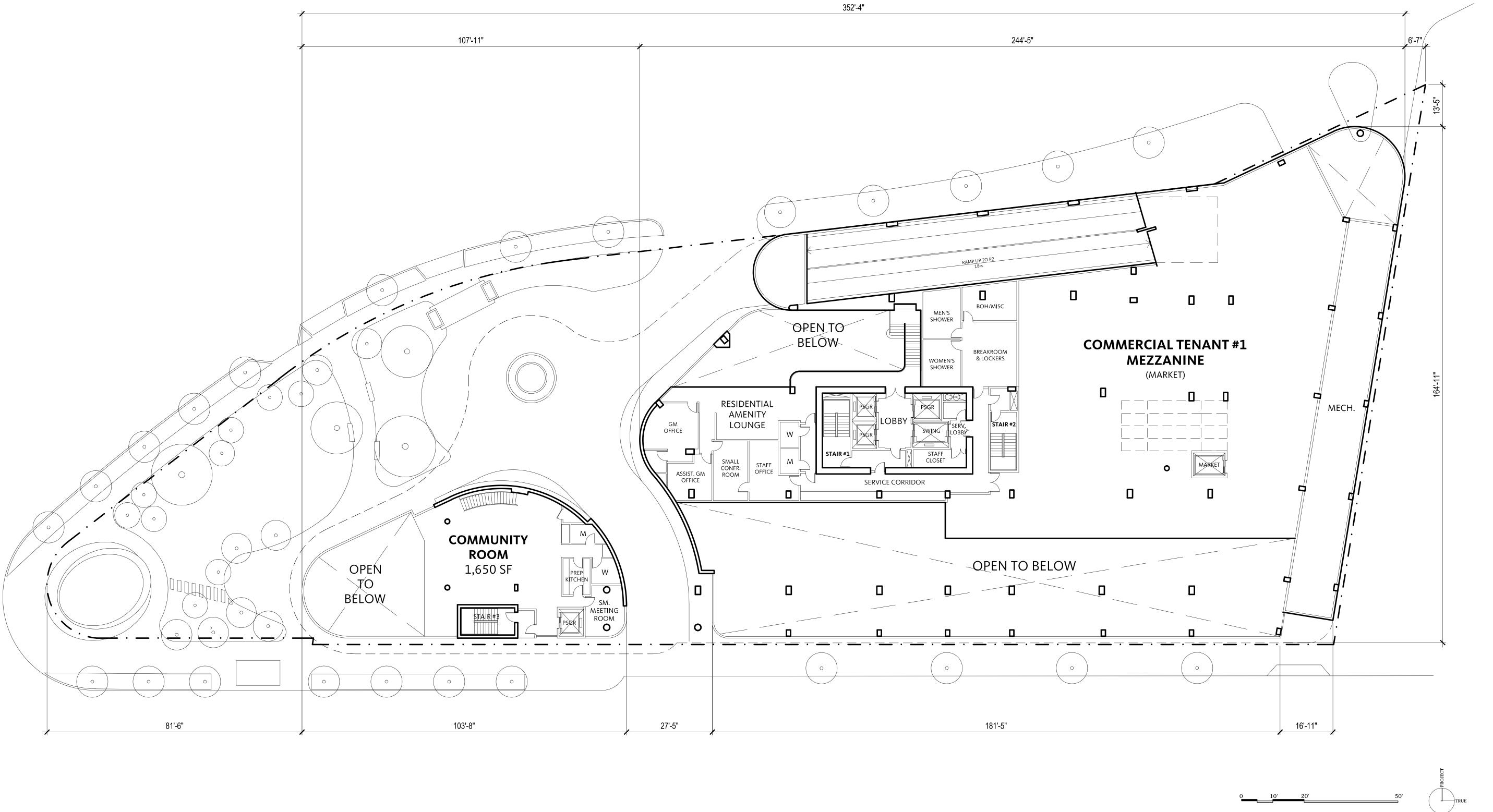
BASEMENT LEVEL 1 PLAN - COMMERCIAL RETAIL PARKING Level B1



A2.01

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GROUND FLOOR PLAN - COMMERCIAL RETAIL & RESIDENTIAL LOBBY Level 01



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Project Number

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CAD File Name

Description

FLOOR PLAN - LEVEL 1 MEZZANINE

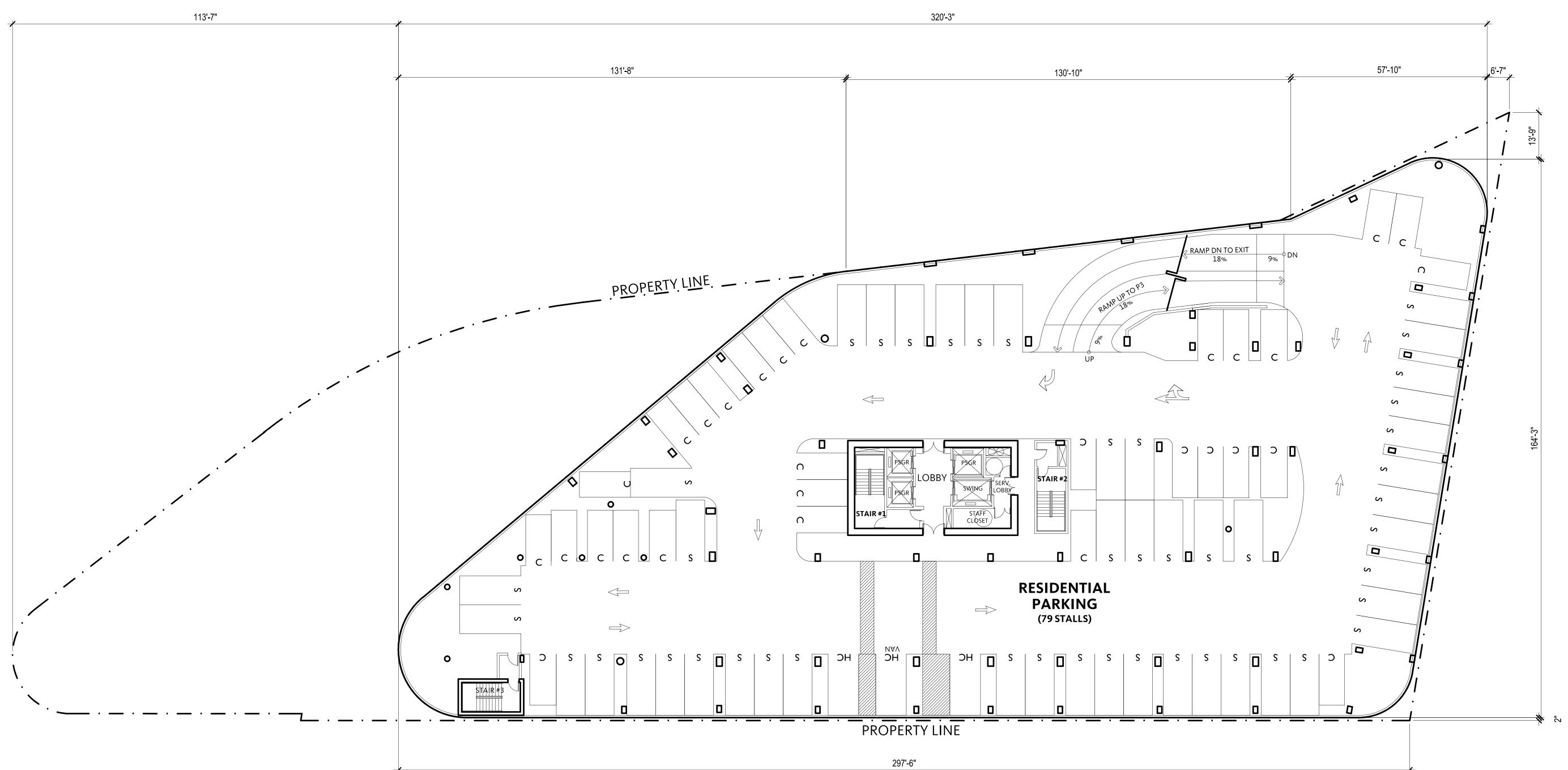
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Scale

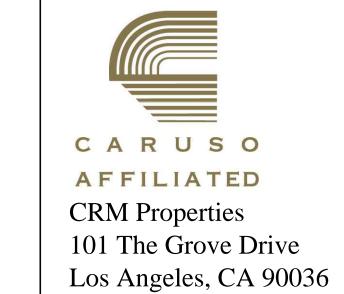
A2.01M

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MEZZANINE PLAN - COMMERCIAL RETAIL MEZZ. & RESIDENTIAL AMENITY / B.O.H. Level 1 M







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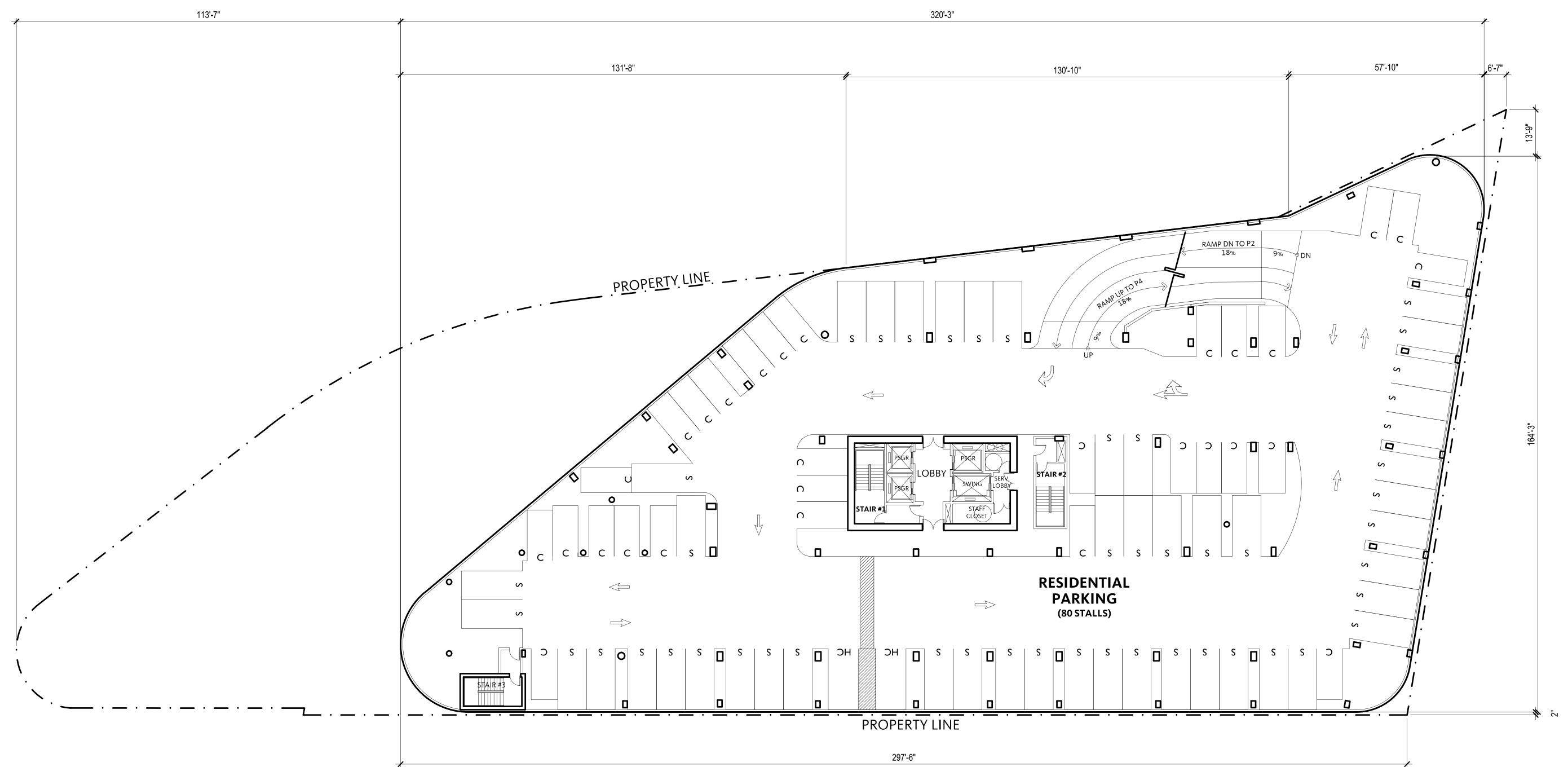
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Los Angeles, CA 90048	
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Description	
FLOOR PLAN - LEVEL 2	
1/16" =1'-0"	

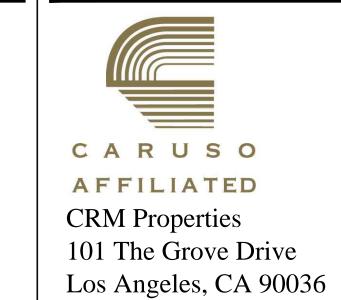
A2.02

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RESIDENTIAL PARKING LEVEL PLAN Level 02







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Los Angeles, CA 90048

Project Number

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CAD File Name

Description

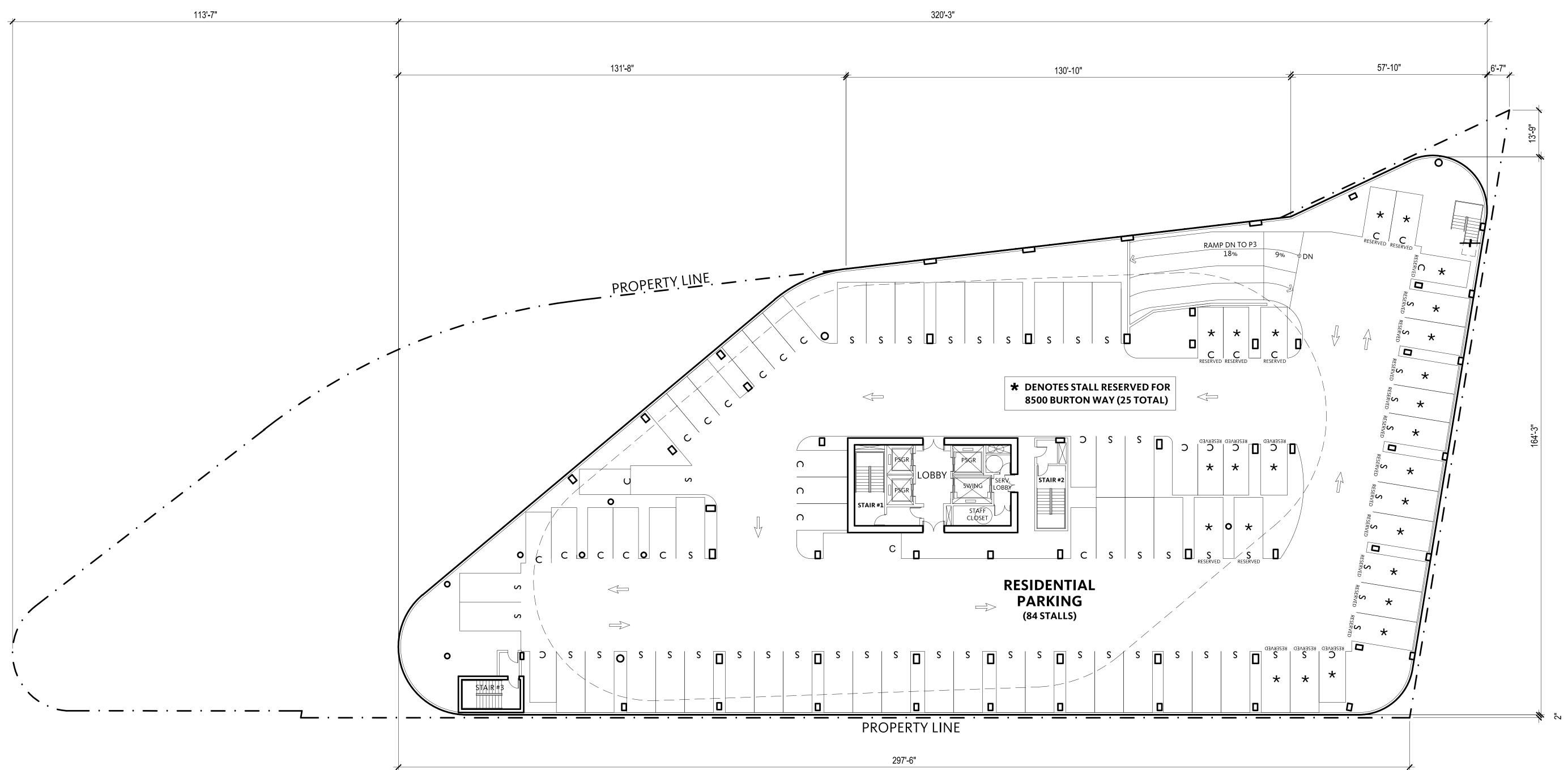
FLOOR PLAN - LEVEL 3
1/16" = 1'-0"

Scale

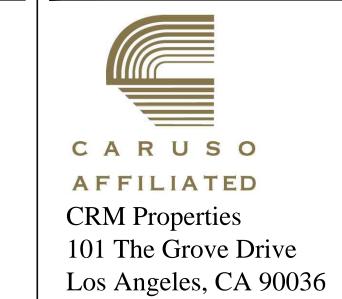
A2.03

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RESIDENTIAL PARKING LEVEL PLAN Level 03







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Issue	Date & Issue Description	Ву	Check
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Project Name

333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048

Project Number

05.9893.000
CAD File Name

Description

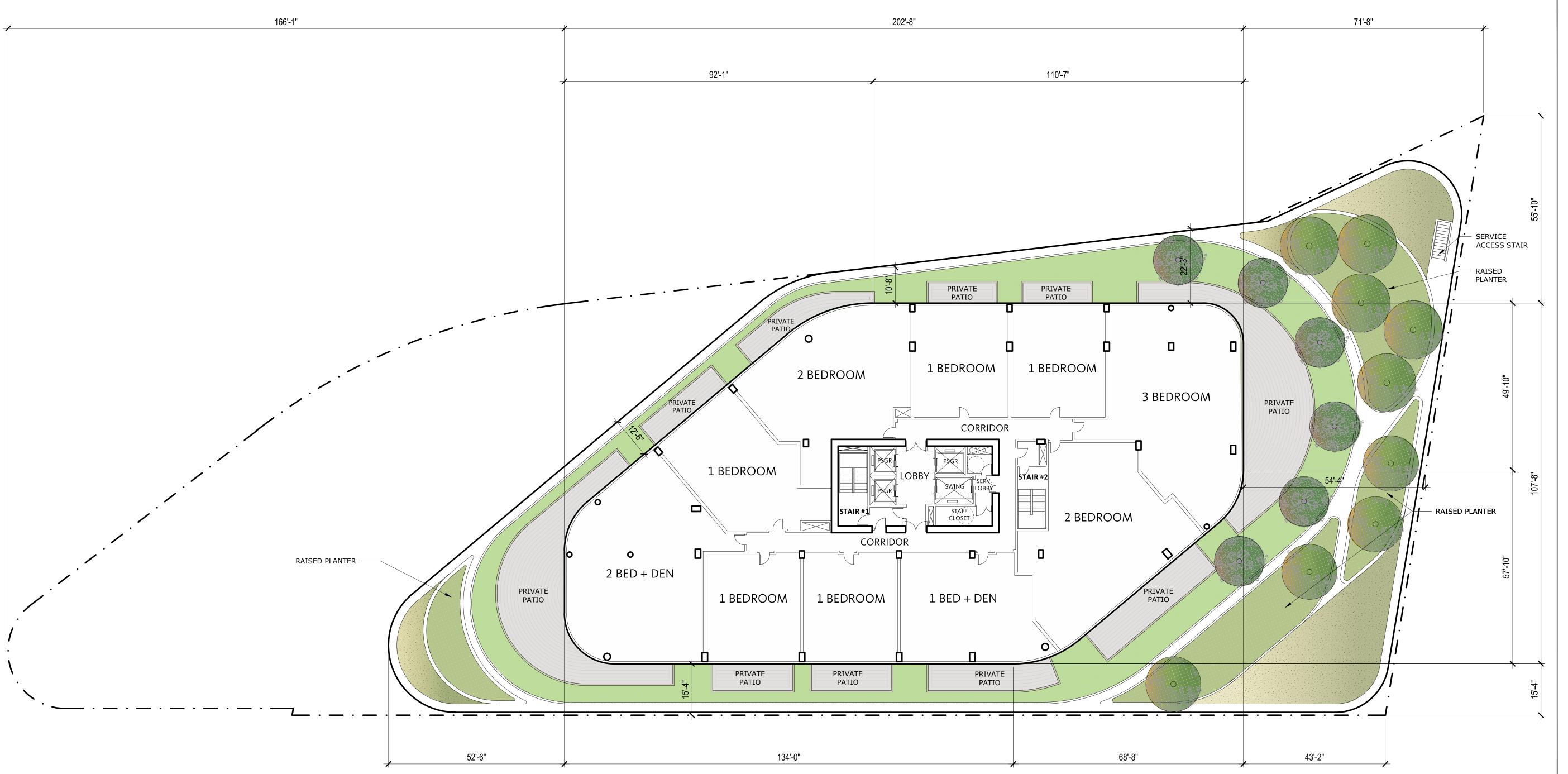
FLOOR PLAN - LEVEL 4
1/16" =1'-0"

Scale

A2.04

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RESIDENTIAL PARKING LEVEL PLAN Level 04





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Project Number

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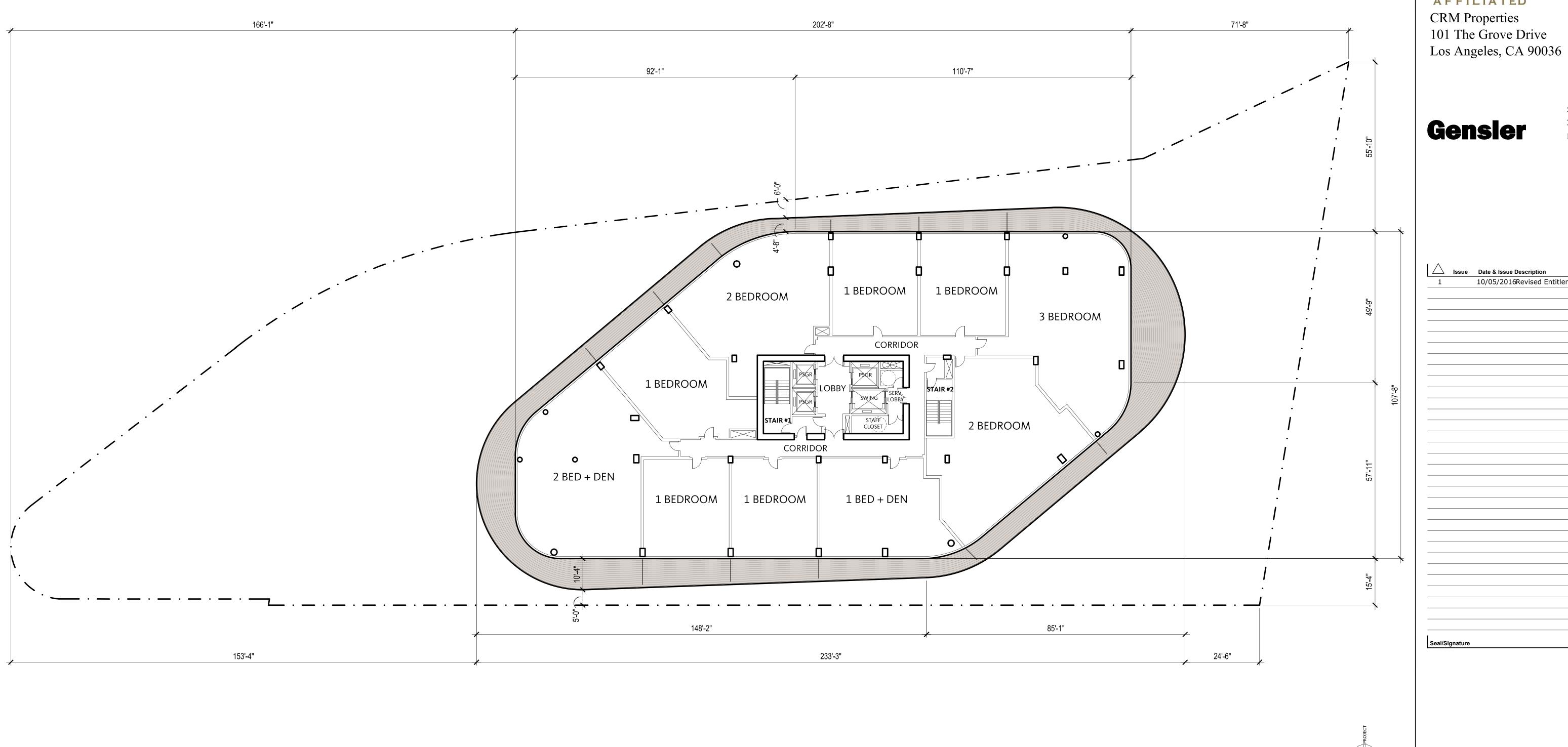
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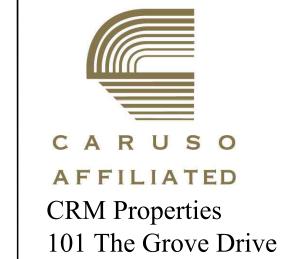
FLOOR PLAN - LEVEL 5 1/16" =1'-0"

A2.05

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RESIDENTIAL FLOOR PLAN - PODIUM LEVEL *Level 05* 





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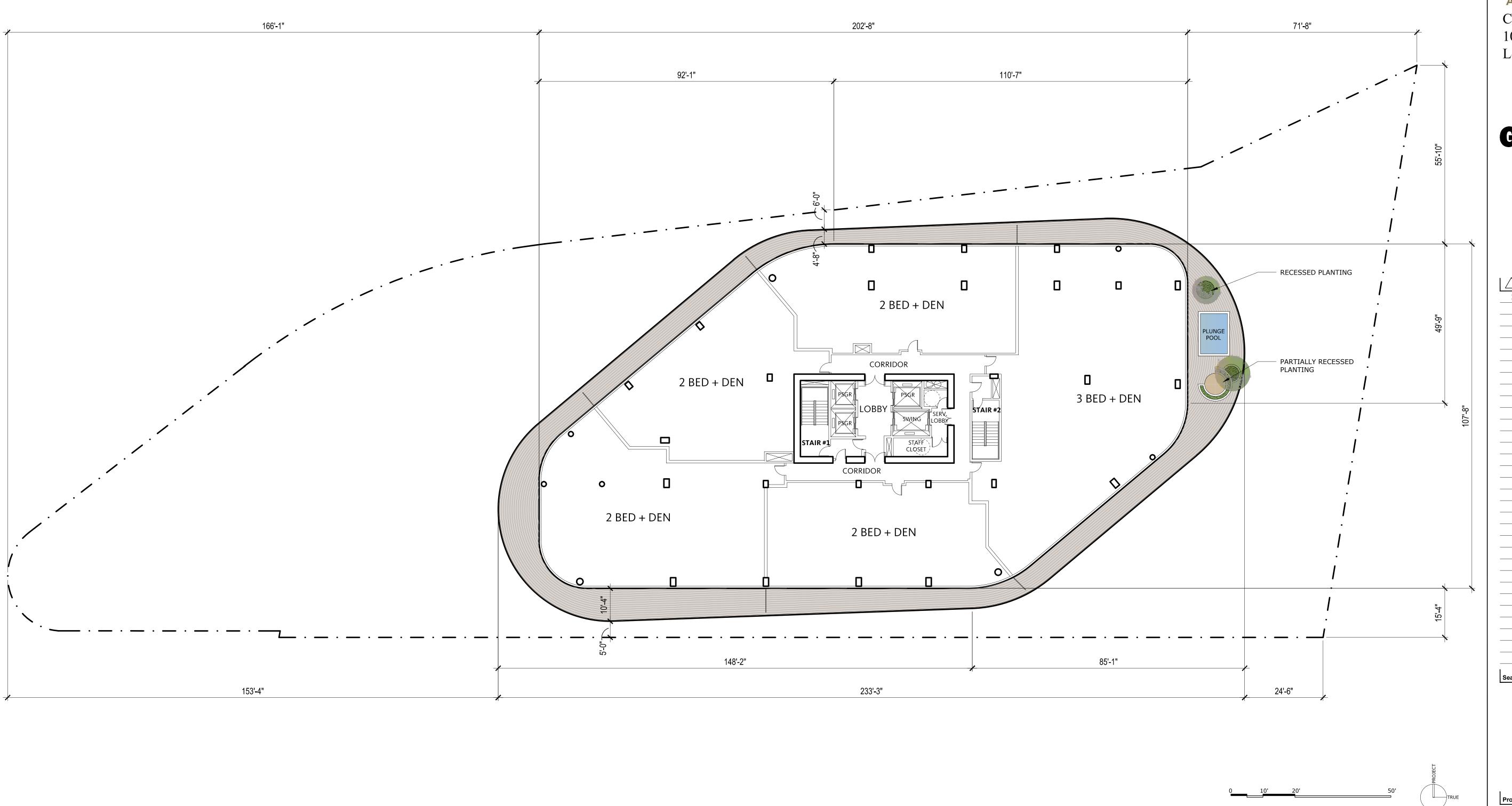
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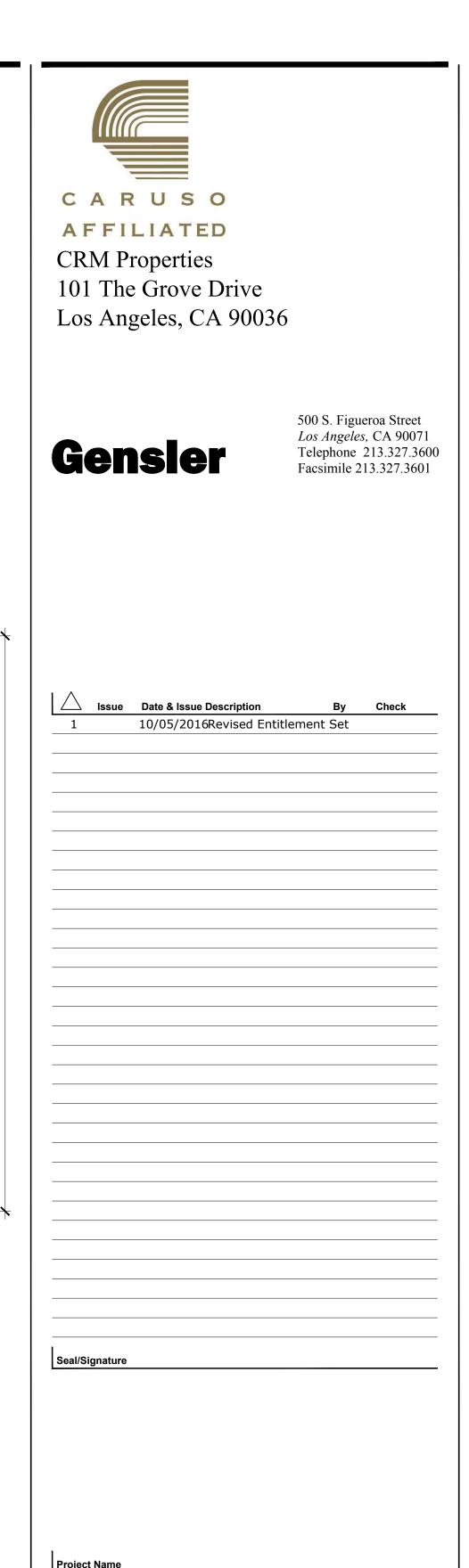
Project Name 333 LA CIENEGA BOULEVARD Los Angeles, CA 90048 05.9893.000 CAD File Name FLOOR PLAN - LEVELS 6-18 1/16" =1'-0"

**A2.06** 

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TYPICAL RESIDENTIAL FLOOR PLAN Levels 6-18





Project Name

333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048

Project Number

05.9893.000
CAD File Name

Description

FLOOR PLAN - LEVEL 19

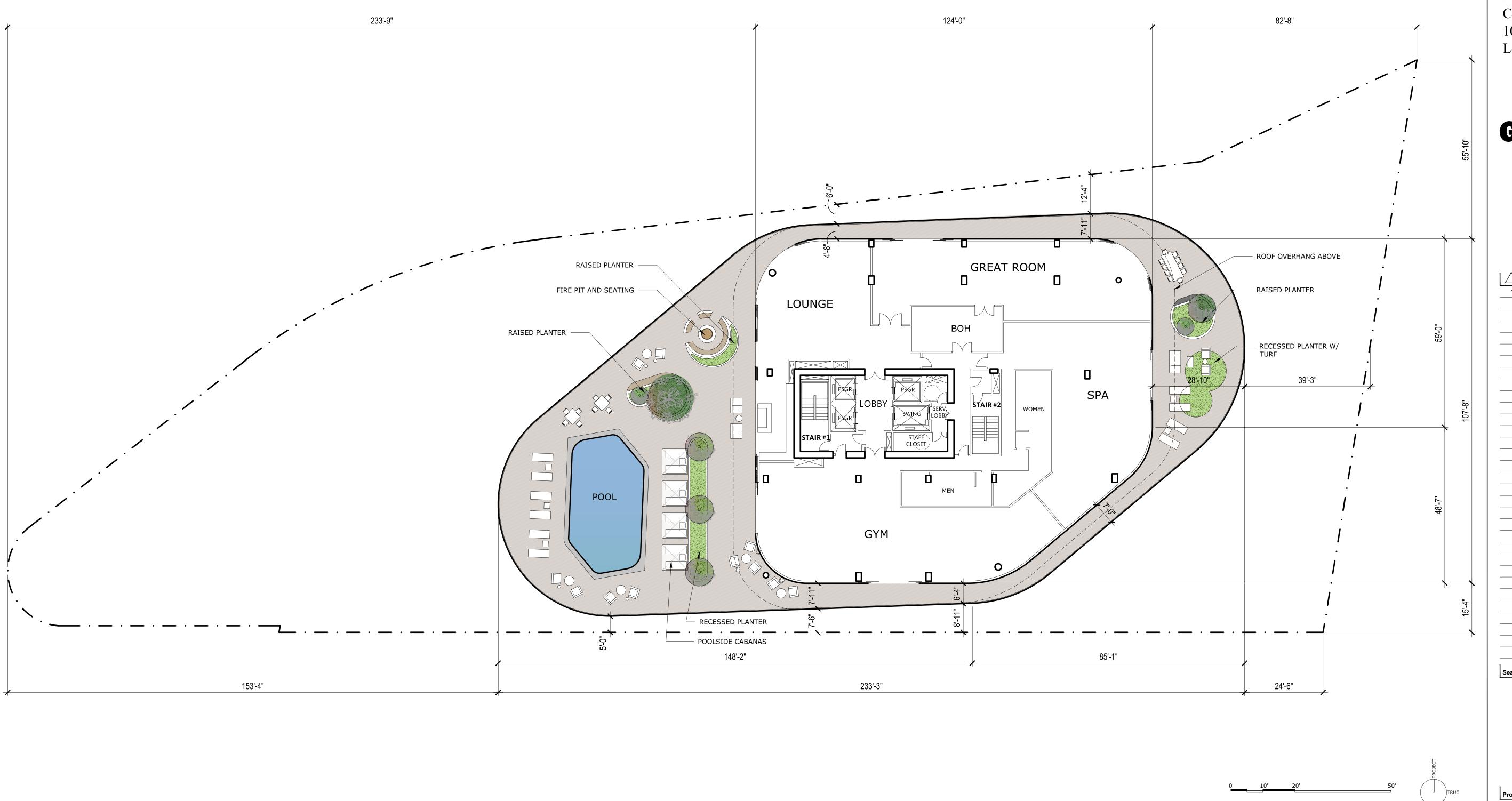
1/16" =1'-0"

| Scale

A2.07

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RESIDENTIAL PENTHOUSE LEVEL FLOOR PLAN Level 19

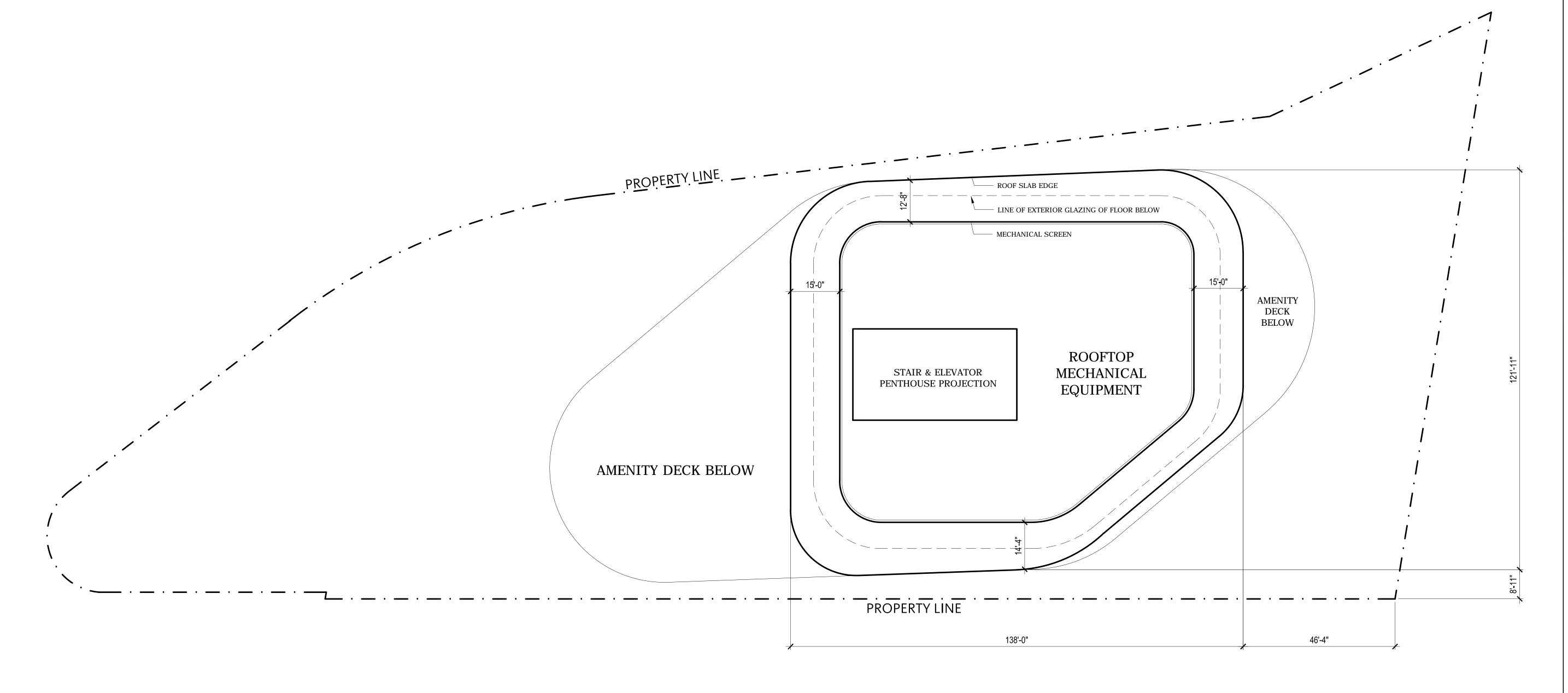


CARUSO AFFILIATED **CRM Properties** 101 The Grove Drive Los Angeles, CA 90036 500 S. Figueroa Street Los Angeles, CA 90071 Telephone 213.327.3600 Facsimile 213.327.3601 Gensler 10/05/2016 Revised Entitlement Set Seal/Signature Project Name 333 LA CIENEGA BOULEVARD Los Angeles, CA 90048 Project Number 05.9893.000 CAD File Name FLOOR PLAN - LEVEL 20 1/16" = 1'-0"

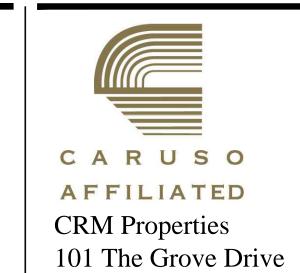
**A2.08** 

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AMENITY LEVEL FLOOR PLAN Level 20







Los Angeles, CA 90036

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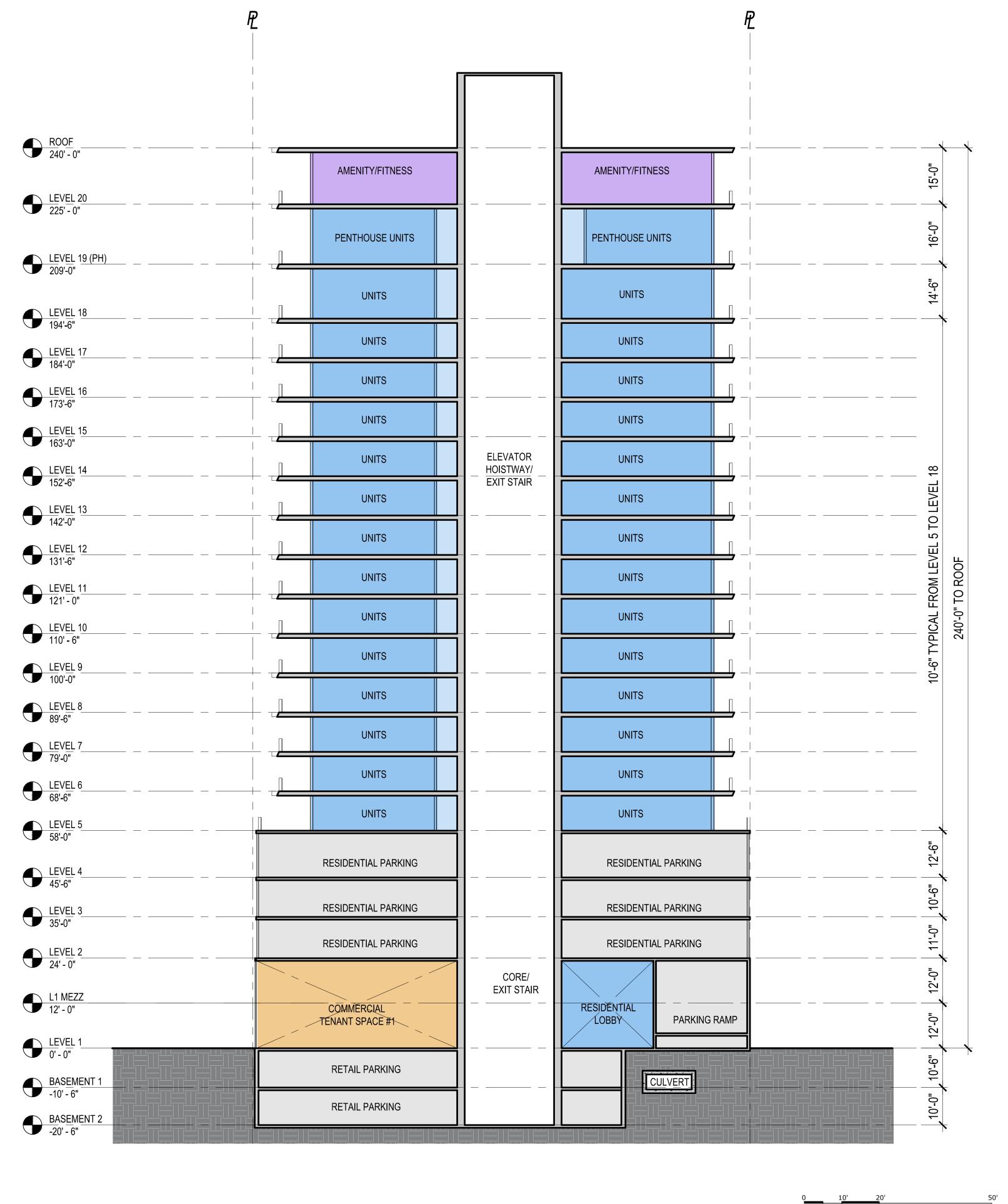
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ROOF PLAN		
1/16" = 1'-0"		

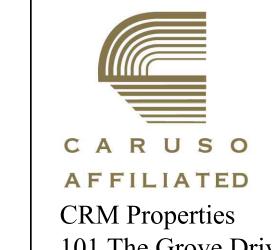
A2.09

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ROOF PLAN Level 21







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Issue Date & Issue Description

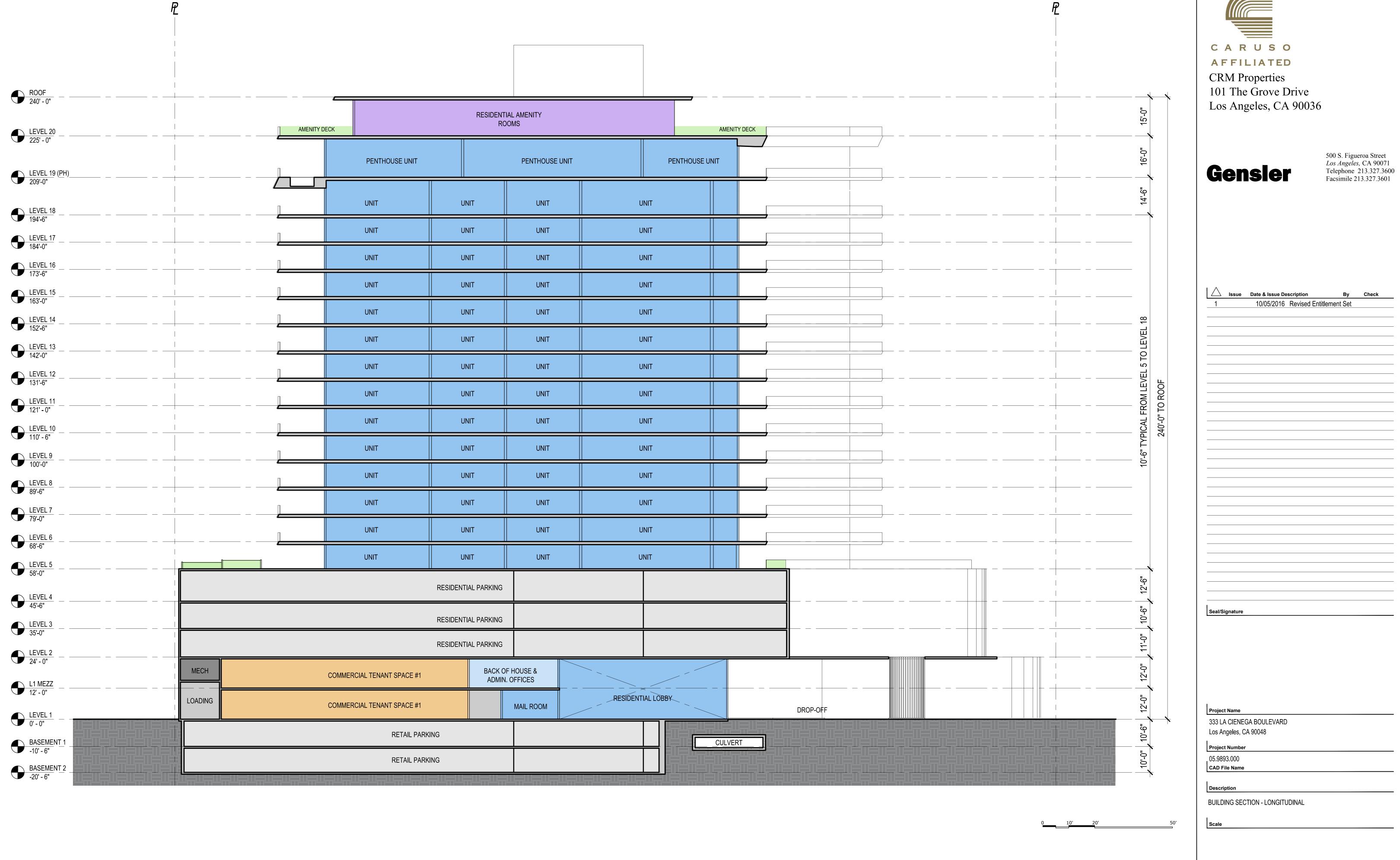
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Project Name	
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Los Angeles, CA 90048	
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BUILDING SECTION - CROSS	
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A3.01

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SECTION 2 Longitudinal Section

A3.02

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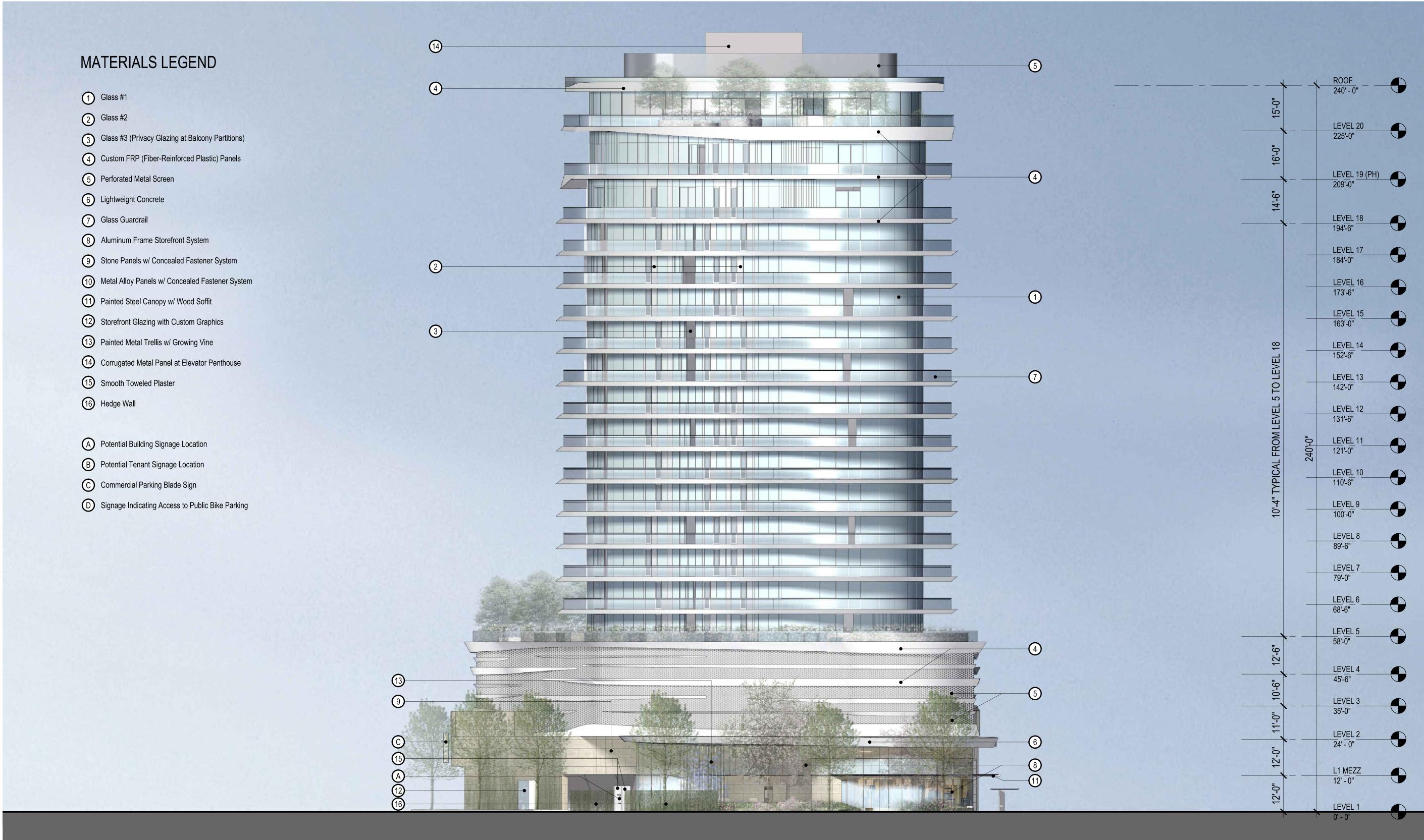
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Project Name
333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048
Project Number
05.9893.000
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Description
BUILDING ELEVATION - EAST
1/16" = 1'-0"
Scale

A4.01

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BUILDING ELEVATION - EAST La Cienega Facade



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Project Name

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Los Angeles, CA 90048

Project Number

05.9893.000
CAD File Name

Description

BUILDING ELEVATION - SOUTH

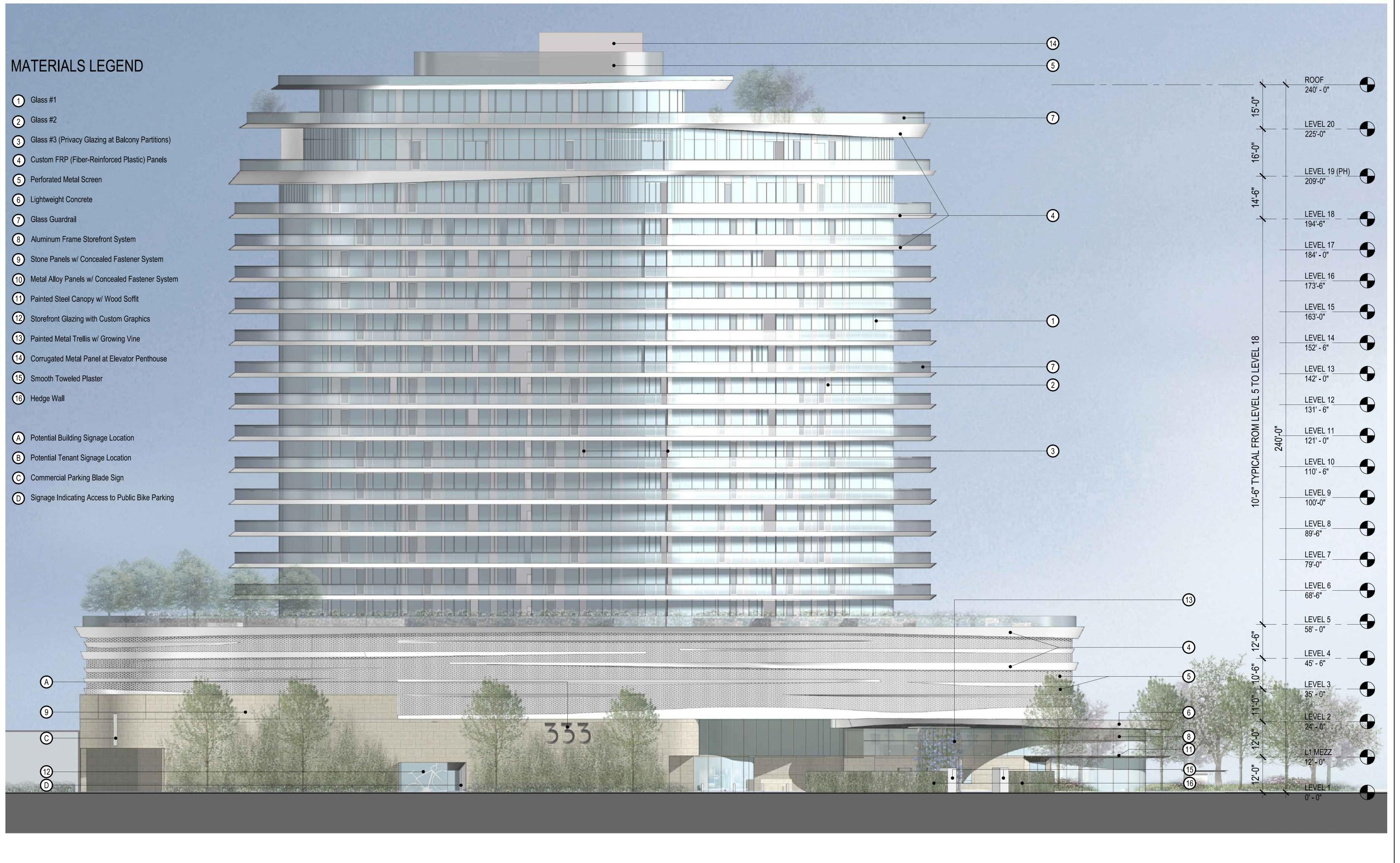
1/16" = 1'-0"

Scale

A4.02

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BUILDING ELEVATION - SOUTH Burton Way Facade





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333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048

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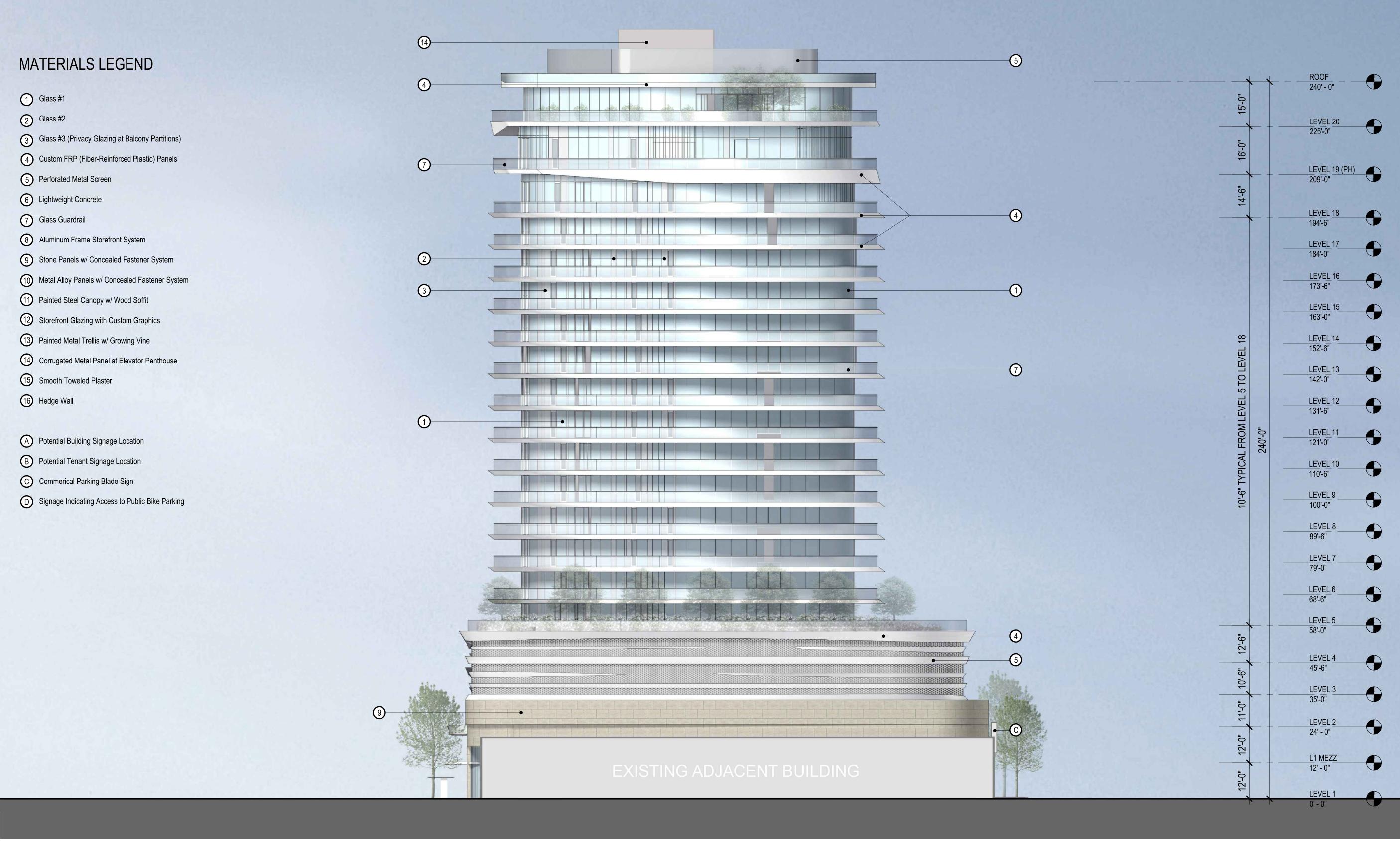
BUILDING ELEVATION - WEST

1/16" = 1'-0"

Scale

A4.03

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Project Name

333 LA CIENEGA BOULEVARD
Los Angeles, CA 90048

Project Number

05.9893.000
CAD File Name

Description

BUILDING ELEVATION - NORTH

1/16" = 1'-0"

A4.04

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BUILDING ELEVATION - NORTH Common Property Line Facade



01. GLASS #1: VISION GLASS - LOW-E COATING



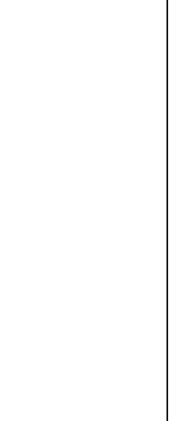
02. GLASS #2: ACID ETCHED VELOUR GLASS AT SPANDRELS

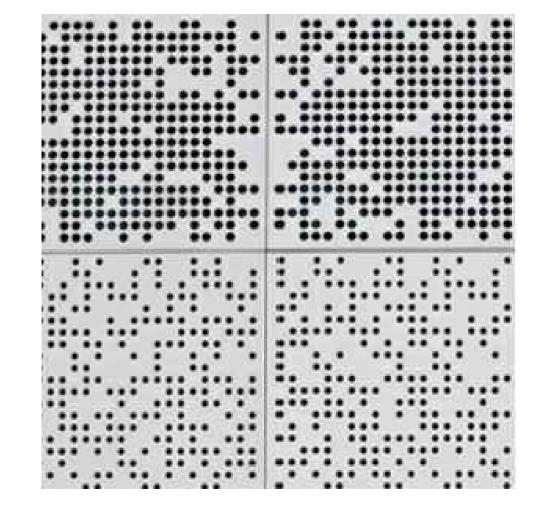


03. GLASS #3: PRIVACY GLAZING PANEL AT BALCONY PARTITIONS



04. CUSTOM FIBERGLASS REINFORCED POLYMER PANELS





05. WHITE PERFORATED METAL SCREEN



06. LIGHTWEIGHT CONCRETE



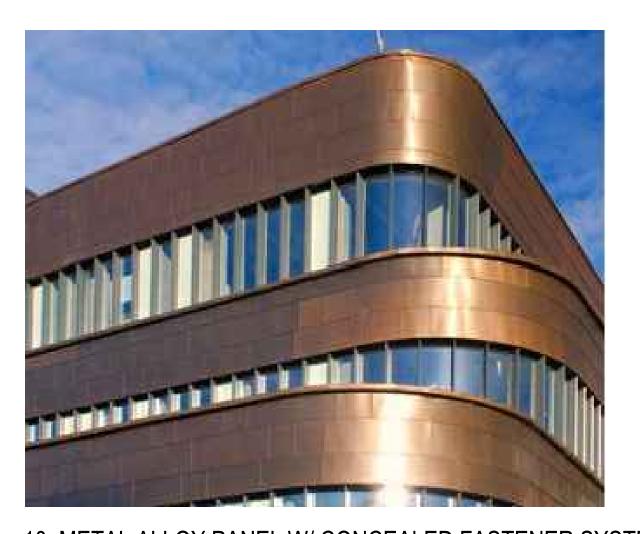
07. GLASS GUARDRAIL



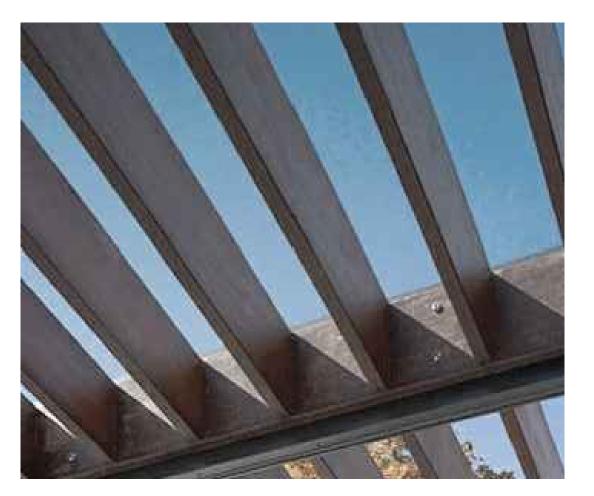
08. ALUMINUM FRAME STOREFRONT SYSTEM



09. TRAVERTINE PANEL W/ CONCEALED FASTENER SYSTEM



10. METAL ALLOY PANEL W/ CONCEALED FASTENER SYSTEM



11. WOOD SOFFIT (SOLID SLAT)



12. PRINTED FRITTED GLASS WITH CUSTOM **GRAPHICS** 



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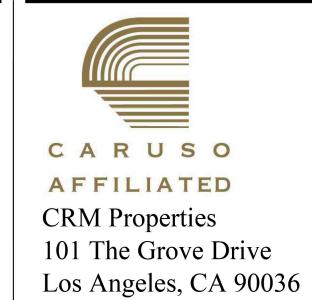
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Level 05



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333 LA CIENEGA BOULEVARD Los Angeles, CA 90048

Project Number 05.9893.000 CAD File Name

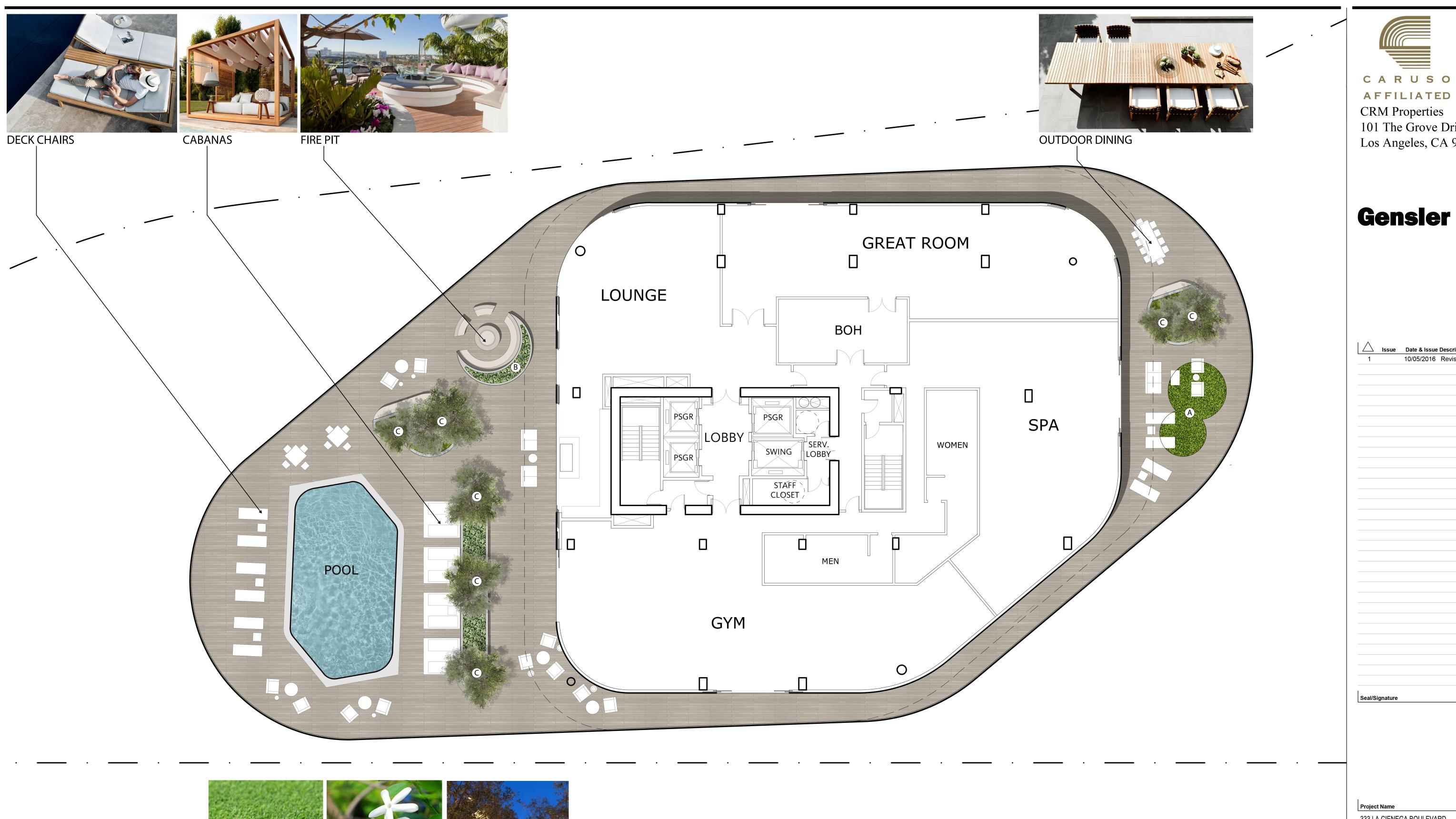
Description

LANDSCAPE PLAN - LEVEL 5

LANDSCAPE PLAN - LI N.T.S

**L.02** 

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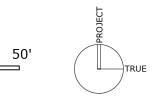


JASMINUM ANGULARE OLEA EUROPAEA
South African Jasmine Fruitless Olive Tree



LANDSCAPE PLAN - AMENITY LEVEL Level 20

Turf





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Los Angeles, CA 90	0048	
Project Number		
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<b>.</b>	N - LEVEL 20 (AMENITY DECk)	

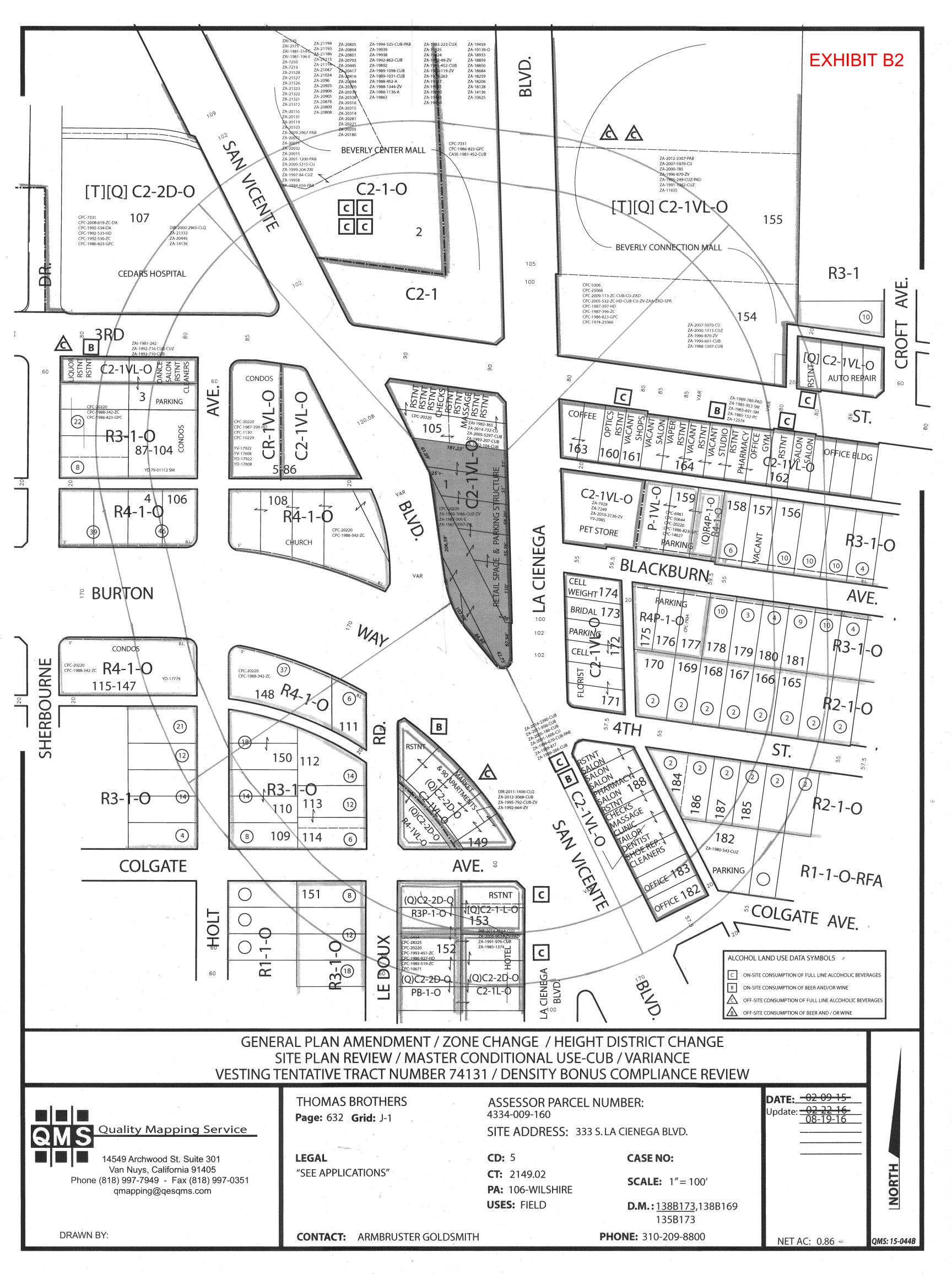
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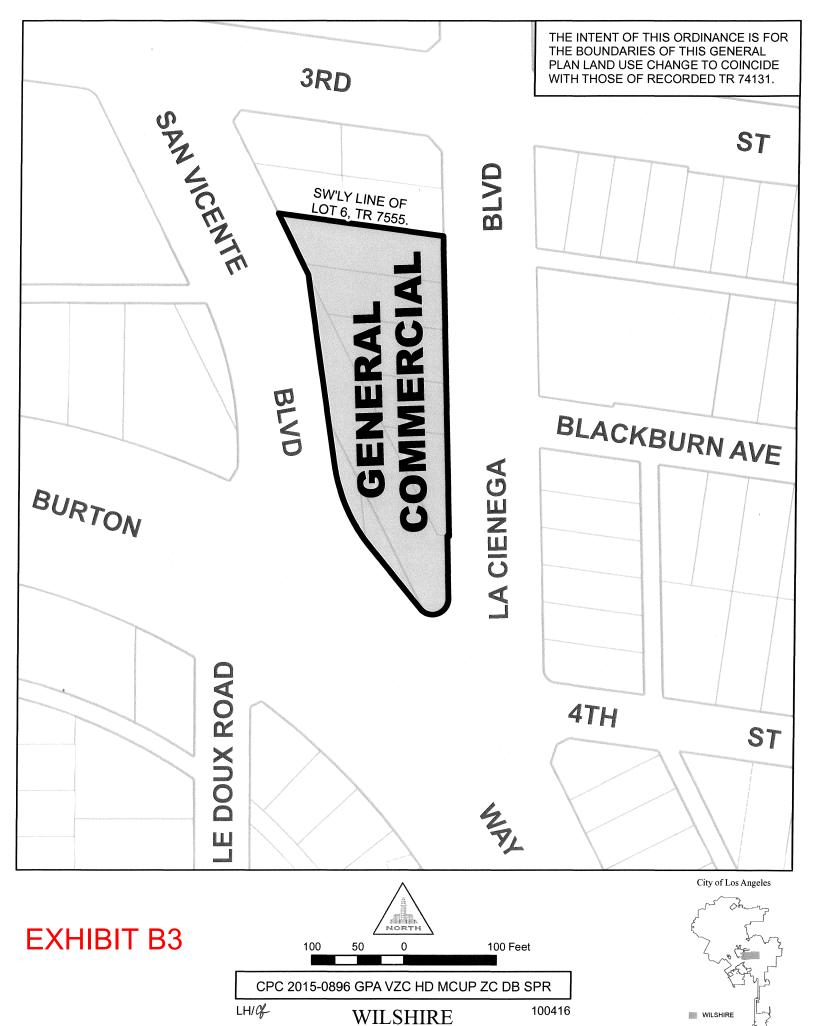
# **EXHIBIT B1**

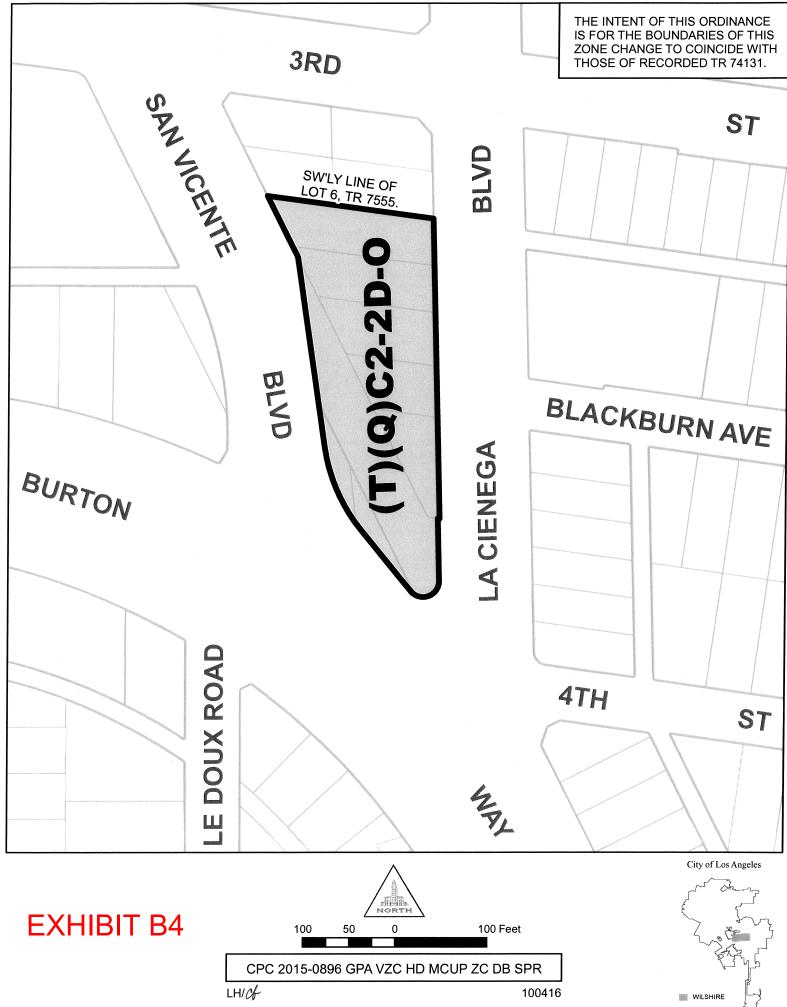
Arb: None



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October 25, 2016

Samuel Garrison Vice President, Development and Strategies Initiatives Caruso Affiliated 101 The Grove Drive Los Angeles, CA 90036

Re: 333 La Cienega Boulevard Project Financial Feasibility Analysis

Dear Mr. Garrison:

Per your request, HR&A Advisors, Inc. (HR&A) has prepared a financial feasibility analysis for four development programs you provided to us for a multi-family/retail development proposed by your company on a site at 333 La Cienega Boulevard in the City of Los Angeles ("City"). As we understand it, a density bonus is being requested from the City, including the use of "off-menu" incentives for additional FAR to accommodate 13 units of affordable to very low- and moderate-income households. The project also seeks a General Plan Amendment to the Wilshire Community Plan to change the project site's land use designation from Neighborhood Office Commercial to General Commercial, and allow Height District 2D on the project site. Based on the analysis summarized below, and supported by the calculation detail in Attachment A to this letter, we conclude that, with respect to the density bonus:

- The development scenario with 16 market rate units, 13 affordable units, 20,570 square feet of retail space, and an allowable floor area of 1.6 FAR, without a density bonus or other incentives would not be financially feasible. This is because: (1) the return on total development cost falls below a minimum threshold that we believe would be required to attract investment capital to the project (i.e., 2.1% vs. 4.9%); and (2) it yields a negative developer profit margin;
- The development scenario with 78 market rate units, 13 affordable units, 31,055 square feet of retail space, without a density bonus or other incentives, and a 4.1 FAR pursuant to a General Plan Amendment, also would not be financially feasible. This is because (1) the return on total development cost again falls below the minimum threshold (i.e., 4.1% vs. 4.9%) and (2) so does the minimum acceptable profit margin (i.e., 2.6% vs. 12.5%);
- The development scenario with 102 market rate units, 13 affordable units, 31,055 square feet of retail space, with an on-menu density bonus and FAR incentive, and a 4.9 FAR pursuant to a General Plan Amendment, also would not be financially feasible. This is because (1) the return on total development cost again falls below the minimum threshold (i.e., 4.5% vs. 4.9%) and (2) so does the minimum acceptable profit margin (i.e., 10.7% vs. 12.5%);
- Only the development scenario with 132 market rate units, 13 affordable units, 31,055 square feet of retail space, on-menu density bonus, and off-menu additional FAR incentive that accommodates a 6.0 FAR, pursuant to a General Plan Amendment, would be financially feasible. This is because it would produce a return on total

development cost that is equal to the minimum threshold (i.e., 4.9%) and a developer profit margin that is greater than the minimum acceptable threshold (i.e., 17.8% vs. 12.5%); and

The basis for the above conclusions is summarized below. Sources and notes for the assumptions used in these analyses are included with more detailed pro formas in Attachment A to this letter.

### The 1.6 FAR Development Scenario without a Density Bonus or Incentives

As shown in Table 1, for the 1.6 FAR development scenario without a density bonus or incentives, development costs total about \$78.0 million and Net Operating Income (NOI) totals about \$1.6 million. The resulting return on total development cost (i.e., NOI divided by total development cost) is 2.1 percent as compared with a minimum threshold of 4.9 percent. The minimum threshold was set at one percentage point more than the applicable income capitalization (or "cap") rate (i.e., 3.9%) for new development at this location, to account for investment risk. Cap rates were based on HR&A's analysis of sales since the third quarter of 2013 for newly constructed, high-end multifamily apartment buildings within an approximately two-mile radius of the project. After using that cap rate to estimate the value of this development at stabilized operation, and then deducting costs of sale and total development costs, the ratio of the resulting developer profit margin was compared with the net after-sale value, which produced a loss of approximately \$38.2 million. Therefore, this development scenario is not financially feasible.

Table 1: 1.6 FAR Development Scenario without a Density Bonus or Incentives

Land Area (sf)       1,732       50,216         Gross Building Area (GSF)       2,685       77,852         FAR (based on GSF)       1.6         Rentable Area - Residential (NSF)       1,440       41,747         Rentable Area - Commercial (NSF)       20,570         Building Efficiency       80.0%         Apartments       80.0%         Market Rate       16         Affordable       13         Total Units       29         Subterranean Parking       19         Levels       2         Structured Parking       13         Levels       1         Total Residential Parking       13         Development Costs       Total         Land Acquisition       \$ 47,600,000         Hard Construction       \$ 20,926,945         Soft Costs       \$ 4,526,498         Financing Costs       \$ 4,960,329         Total Development Cost (TDC)       \$ 78,013,772         Net Operating Income       \$ 690,133         Net Commercial Income       \$ 690,133         Net Operating Income (NOI)       \$ 1,599,985         Feasibility         Return on Cost (NOI / TDC)       \$ 2.1%         Feasible?       NO<		Without Densi	ty Bonus
Land Area (sf)         1,732         50,216           Gross Building Area (GSF)         2,685         77,852           AR (based on GSF)         1,6           Rentable Area - Residential (NSF)         1,440         41,747           Rentable Area - Commercial (NSF)         20,570           Building Efficiency         80.0%           Apartments         80.0%           Market Rate         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         1           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 690,133           Net Commercial Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985		Per Unit	Total
Gross Building Area (GSF)         2,685         77,852           FAR (based on GSF)         1.6           Rentable Area - Residential (NSF)         1,440         41,747           Rentable Area - Commercial (NSF)         20,570           Building Efficiency         80.0%           Apartments         80.0%           Market Rate         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Structured Parking         13           Levels         1           Total Residential Parking         13           Levels         1           Total Residential Parking         13           Levels         1           Total Costis         47,600,000           Hard Acquisition         \$47,600,000           Hard Construction         \$20,926,945           Soft Costs         \$4,526,498           Financing Costs         \$4,960,329           Total Development Cost (TDC)         \$78,013,772           Net Operating Income         \$0,0133           N	Development Program		
FAR (based on GSF)         1.6           Rentable Area - Residential (NSF)         1,440         41,747           Rentable Area - Commercial (NSF)         20,570           Building Efficiency         80.0%           Apartments         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,526,498           Financing Costs         \$ 4,526,498           Financing Income         \$ 690,133           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         NO           Minimum = Cap Rate + 1.00% = 4.9%)         \$ 39,794,	Land Area (sf)	1,732	50,216
Rentable Area - Residential (NSF)         1,440         41,747           Rentable Area - Commercial (NSF)         20,570           Building Efficiency         80.0%           Apartments         80.0%           Market Rate         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$47,600,000           Hard Construction         \$20,926,945           Soft Costs         \$4,526,498           Financing Costs         \$4,960,329           Total Development Cost (TDC)         \$78,013,772           Net Operating Income         \$690,133           Net Commercial Income         \$690,133           Net Commercial Income (NOI)         \$1,599,985           Feasibility         NO           Return on Cost (NOI / TDC)         \$2,1%           Feasibile?         NO           (Minimum = Cap Rate + 1,00% = 4.9%)         NO           Developer Profit Margin         <		2,685	77,852
Rentable Area - Commercial (NSF)         20,570           Building Efficiency         80.0%           Apartments         16           Market Rate         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$47,600,000           Hard Construction         \$20,926,945           Soft Costs         \$4,526,498           Financing Costs         \$4,960,329           Total Development Cost (TDC)         \$78,013,772           Net Operating Income         \$690,133           Net Commercial Income         \$690,133           Net Operating Income (NOI)         \$1,599,985           Feasibility         Return on Cost (NOI / TDC)         \$2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         \$39,794,509           Developer Profit Margin         \$96,0%           Developer Profit Margin         96,0%           Feasible?	FAR (based on GSF)		1.6
Building Efficiency       80.0%         Apartments       1         Market Rate       16         Affordable       13         Total Units       29         Subterranean Parking       119         Levels       2         Structured Parking       13         Levels       1         Total Residential Parking       132         Development Costs       Total         Land Acquisition       \$ 47,600,000         Hard Construction       \$ 20,926,945         Soft Costs       \$ 4,526,498         Financing Costs       \$ 4,960,329         Total Development Cost (TDC)       \$ 78,013,772         Net Operating Income       \$ 690,133         Net Commercial Income       \$ 690,133         Net Operating Income (NOI)       \$ 1,599,985         Feasibility       2         Return on Cost (NOI / TDC)       \$ 2.1%         Feasible?       NO         (Minimum = Cap Rate + 1.00% = 4.9%)       2.1%         Developer Profit Margin       \$ 39,794,509         Less: Total Development Cost (from above)       \$ (78,013,772)         Developer Profit Margin       -96,0%         Feasible?       NO </td <td>` ,</td> <td>1,440</td> <td>41,747</td>	` ,	1,440	41,747
Apartments       16         Market Rate       16         Affordable       13         Total Units       29         Subterranean Parking       119         Levels       2         Structured Parking       13         Levels       1         Total Residential Parking       132         Development Costs       Total         Land Acquisition       \$ 47,600,000         Hard Construction       \$ 20,926,945         Soft Costs       \$ 4,526,498         Financing Costs       \$ 4,960,329         Total Development Cost (TDC)       \$ 78,013,772         Net Operating Income       \$ 690,133         Net Commercial Income       \$ 909,852         Net Operating Income (NOI)       \$ 1,599,985         Feasibility       Return on Cost (NOI / TDC)       2.1%         Feasible?       NO         (Minimum = Cap Rate + 1.00% = 4.9%)       2.1%         Developer Profit Margin       \$ 39,794,509         Less: Total Development Cost (from above)       \$ (78,013,772)         Developer Profit Margin       -96.0%         Feasible?       NO	Rentable Area - Commercial (NSF)		20,570
Market Rate         16           Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Operating Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         \$ 2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         \$ 39,794,509           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO			80.0%
Affordable         13           Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         78,013,772           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96,0%           Feasible?         NO	Apartments		
Total Units         29           Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         2.1%           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO			
Subterranean Parking         119           Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         2.1%           Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         2.1%           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Affordable	_	13
Levels         2           Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         2.1%           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Total Units		29
Structured Parking         13           Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,566,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         \$ 690,133           Net Apartment Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         \$ 2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         \$ 39,794,509           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96,0%           Feasible?         NO	Subterranean Parking		119
Levels         1           Total Residential Parking         132           Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         78,013,772           Net Operating Income         \$ 690,133           Net Apartment Income         \$ 690,133           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         2.1%           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Levels		2
Total Residential Parking   132     Development Costs   Total     Land Acquisition   \$ 47,600,000     Hard Construction   \$ 20,926,945     Soft Costs   \$ 4,526,498     Financing Costs   \$ 4,960,329     Total Development Cost (TDC)   \$ 78,013,772     Net Operating Income   Annual     Net Apartment Income   \$ 690,133     Net Commercial Income   \$ 690,133     Net Operating Income (NOI)   \$ 1,599,985     Feasibility   Return on Cost (NOI / TDC)   2.1%     Feasible?   NO     (Minimum = Cap Rate + 1.00% = 4.9%)     Developer Profit Margin     Net Project Sale Value   \$ 39,794,509     Less: Total Development Cost (from above)   \$ (78,013,772)     Developer Profit Margin   \$ 96,0%     Feasible?   NO     Total Construction   S 47,600,000     Total Construction   S 47,600,000     Total Construction   S 4,600,000     Total Construction   S 4,600,000	Structured Parking		13
Development Costs         Total           Land Acquisition         \$ 47,600,000           Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         Annual           Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         2.1%           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Levels		1
Land Acquisition       \$ 47,600,000         Hard Construction       \$ 20,926,945         Soft Costs       \$ 4,526,498         Financing Costs       \$ 4,960,329         Total Development Cost (TDC)       \$ 78,013,772         Net Operating Income       Annual         Net Apartment Income       \$ 690,133         Net Commercial Income       \$ 909,852         Net Operating Income (NOI)       \$ 1,599,985         Feasibility       Return on Cost (NOI / TDC)       2.1%         Feasible?       NO         (Minimum = Cap Rate + 1.00% = 4.9%)       NO         Developer Profit Margin       \$ 39,794,509         Less: Total Development Cost (from above)       \$ (78,013,772)         Developer Profit Margin       -96.0%         Feasible?       NO	Total Residential Parking		132
Hard Construction         \$ 20,926,945           Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         Annual           Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Development Costs		<u>Total</u>
Soft Costs         \$ 4,526,498           Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         Annual           Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         2.1%           Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit Margin         -96.0%           Feasible?         NO	Land Acquisition	\$	47,600,000
Financing Costs         \$ 4,960,329           Total Development Cost (TDC)         \$ 78,013,772           Net Operating Income         Annual           Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ 78,013,772           Developer Profit Development Cost (from above)         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Hard Construction	\$	20,926,945
Total Development Cost (TDC)	Soft Costs	\$	4,526,498
Net Operating Income         Annual           Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         2.1%           Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         ***         ***	Financing Costs	<u>\$</u>	4,960,329
Net Apartment Income         \$ 690,133           Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)           Developer Profit Margin         Net Project Sale Value         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Total Development Cost (TDC)	\$	78,013,772
Net Commercial Income         \$ 909,852           Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ 78,013,772           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Net Operating Income		<u>Annual</u>
Net Operating Income (NOI)         \$ 1,599,985           Feasibility         Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         NO           Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Net Apartment Income	\$	690,133
Feasibility           Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         ***                Developer Profit Margin                 Net Project Sale Value               \$ 39,794,509                 Less: Total Development Cost (from above)               \$ (78,013,772)                 Developer Profit               \$ (38,219,263)                 Developer Profit Margin               -96.0%                 Feasible?               NO	Net Commercial Income	<u>\$</u>	909,852
Return on Cost (NOI / TDC)         2.1%           Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)         ***	Net Operating Income (NOI)	\$	1,599,985
Feasible?         NO           (Minimum = Cap Rate + 1.00% = 4.9%)	<u>Feasibility</u>		
(Minimum = Cap Rate + 1.00% = 4.9%)         Developer Profit Margin         Net Project Sale Value       \$ 39,794,509         Less: Total Development Cost (from above)       \$ (78,013,772)         Developer Profit       \$ (38,219,263)         Developer Profit Margin       -96.0%         Feasible?       NO			2.1%
Developer Profit Margin         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO			NO
Net Project Sale Value         \$ 39,794,509           Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	(Minimum = Cap Rate + 1.00% = 4.9%)		
Less: Total Development Cost (from above)         \$ (78,013,772)           Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Developer Profit Margin		
Developer Profit         \$ (38,219,263)           Developer Profit Margin         -96.0%           Feasible?         NO	Net Project Sale Value	\$	39,794,509
Developer Profit Margin -96.0% Feasible? NO	Less: Total Development Cost (from above)	\$	(78,013,772)
Developer Profit Margin -96.0% Feasible? NO	Developer Profit	\$	(38,219,263)
Feasible?	Developer Profit Margin	·	
(Minimum = 12.5%)	, ,		
	(Minimum = 12.5%)		

### The 4.1 FAR Development Scenario, Pursuant to a General Plan Amendment, without a Density **Bonus or Incentives**

As shown in Table 2, for the 4.1 FAR development scenario, pursuant to a General Plan Amendment, without a density bonus or incentives, development costs total about \$157.0 million and Net Operating Income totals about \$6.5 million. The resulting return on total development cost is 4.1 percent, as compared with a minimum threshold of 4.9 percent and the ratio of developer profit to net after-sale value produces a profit margin of 2.6 percent, as compared with a minimum threshold of 12.5 percent, which in our experience is a typical return threshold for Los Angeles development projects. Therefore, this development scenario is not financially feasible.

Table 2: 4.1 FAR Development Scenario, Pursuant to a General Plan Amendment, without a **Density Bonus or Incentives** 

	Without Density Bonus				
	Per Unit	<u>Total</u>			
<u>Development Program</u>					
Land Area (sf)	552	50,216			
Gross Building Area (GSF)	2,247	204,451			
FAR (based on GSF)		4.1			
Rentable Area - Residential (NSF)	1,440	131,050			
Rentable Area - Commercial (NSF)		31,055			
Building Efficiency		79.3%			
Apartments					
Market Rate		78			
Affordable	=	13			
Total Units		91			
Subterranean Parking		119			
Levels		2			
Structured Parking		160			
Levels		3			
Total Residential Parking		279			
<u>Development Costs</u>		<u>Total</u>			
Land Acquisition	\$	47,600,000			
Hard Construction	\$	81,775,515			
Soft Costs	\$				
Financing Costs	<u>\$</u>	9,985,616			
Total Development Cost (TDC)	\$	157,049,175			
Net Operating Income		<u>Annual</u>			
Net Apartment Income	\$				
Net Commercial Income	<u>\$</u>	1,373,625			
Net Operating Income (NOI)	\$	6,480,193			
<u>Feasibility</u>					
Return on Cost (NOI / TDC)		4.1%			
Feasible?		NO			
(Minimum = Cap Rate + 1.00% = 4.9%)					
Developer Profit Margin					
Net Project Sale Value	\$	161,174,041			
Less: Total Development Cost (from above)	<u>\$</u>	(157,049,175)			
Developer Profit	\$	4,124,867			
Developer Profit Margin		2.6%			
Feasible?		NO			
(Minimum = 12.5%)					

### The 4.9 FAR Development Scenario, Pursuant to a General Plan Amendment, with On-Menu **Density Bonus and FAR Incentive**

As shown in Table 3, for the 4.9 FAR development scenario, pursuant to a General Plan Amendment, with on-menu density bonus and FAR incentive, development costs total about \$177.0 million and Net Operating Income totals about \$8.0 million. The resulting return on total development cost of 4.5 percent falls below the minimum threshold of 4.9 percent and the ratio of developer profit to net after-sale value produces a profit margin of 10.7 percent, which is also below the minimum threshold of 12.5 percent. Therefore, this development scenario is not financially feasible.

Table 3: 4.9 FAR Development Scenario, Pursuant to a General Plan Amendment, with On-Menu **Density Bonus and FAR Incentive** 

·	With Density Bonus				
	Per Unit		<u>Total</u>		
<u>Development Program</u>					
Land Area (sf)	437		50,216		
Gross Building Area (GSF)	2,131		245,111		
FAR (based on GSF)			4.9		
Rentable Area - Residential (NSF)	1,440		165,570		
Rentable Area - Commercial (NSF)			31,055		
Building Efficiency			80.2%		
Apartments			400		
Market Rate Affordable			102		
			13		
Total Units			115		
Subterranean Parking			119		
Levels			2		
Structured Parking			243		
Levels Total Regidential Parking			3		
Total Residential Parking			362		
<u>Development Costs</u>			<u>Total</u>		
Land Acquisition		\$	47,600,000		
Hard Construction		\$	97,979,373		
Soft Costs		\$	20,183,751		
Financing Costs		\$	11,255,316		
Total Development Cost (TDC)		\$	177,018,440		
Net Operating Income			<u>Annual</u>		
Net Apartment Income		\$	6,600,742		
Net Commercial Income		\$	1,373,625		
Net Operating Income (NOI)		\$	7,974,367		
<u>Feasibility</u>					
Return on Cost (NOI / TDC)			4.5%		
Feasible?			NO		
(Minimum = Cap Rate + 1.00% = 4.9%)					
Developer Profit Margin					
Net Project Sale Value		\$	198,336,817		
Less: Total Development Cost (from above)			(177,018,440)		
Developer Profit		\$	21,318,376		
Developer Profit Margin		Ψ	10.7%		
Feasible?			NO		
(Minimum = 12.5%)					
(Millimitalit = 12.070)					

### The 6.0 FAR Development Scenario, Pursuant to a General Plan Amendment, with On-Menu Density Bonus, and Off-Menu Additional FAR Incentive

As shown in Table 4, for the 6.0 FAR development scenario, pursuant to a General Plan Amendment, with on-menu density bonus, and off-menu additional FAR incentive, development costs total about \$201.0 million and Net Operating Income totals about \$9.8 million. The resulting return on total development cost of 4.9 percent is equal to the minimum threshold, and the ratio of developer profit to net after-sale value produces a profit margin of 17.8 percent, which is greater than the minimum threshold of 12.5 percent. Therefore, this development scenario is financially feasible.

Table 4: 6.0 FAR Development Scenario, Pursuant to a General Plan Amendment, with On-Menu Density Bonus, and Off-Menu Additional FAR Incentive

,	With Densi	With Density Bonus				
	Per Unit		<u>Total</u>			
<u>Development Program</u>						
Land Area (sf)	346		50,216			
Gross Building Area (GSF)	2,075		300,934			
FAR (based on GSF)			6.0			
Rentable Area - Residential (NSF)	1,440		208,790			
Rentable Area - Commercial (NSF)			31,055			
Building Efficiency			79.7%			
Apartments			400			
Market Rate			132			
Affordable			13			
Total Units			145			
Subterranean Parking			119			
Levels			2			
Structured Parking			243			
Levels			3			
Total Residential Parking			362			
<u>Development Costs</u>			<u>Total</u>			
Land Acquisition		\$	47,600,000			
Hard Construction		\$	115,663,571			
Soft Costs		\$	25,018,030			
Financing Costs		\$	12,784,321			
Total Development Cost (TDC)		\$	201,065,922			
Net Operating Income			<u>Annual</u>			
Net Apartment Income		\$	8,460,831			
Net Commercial Income		\$	1,373,625			
Net Operating Income (NOI)		\$	9,834,456			
<u>Feasibility</u>						
Return on Cost (NOI / TDC)			4.9%			
Feasible?			YES			
(Minimum = Cap Rate + $1.00\% = 4.9\%$ )						
Developer Profit Margin						
Net Project Sale Value		\$	244,600,578			
Less: Total Development Cost (from above)		\$	(201,065,922)			
Developer Profit		\$	43,534,656			
Developer Profit Margin			17.8%			
Feasible?			YES			
(Minimum = 12.5%)						
·						

Samuel Garrison Caruso Affiliated October 25, 2016

The details of our analysis of project feasibility under all four of these development scenarios are included in Attachment A to this memo. Caruso Affiliated provided us the basic development program for all four scenarios and land value per an independent appraisal. We used the development programs and the land value, then applied our own independent calculations of development costs, net operating income and investment returns. In doing so, we relied on generally accepted third-party data sources (sources for all assumptions are included in Attachment A) and our own expertise. HR&A is a national economic development, real estate advisory and public policy consulting firm. We have extensive experience analyzing the financial feasibility of many different kinds of development products and planning initiatives, including extensive experience in the Los Angeles metro area. Our clients include a wide range of private and public sector organizations. More information about HR&A is available at our Web site: www.hraadvisors.com.

Please contact me if you or the City of Los Angeles Department of City Planning has any questions about our analysis and conclusions.

Sincerely,

Paul J. Silvern Vice President

### Attachment A:

- 1. Financial Feasibility, Without Density Bonus or Incentives, 1.6 FAR Scenario
- 2. Financial Feasibility, Without Density Bonus or Incentives, 4.1 FAR Scenario, Pursuant to a General Plan Amendment
- 3. Financial Feasibility, With On-Menu Density Bonus and FAR Incentive, 4.9 FAR Scenario, Pursuant to a General Plan Amendment
- 4. Financial Feasibility, With On-Menu Density Bonus and Off-Menu Additional FAR Incentive, 6.0 FAR Scenario, Pursuant to a General Plan Amendment

### Attachment A

# 333 La Cienega Blvd 1. Financial Feasibility, Without Density Bonus or Incentives, 1.6 FAR Scenario

			Without	Density Bonus	i .	Total
Development Program¹ Land Area (sf) Gross Building Area (GSF)				1,732 2,685		50,216 77,852
Achieved FAR (based on GSF) Rentable Area - Residential (NSF) Rentable Area - Commercial (NSF)				1,440		1.6 41,747 20,570
Building Efficiency Apartments						80.0%
Market Rate Affordable Total Units						16 13 29
Subterranean Parking Levels Structured Parking						119 2 13
Levels Total Parking						1 132
Unit Mix <sup>1</sup>	Number	Net Rentable SF	Mo. Rent/NRSF	Mo. Rent	To	otal Mo. Rent
Market Rate <sup>2</sup>				· · · · · · · · · · · · · · · · · · ·		·
1 Bedroom 2 Bedroom	7 9	1,017 1,960	\$3.70 \$3.10	\$3,761 \$6,077		26,327 54,690
Uber Plan	-	2,370	\$6.00	\$14,220	\$	-
Sky Mansion	16	5,060	\$7.00	\$35,420	\$	81,018
Very Low Income Affordable <sup>3</sup>	-	4.047	<b>CO 54</b>	<b>#</b> 500		0.000
1 Bedroom 2 Bedroom	5 5	1,017 1,960	\$0.51 \$0.29	\$520 \$577		2,600 1,154
Madaga (alamana Affanda III a	7				\$	3,754
Moderate Income Affordable <sup>3</sup> 1 Bedroom	4	1,017	\$1.24	\$1,265	\$	5,060
2 Bedroom	2	1,960	\$0.72	\$1,416		2,832
	6		Per Land		\$	7,892
<u>Land</u> Land Acquisition⁴			<u>SF</u>	Per Unit	\$	<u>Total</u> 47,600,000
Subtotal Land			\$ 947.91 \$ 947.91	\$ 1,641,379 \$ 1,641,379		47,600,000 47,600,000
	Number of		Per Bldg.			
Construction	Spaces		GSF	Per Unit/Space		<u>Total</u>
Hard Construction-Buildings <sup>2</sup> Hard Construction-Structured Parking (per space) <sup>5</sup>	13		\$ 155	\$ 416,106 \$ 35,600	\$ \$	12,067,060 462,800
Hard Construction-Structured Parking (per space)  Hard Construction-Subt. Parking (per space)  5	119			\$ 50,914	\$	6,058,800
Hard Construction-Off Site Community Benefits					\$	- 242.004
FF&E <sup>1</sup> Tenant Improvements Allowance (x Retail NSF) <sup>6</sup>		\$50	\$ 13		\$ \$	313,264 1,028,500
Hard Cost Contingency (x Subtotal) <sup>5</sup>		5%	\$ 13	\$ 34,363	\$	996,521
Subtotal Construction			\$ 269	\$ 721,619	\$	20,926,945
Soft Costs <sup>6</sup>				•	_	
Design, Engineering & Consulting Services (x Hard Costs) Permits & Fees (x Hard Costs)		8.0% 4.0%		\$ 57,730 \$ 28,865	\$ \$	1,674,156 837,078
Taxes, Insurance, Legal & Accounting (x Hard Costs)		5.0%	\$ 13.44	\$ 36,081	\$	1,046,347
Development Management (x Hard Costs)  Soft Cost Contingency (x Subtotal) <sup>5</sup>		4.0% <u>3.0%</u>		\$ 28,865 \$ 4,546	\$ \$	837,078 131,840
Subtotal Soft Costs		24.0%	\$ 58.14	\$ 156,086	\$	4,526,498
Construction Financing Costs <sup>6</sup> Land + Hard Costs + Soft Costs		\$ 73,053,443	Per GSF	Per Unit		<u>Total</u>
Loan to Cost Ratio Construction Loan Principal Loan Fees (%)		70% \$ 51,137,410 1.5%		\$ 26,450	2	767,061
Interest Rate Outstanding Principal Balance Term (years)		6.00% 60% 2		20,700	Ψ	7.57,001
Construction Period (months) Construction Loan Interest		24	\$ 47.29	\$ 126,962	\$	3,681,894
Permanent Loan Points		1.0%		\$ 17,634	\$	511,374
Subtotal Construction Loan			\$ 63.71	\$ 171,046	\$	4,960,329
Total Development Cost (TDC)			\$1,002.08	\$ 2,690,130	\$	78,013,772

Net Operating Income Gross Apartment Rental Income		<u>U</u>	Per nit/Mo.	NS	<u>Per</u> F/Unit/Mo.		<u>Annua</u> l
Market Rate Apartments <sup>2</sup>		\$	5,064	\$	3.27	\$	972,213
Affordable Apartments (Very Low Income) <sup>3</sup>		\$	536	\$	0.42	\$	45,048
Affordable Apartments (Moderate Income) <sup>3</sup>		\$	1,315	\$	0.99	\$	94,704
Miscellaneous Revenue <sup>6</sup>		\$	50	\$	0.03	\$	17,400
Gross Income	=	\$	3,245	\$	2.25	\$	1,129,365
Less: Vacancy Allowance <sup>6</sup>	5.0%	\$	(294)	\$	(0.00)	\$	(56,468)
Effective Gross Income (EGI)		\$	2,951	\$	2.25	\$	1,072,897
Less: Annual Operating Expenses (x EGI)	35.0%	\$	(1,079)		(0.75)		(375,514)
Less: Replacement Reserve (per unit/year) <sup>6</sup>	\$250	\$	(21)	\$	(0.01)	_	(7,250)
Net Apartment Income		\$	1,851	\$	1.49	\$	690,133
				Pai	NSF/Mo.		Annual
Gross Retail Rental Income (NNN) <sup>2</sup>				\$	4.00	\$	987,360
Less: Vacancy Allowance (x Gross Income)	5.0%			\$	(0.20)	\$	(49,368)
Effective Gross Income (EGI)	0.070			\$	3.80	\$	937,992
Less: Management Fee (x EGI) <sup>6</sup>	3%			\$	(0.11)	\$	(28,140)
Net Commercial Income	070			\$	3.69	\$	909,852
Not commorate moonic				Ψ	0.00	Ψ	000,002
Net Operating Income (NOI)				\$	1.71	\$	1,599,985
Feasibility Return on Total Development Cost Net Operating Income (from above)						\$	1,599,985
Total Development Cost (from above)						\$	78,013,772
Return on Cost (NOI / TDC)							2.1%
Feasible?							NO
$(Minimum = Cap Rate + 1.00\% = 4.9\%)^6$							
Developer Profit Margin Net Operating Income (from above)						\$	1,599,985
Cap Rate <sup>7</sup>	3.9%						
Project Value (NOI x Cap Rate)						\$	41,025,267
Less: Cost of Sale <sup>6</sup>	3.0%					\$	(1,230,758)
Net Project Sale Value						\$	39,794,509
Less: Total Development Cost (from above)						\$	(78,013,772)
Developer Profit Margin % x Net Project Sale Value						\$	(38,219,263) -96.0%
Feasible?							NO
$(Minimum = 12.5\%)^6$							

### SOURCES & NOTES:

Prepared by: HR&A Advisors, Inc.

Caruso Affiliated.

<sup>&</sup>lt;sup>2</sup> HR&A, based on review of market comps for similarly scaled, newly constructed apartments with retail in and near Beverly Grove.

<sup>&</sup>lt;sup>3</sup> LA Housing & Community Investment Dept. affordable rent schedule for Density Bonus program (Schedule VI), August 1, 2016, net of utility allowances, per Housing Authority of the City of Los Angeles.

<sup>4</sup> Per an independent appraisal commissioned by Caruso Affiliated.

For data independent appraisal commission of the formal specific and independent appraisal control of the independent appraisal commission of the independent appraisal control of the independent appraisal commission of the independent appraisal c for LA area. Includes demolition and site work; factored to remove soft costs listed separately. Parking costs estimated on a per square ft basis; parking square footage provided by Caruso Affiliated.

HR&A assumptions typical for this type of project and/or calculations.
 Based on HR&A review of third party data sources (e.g.,CoStar sale records of high-end new construction in and near Beverly Grove.)

# Attachment A

### 333 La Cienega Blvd 2. Financial Feasibility, Without Density Bonus or Incentives, 4.1 FAR Scenario, Pursuant to a General Plan Amendment

		Without Density Bonus					
					Per Unit		Total
Development Program <sup>1</sup>							
Land Area (sf)					552 2,247		50,216
Gross Building Area (GSF) Achieved FAR (based on GSF)					2,241		204,451 4.1
Rentable Area - Residential (NSF)					1,440		131,050
Rentable Area - Commercial (NSF)							31,055
Building Efficiency							79.3%
Apartments Market Rate							78
Affordable							13
Total Units							91
Subterranean Parking							119
Levels							2 160
Structured Parking Levels							3
Total Parking							279
Unit Mix <sup>1</sup>	Number	Net Rentable SF	Mo. Rent/NRSI		Mo. Rent	т	otal Mo. Rent
Market Rate <sup>2</sup>	<u>indifibel</u>	<u>31</u>	Keninko	_	WO. Ken		otal wo. Kent
1 Bedroom	37	944	\$6.3	)	\$5,949	\$	220,117
2 Bedroom	36	1,827	\$5.5	)	\$10,047	\$	361,706
Uber Plan	4	2,370	\$6.2		\$14,694		58,776
Sky Mansion	1	5,060	\$7.0	J	\$35,420	_	35,420
Very Low Income Affordable <sup>3</sup>	78					\$	676,020
1 Bedroom	5	944	\$0.5	5	\$520	\$	2,600
2 Bedroom	2	1,827	\$0.3	2	\$577	\$	1,154
_	7					\$	3,754
Moderate Income Affordable <sup>3</sup>						_	
1 Bedroom 2 Bedroom	4 2	944 1,827	\$1.3 \$0.7		\$1,265 \$1,416		5,060 2,832
2 Dedition	6	1,027	Ψ0.7	,	ψ1,410	\$	7,892
	Ü		Per Land			Ψ	7,002
Land			<u>SF</u>		Per Unit		<u>Total</u>
Land Acquisition⁴			\$ 947.91		523,077		47,600,000
Subtotal Land			\$ 947.91	\$	523,077	\$	47,600,000
	Number of		Per Bldg.				
Construction	Spaces		GSF	Pe	r Unit/Space		Total
Hard Construction-Buildings <sup>5</sup>	·		\$ 296	\$	664,803	\$	60,497,051
Hard Construction-Structured Parking (per space)5	160			\$	36,045	\$	5,767,200
Hard Construction-Subt. Parking (per space)	119			\$	50,914	\$	6,058,800
Hard Construction-Off Site Community Benefits <sup>1</sup>						\$	3,022,641
FF&E <sup>1</sup> Tenant Improvements Allowance (x Retail NSF) <sup>6</sup>		\$50	\$ 8			\$ \$	983,001 1,552,750
Hard Cost Contingency (x Subtotal) <sup>5</sup>		5%			42,792	\$	3,894,072
Subtotal Construction			\$ 400		898,632	\$	81,775,515
					,	•	. , .,.
Soft Costs <sup>6</sup>							
Design, Engineering & Consulting Services (x Hard Costs)		8.0%			71,891	\$	6,542,041
Permits & Fees (x Hard Costs) Taxes, Insurance, Legal & Accounting (x Hard Costs)		4.0% 5.0%			35,945 44,932	\$ \$	3,271,021 4,088,776
Development Management (x Hard Costs)		4.0%			35,945		3,271,021
Soft Cost Contingency (x Subtotal) <sup>5</sup>		3.0%	\$ 2.52	\$	5,661	\$	515,186
Subtotal Soft Costs		24.0%	\$ 86.51	\$	194,374	\$	17,688,044
Construction Financing Costs <sup>6</sup>			Per GSF		Dor I Init		Total
Construction Financing Costs <sup>b</sup> Land + Hard Costs + Soft Costs		\$147,063,559	<u>rei Gor</u>		Per Unit		<u>Total</u>
Loan to Cost Ratio		70%					
Construction Loan Principal		\$102,944,491					
Loan Fees (%)		1.5%		\$	16,969	\$	1,544,167
Interest Rate Outstanding Principal Balance		6.00% 60%					
Term (years)		2					
Construction Period (months)		24					
Construction Loan Interest			\$ 36.25	\$	81,451	\$	7,412,003
Permanent Loan Points		1.0%	\$ 5.04	\$	11,313	\$	1,029,445
Subtotal Construction Loan		3,72	\$ 48.84		109,732		9,985,616
Total Development Cost (TDC)			\$ 768.15	\$	1,725,815	\$	157,049,175

			Per		Per		
Net Operating Income		U	nit/Mo.	NS	F/Unit/Mo.		<u>Annual</u>
Gross Apartment Rental Income							
Market Rate Apartments <sup>2</sup>		\$	8,667	\$	5.87	\$	8,112,237
Affordable Apartments (Very Low Income) <sup>3</sup>		\$	536	\$	0.45	\$	45,048
Affordable Apartments (Moderate Income) <sup>3</sup>		\$	1,315	\$	1.06	\$	94,704
Miscellaneous Revenue <sup>6</sup>		\$	50	\$	0.03	\$	54,600
Gross Income		\$	7,607	\$	5.28	\$	8,306,589
Less: Vacancy Allowance <sup>6</sup>	5.0%	\$	(444)	\$	(0.00)	\$	(415,329)
Effective Gross Income (EGI)		\$	7,163	\$	5.28	\$	7,891,259
Less: Annual Operating Expenses (x EGI) <sup>6</sup>	35.0%	\$	(2,529)	\$	(1.76)	\$	(2,761,941)
Less: Replacement Reserve (per unit/year) <sup>6</sup>	\$250	\$	(21)	\$	(0.01)	\$	(22,750)
Net Apartment Income		\$	4,613	\$	3.51	\$	5,106,569
				Pe	r NSF/Mo.		<u>Annual</u>
Gross Retail Rental Income (NNN) <sup>2</sup>				\$	4.00	\$	1,490,640
Less: Vacancy Allowance (x Gross Income)	5.0%			\$	(0.20)	\$	(74,532)
Effective Gross Income (EGI)				\$	3.80	\$	1,416,108
, ,	3%			\$	(0.11)	\$	(42,483)
Less: Management Fee (x EGI) <sup>6</sup> Net Commercial Income	370			\$	3.69	\$	1,373,625
Net Commercial income				Φ	3.09	Φ	1,373,023
N . 2				•			
Net Operating Income (NOI)				\$	2.64	\$	6,480,193
Faccibility							
Feasibility Return on Total Development Cost							
Net Operating Income (from above)						\$	6,480,193
Total Development Cost (from above)						\$	157,049,175
Return on Cost (NOI / TDC)						Ψ	4.1%
Feasible?							NO
(Minimum = Cap Rate + $1.00\% = 4.9\%$ ) <sup>6</sup>							
(Minimum = Gap Hate + 110070 = 11070)							
Developer Profit Margin							
Net Operating Income (from above)						\$	6,480,193
Cap Rate <sup>7</sup>	3.9%						
Project Value (NOI x Cap Rate)						\$	166,158,806
Less: Cost of Sale <sup>6</sup>	3.0%					\$	(4,984,764)
Net Project Sale Value						\$	161,174,041
Less: Total Development Cost (from above)						\$	(157,049,175)
Developer Profit Margin						\$	4,124,867
% x Net Project Sale Value						~	2.6%
Feasible?							NO
$(Minimum = 12.5\%)^6$							
,							

Per

Per

### SOURCES & NOTES:

Prepared by: HR&A Advisors, Inc.

Caruso Affiliated.

<sup>&</sup>lt;sup>2</sup> HR&A, based on review of market comps for high-end new construction apartments with retail in prime submarket areas and an analysis of rent premiums associated with highly-amenitized, luxury buildings.

LA Housing & Community Investment Dept. affordable rent schedule for Density Bonus program (Schedule VI), August 1, 2016,

net of utility allowances, per Housing Authority of the City of Los Angeles.

<sup>&</sup>lt;sup>4</sup> Per an independent appraisal commissioned by Caruso Affiliated.

<sup>&</sup>lt;sup>5</sup> HR&A estimate of weighted average retail and residential costs based on Marshall & Swift Cost Estimator software,October 2016 data for LA area. Includes demolition and site work; factored to remove soft costs listed separately. Parking costs estimated on a per square ft basis; parking square footage provided by Caruso Affiliated.

HR&A assumptions typical for this type of project and/or calculations.
 Based on HR&A review of third party data sources (e.g.,CoStar sale records of high-end new construction in and near Beverly Grove.)

# Attachment A

### 333 La Cienega Blvd 3. Financial Feasibility, With On-Menu Density Bonus and FAR Incentive, 4.9 FAR Scenario, Pursuant to a General Plan Amendment

			With E	Density Bonus		
				Per Unit		Total
Development Program <sup>1</sup>						
Land Area (sf)				437		50,216
Gross Building Area (GSF) Achieved FAR (based on GSF)				2,131		245,111 4.9
Rentable Area - Residential (NSF)				1,440		165,570
Rentable Area - Commercial (NSF)				.,		31,055
Building Efficiency						80.2%
Apartments						100
Market Rate Affordable						102 13
Total Units					_	115
Subterranean Parking						119
Levels						2
Structured Parking						243
Levels						3
Total Parking						362
		Net Rentable	Mo.			
Unit Mix <sup>1</sup>	Number	<u>SF</u>	Rent/NRSF	Mo. Rent	-	Total Mo. Rent
Market Rate <sup>2</sup>				_		
1 Bedroom	57	960	\$6.30	\$6,046		344,616
2 Bedroom Uber Plan	40 4	1,993 2,370	\$5.50 \$6.20	\$10,962 \$14,694		438,460 58,776
Sky Mansion	1	5,060	\$7.00	\$35,420		35,420
·	102				\$	877,272
Very Low Income Affordable <sup>3</sup>						
1 Bedroom	5	960	\$0.54	\$520		2,600
2 Bedroom	2	1,993	\$0.29	\$577	\$	1,154
M. L	7				\$	3,754
Moderate Income Affordable <sup>3</sup> 1 Bedroom	4	960	\$1.32	\$1,265	œ	5,060
2 Bedroom	2	1,993	\$0.71	\$1,416		2,832
	6	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	****	<b>4</b> ·, · · ·	\$	7,892
			Per Land			•
Land			<u>SF</u>	Per Unit		<u>Total</u>
Land Acquisition⁴			\$ 947.91	\$ 413,913	\$	47,600,000
Subtotal Land			\$ 947.91	\$ 413,913	\$	47,600,000
	Number of		Per Bldg.			
Construction	Spaces		GSF	Per Unit/Space		<u>Total</u>
Hard Construction-Buildings⁵			\$ 296	\$ 630,681	\$	72,528,345
Hard Construction-Structured Parking (per space) <sup>5</sup>	243			\$ 36,662	\$	8,908,900
Hard Construction-Subt. Parking (per space) <sup>5</sup>	119			\$ 50,914	\$	6,058,800
Hard Construction-Off Site Community Benefits					\$	3,022,641
FF&E <sup>1</sup>		<b>#</b> F0	<b>.</b>		\$	1,242,253
Tenant Improvements Allowance (x Retail NSF)		\$50 5%	\$ 6 \$ 19	\$ 40,571	\$ \$	1,552,750 4,665,684
Hard Cost Contingency (x Subtotal) Subtotal Construction		0,0	\$ 400	\$ 851,995	\$	97,979,373
			•	Ψ 001,000	•	01,010,010
Soft Costs <sup>6</sup>						
Design, Engineering & Consulting Services (x Hard Costs)		8.0%		\$ 68,160	\$	7,838,350
Permits & Fees (x Hard Costs)		4.0%		\$ 34,080	\$	3,919,175
Taxes, Insurance, Legal & Accounting (x Hard Costs)  Development Management (x Hard Costs)		4.0% 4.0%		\$ 34,080 \$ 34,080	\$ \$	3,919,175 3,919,175
Soft Cost Contingency (x Subtotal) <sup>5</sup>		3.0%		\$ 5,112	\$	587,876
Subtotal Soft Costs		23.0%	\$ 82.35	\$ 175,511	\$	20,183,751
•						
Construction Financing Costs <sup>6</sup>		<b>0.405</b> 700 404	Per GSF	Per Unit		<u>Total</u>
Land + Hard Costs + Soft Costs Loan to Cost Ratio		\$165,763,124 70%				
Construction Loan Principal		\$116,034,187				
Loan Fees (%)		1.5%	\$ 7.10	\$ 15,135	\$	1,740,513
Interest Rate		6.00%				
Outstanding Principal Balance		60%				
Term (years)		2				
Construction Period (months)		24	e 0400	e 70.047	r	0.054.404
Construction Loan Interest			\$ 34.08	\$ 72,647	ф	8,354,461
Permanent Loan Points		1.0%	\$ 4.73	\$ 10,090	\$	1,160,342
Subtotal Construction Loan			\$ 45.92	\$ 97,872	\$	11,255,316
Total Davidson and Cost (TDC)			ф <b>7</b> 00 00	Ф 4 F00 00°	_	477.040.440
Total Development Cost (TDC)			\$ 722.20	\$ 1,539,291	\$	177,018,440

Net Operating Income		U	Per nit/Mo.	NS	<u>Per</u> F/Unit/Mo.	<u>Annual</u>
Gross Apartment Rental Income						
Market Rate Apartments <sup>2</sup>		\$	8,601	\$	5.89	\$ 10,527,268
Affordable Apartments (Very Low Income) <sup>3</sup>		\$	536	\$	0.43	\$ 45,048
Affordable Apartments (Moderate Income) <sup>3</sup>		\$	1,315	\$	1.01	\$ 94,704
Miscellaneous Revenue <sup>6</sup>		\$	50	\$	0.03	\$ 69,000
Gross Income		\$	7,780	\$	5.40	\$ 10,736,020
Less: Vacancy Allowance <sup>6</sup>	5.0%	\$	(439)	\$	(0.00)	\$ (536,801)
Effective Gross Income (EGI)		\$	7,341	\$	5.40	\$ 10,199,219
Less: Annual Operating Expenses (x EGI) <sup>6</sup>	35.0%	\$	(2,587)	\$	(1.80)	\$ (3,569,727)
Less: Replacement Reserve (per unit/year) <sup>6</sup>	\$250	\$	(21)	\$	(0.01)	\$ (28,750)
Net Apartment Income		\$	4,734	\$	3.59	\$ 6,600,742
				Pe	r NSF/Mo.	Annual
Gross Retail Rental Income (NNN) <sup>2</sup>				\$	4.00	\$ 1,490,640
Less: Vacancy Allowance (x Gross Income)	5.0%			\$	(0.20)	\$ (74,532)
Effective Gross Income (EGI)				\$	3.80	\$ 1,416,108
Less: Management Fee (x EGI) <sup>6</sup>	3%			\$	(0.11)	\$ (42,483)
Net Commercial Income				\$	3.69	\$ 1,373,625
Net Operating Income (NOI)				\$	2.71	\$ 7,974,367
<u>Feasibility</u>						
Return on Total Development Cost						
Net Operating Income (from above)						\$ 7,974,367
Total Development Cost (from above) Return on Cost (NOI / TDC)						\$ 177,018,440 <b>4.5%</b>
Feasible?						4.5 % NO
(Minimum = Cap Rate + $1.00\% = 4.9\%$ ) <sup>6</sup>						NO
Developer Profit Margin						
Net Operating Income (from above)						\$ 7,974,367
Cap Rate <sup>7</sup>	3.9%					
Project Value (NOI x Cap Rate)						\$ 204,470,945
Less: Cost of Sale <sup>6</sup>	3.0%					\$ (6,134,128)
Net Project Sale Value						\$ 198,336,817
Less: Total Development Cost (from above)						\$ (177,018,440)
Developer Profit Margin						\$ 21,318,376
% x Net Project Sale Value						10.7%
Feasible?						NO
$(Minimum = 12.5\%)^6$						

### SOURCES & NOTES:

Prepared by: HR&A Advisors, Inc.

Caruso Affiliated.

<sup>&</sup>lt;sup>2</sup> HR&A, based on review of market comps for high-end new construction apartments with retail in prime submarket areas and an analysis

of rent premiums associated with highly-amenitized, luxury buildings.

LA Housing & Community Investment Dept. affordable rent schedule for Density Bonus program (Schedule VI), August 1, 2016, net of utility allowances, per Housing Authority of the City of Los Angeles.

Per an independent appraisal commissioned by Caruso Affiliated.

<sup>&</sup>lt;sup>5</sup> HR&A estimate of weighted average retail and residential costs based on Marshall & Swift Cost Estimator software,October 2016 data for LA area. Includes demolition and site work; factored to remove soft costs listed separately. Parking costs estimated on a per square ft basis; parking square footage provided by Caruso Affiliated.

HR&A assumptions typical for this type of project and/or calculations.
 Based on HR&A review of third party data sources (e.g.,CoStar sale records of high-end new construction in and near Beverly Grove.)

## Attachment A

### 333 La Cienega Blvd 4. Financial Feasibility, With On-Menu Density Bonus and Off-Menu Additional FAR Incentive, 6.0 FAR Scenario, Pursuant to a General Plan Amendment

			With	Den	sity Bonus		
- · · · · · · · · · · · · · · · · · · ·					Per Unit		<u>Total</u>
<u>Development Program'</u> Land Area (sf)					346		50,216
Gross Building Area (GSF)					2,075		300,934
Achieved FAR (based on GSF) Rentable Area - Residential (NSF)					1,440		6.0 208,790
Rentable Area - Commercial (NSF)					1,110		31,055
Building Efficiency							79.7%
Apartments Market Rate							132
Affordable						_	13
Total Units Subterranean Parking							145 119
Levels							2
Structured Parking							243
Levels Total Parking							3 362
·							
Unit Mix <sup>1</sup>	Number	Net Rentable SF	Mo. Rent/NRS	F	Mo. Rent		Total Mo. Rent
Market Rate <sup>2</sup>	<u>r varribor</u>	<u> </u>	110.1011110	_			Total Monton
1 Bedroom	75 50	981	\$6.3		\$6,177		463,286
2 Bedroom Uber Plan	52 4	2,016 2,118	\$5.5 \$6.2		\$11,088 \$13,132		576,576 52,526
Sky Mansion	1	5,060	\$7.0		\$35,420	\$	35,420
	132					\$	1,127,809
Very Low Income Affordable <sup>3</sup> 1 Bedroom	5	981	\$0.5	3	\$520	\$	2,600
2 Bedroom	2	2,016	\$0.2		\$577	\$	1,154
M. L	7					\$	3,754
Moderate Income Affordable <sup>3</sup> 1 Bedroom	4	981	\$1.2	9	\$1,265	\$	5,060
2 Bedroom	2	2,016	\$0.7		\$1,416	\$	2,832
	6		Por Long			\$	7,892
Land			Per Land SF	_	Per Unit		<u>Total</u>
Land Acquisition⁴			\$ 947.9		328,276	\$	47,600,000
Subtotal Land			\$ 947.9	1 \$	328,276	\$	47,600,000
	Number of		Per Bldg	_			
Construction	<u>Spaces</u>		GSF C 200		er Unit/Space	•	Total
Hard Construction-Buildings' Hard Construction-Structured Parking (per space) <sup>5</sup>	243		\$ 29	\$ \$	614,113 36,662	\$ \$	89,046,371 8,908,900
Hard Construction-Subt. Parking (per space) <sup>5</sup>	119			\$	50,914	\$	6,058,800
Hard Construction-Off Site Community Benefits <sup>1</sup>						\$	3,022,641
FF&E <sup>1</sup> Tangat Improvements Allowance (v. Roteil NSE <sup>6</sup>		\$50	\$	5		\$ \$	1,566,320 1,552,750
Tenant Improvements Allowance (x Retail NSF)* Hard Cost Contingency (x Subtotal) <sup>5</sup>		5%			37,985	\$	5,507,789
Subtotal Construction			\$ 384	1 \$	797,680	\$	115,663,571
Soft Costs <sup>6</sup>							
Design, Engineering & Consulting Services (x Hard Costs)		8.0%	\$ 30.79	5 \$	63,814	\$	9,253,086
Permits & Fees (x Hard Costs)		4.0%			31,907	\$	4,626,543
Taxes, Insurance, Legal & Accounting (x Hard Costs)  Development Management (x Hard Costs)		5.0% 4.0%			39,884 31,907	\$ \$	5,783,179 4,626,543
Soft Cost Contingency (x Subtotal) <sup>5</sup>		3.0%	\$ 2.42		5,025	\$	728,680
Subtotal Soft Costs		24.0%	\$ 83.13	3 \$	172,538	\$	25,018,030
Construction Financing Costs <sup>6</sup>			Per GSF		Per Unit		<u>Total</u>
Land + Hard Costs + Soft Costs		\$188,281,601			_		
Loan to Cost Ratio Construction Loan Principal		70% \$131,797,121					
Loan Fees (%)		1.5%		7 \$	13,634	\$	1,976,957
Interest Rate Outstanding Principal Balance		6.00% 60%					
Term (years)		2					
Construction Period (months)		24	e 04.5	, n	GF 444	e	0.400.000
Construction Loan Interest			\$ 31.5		65,444	\$	9,489,393
Permanent Loan Points		1.0%			9,089	\$	1,317,971
Subtotal Construction Loan			\$ 42.4	3 \$	88,168	\$	12,784,321
Total Development Cost (TDC)			\$ 668.1	1 \$	1,386,662	\$	201,065,922

Net Operating Income Gross Apartment Rental Income Market Rate Apartments <sup>2</sup>		Per_ Unit/Mo. \$ 8,544	•	.88	\$	<u>Annual</u> 13,533,704
Affordable Apartments (Very Low Income) <sup>3</sup>		\$ 536	\$ 0	.42	\$	45,048
Affordable Apartments (Moderate Income) <sup>3</sup>		\$ 1,315	\$ 0	.99	\$	94,704
Miscellaneous Revenue <sup>6</sup>		\$ 50	\$ 0	.03	\$	87,000
Gross Income		\$ 7,908		.49	\$	13,760,456
Less: Vacancy Allowance <sup>6</sup>	5.0%	\$ (434)	\$ (0	.00)	\$	(688,023)
Effective Gross Income (EGI)		\$ 7,474	\$ 5	.49	\$	13,072,433
Less: Annual Operating Expenses (x EGI) <sup>6</sup>	35.0%	\$ (2,630)	\$ (1	.83)	\$	(4,575,352)
Less: Replacement Reserve (per unit/year) <sup>6</sup>	\$250	\$ (21)	\$ (0	.01)	\$	(36,250)
Net Apartment Income		\$ 4,824	\$ 3	.65	\$	8,460,831
			Per NSF/N	10		Annual
0 0 0 110 111 111112				_	\$	1,490,640
Gross Retail Rental Income (NNN) <sup>2</sup>	5.0%					(74,532)
Less: Vacancy Allowance (x Gross Income)	5.0%			_	\$	
Effective Gross Income (EGI)					\$	1,416,108
Less: Management Fee (x EGI) <sup>6</sup>	3%				\$	(42,483)
Net Commercial Income			\$ 3	.69	\$	1,373,625
Net Operating Income (NOI)			\$ 2	.72	\$	9,834,456
Feasibility Return on Total Development Cost Net Operating Income (from above) Total Development Cost (from above)					\$ \$	9,834,456 201,065,922
Return on Cost (NOI / TDC)					Ψ	4.9%
Feasible?						YES
(Minimum = Cap Rate + $1.00\% = 4.9\%$ ) <sup>6</sup>						
Developer Profit Margin Net Operating Income (from above)					\$	9,834,456
Cap Rate <sup>7</sup>	3.9%					
Project Value (NOI x Cap Rate)					\$	252,165,544
Less: Cost of Sale <sup>6</sup>	3.0%				\$	(7,564,966)
Net Project Sale Value					\$	244,600,578
Less: Total Development Cost (from above)					\$	(201,065,922)
Developer Profit Margin					\$	43,534,656
% x Net Project Sale Value						17.8%
Feasible?						YES
$(Minimum = 12.5\%)^6$						

### SOURCES & NOTES:

Prepared by: HR&A Advisors, Inc.

<sup>&</sup>lt;sup>1</sup> Caruso Affiliated.

<sup>2</sup> HR&A, based on review of market comps for high-end new construction apartments with retail in prime submarket areas and an analysis of rent premiums associated with highly-amenitized, luxury buildings.

3 LA Housing & Community Investment Dept. affordable rent schedule for Density Bonus program (Schedule VI), August 1, 2016,

<sup>&</sup>lt;sup>3</sup> LA Housing & Community Investment Dept. affordable rent schedule for Density Bonus program (Schedule VI), August 1, 2016 net of utility allowances, per Housing Authority of the City of Los Angeles.

<sup>&</sup>lt;sup>4</sup> Per an independent appraisal commissioned by Caruso Affiliated.

<sup>&</sup>lt;sup>5</sup> HR&A estimate of weighted average retail and residential costs based on Marshall & Swift Cost Estimator software,October 2016 data for LA area. Includes demolition and site work; factored to remove soft costs listed separately. Parking costs estimated on a per square ft basis; parking square footage provided by Caruso Affiliated.

<sup>&</sup>lt;sup>6</sup> HR&A assumptions typical for this type of project and/or calculations.

<sup>&</sup>lt;sup>7</sup> Based on HR&A review of third party data sources (e.g.,CoStar sale records of high-end new construction in and near Beverly Grove.)

### **EXHIBIT C**



RSG, INC. 309 WEST 4TH STREET SANTA ANA, CALIFORNIA 92701-4502 T 714 541 4585 F 714 541 1175 E INFO@WEBRSG.COM WEBRSG.COM

Via Electronic Mail

DATE: October 27, 2016

TO: Samuel Garrison, Vice President, Development & Strategic Initiatives

**CARUSO AFFILIATED** 

FROM: Jim Simon, Principal

Nate Gunderman, Associate

SUBJECT: 333 LA CIENEGA BOULEVARD PROJECT FEASIBILITY ANALYSIS REVIEW

RSG, Inc. ("RSG") completed this peer review of HR&A's October 25, 2016. ("HR&A") feasibility analysis of a mixed-use density bonus project proposed for development by Caruso Affilaited ("Developer") at 333 La Cienega Boulevard in Los Angeles ("Project"). In order to make the Project financiall feasible, the Developer is seeking one off-menu incentive for additional FAR from the City of Los Angeles ("City").

As per the City's requirements, the Developer commissioned the preparation of the HR&A feasibility analysis, as well as this independent peer review, of the Project and three alternatives that more strictly conform to the City's Code.

### PROJECT DESCRIPTION

Located in Beverly Grove a short distance from the Beverly Center, the Project site is a 1.153-acre parcel formerly occupied by a retail use. The Project includes the following components:

- 145 multi-family rental units, comprised of 132 market rate units, 7 units restricted to very low-income households, 6 units restricted to moderate income households;
- 27,685 leasable square feet of retail, 3,370 leasable square feet of restaurant space;
- 3 above-grade parking levels serving the residential use, 2 below-grade parking levels serving the commercial uses; and
- 362 parking spaces and 146 long-term bicycle stalls.

To achieve this development program, the Developer's application requests the City's approval of: 1) a General Plan Amendment to the Wilshire Community Plan from Neighborhood Office Commercial to General Commercial, 2) allow Height District 2D on the Project site, and 3) the off-menu density bonus incentive for additional project FAR in exchange for a 10% density bonus.

#### **DEVELOPER'S FEASIBILITY ANALYSIS**

In this peer review, RSG evaluated the HR&A's October 25, 2016 feasibility study, which contrasted the feasibility of four scenarios of the Project, of which presume the by-right density bonus and off-menu incentive is applied, as follows:

1) Alternative without variances or incentives;

- 2) Alternative with a General Plan Amendment to redesignate site to General Commercial;
- 3) Alternative with the same General Plan Amendment, and allow the Height District D2 for the site; and
- 4) Project with the General Plan Amendment, the Height District 2D, and one off-menu incentive for additional FAR.

Each scenario anticipated a number of market rate units as well as the 13 affordable units based on the scale of the allowable construction. Among these four scenarios, HR&A's feasibility study concluded that only the Project as proposed economically feasible, and therefore concluded that the General Plan Amendment, Height District 2D and the additional FAR were necessary for a financially viable project.

### PEER REVIEW SUMMARY FINDINGS

Upon reviewing HR&A's analysis, we concur that:

- The three alternatives <u>are not</u> financially feasible (<u>without</u> the requested off-menu incentive as well as the General Plan Amendment and Height District 2D allowance), because none would yield a sufficient developer profit margin to proceed with construction.
- However, the proposed Project <u>is</u> financially feasible <u>with</u> the requested off-menu incentive General Plan Amendment, because it would yield a developer profit margin that we believe is sufficiently high to be constructed.

Table 1 summarizes the development programming scenarios with and without the requested offmenu incentives, as well as the findings of Caruso's feasibility analysis.

Table 1. Development Programming Scenarios With and Without Requested On- and Off-Menu Incentives and Caruso's Feasibility Analysis Findings

	Without On- or Off-Menu Incentives	General Plan Amendment	GPA + Density Bonus + FAR Incentive	On- & Off- Menu Incentives
DEVELOPMENT PROGRAMMING	1.6 FAR	4.1 FAR	4.9 FAR	6.0 FAR
Gross Building Area (GSF)	77,852	204,451	245,111	300,934
Rentable Area - Residential (NSF)	41,747	131,050	165,570	208,790
Rentable Area - Commercial (NSF)	20,570	31,055	31,055	31,055
Residential Units	29	91	115	145
Market Rate	16	78	102	132
Affordable	13	13	13	13
On-Site Vehicle Parking	132	279	362	362
Subterranean	119	119	119	119
Structured	13	160	243	243

	Without On- or Off-Menu Incentives	General Plan Amendment	GPA + Density Bonus + FAR Incentive	On- & Off- Menu Incentives
FEASIBILITY ANALYSIS				
Total Development Costs (TDC)	\$78,013,772	\$157,049,175	\$117,018,440	\$201,065,922
Net Operating Income (NOI)	\$1,599,985	\$6,480,193	\$7,974,367	\$9,834,456
Return on Cost (NOI/TDC)	2.1%	4.1%	4.5%	4.9%
Developer Profit	(\$38,219,263)	\$4,124,867	\$21,318,376	\$43,534,656
Profit Margin	-96.0%	2.6%	10.7%	17.8%

The balance of this memorandum presents a detailed analysis of the HR&A feasibility study.

### **ANALYSIS**

### A-1. Development Program and Incentives

This Project entails 300,934 square feet of building floor area to be built on the 50,216 square-foot lot. Most of the floor area is allocated to 145 residential apartment units, with 31,055 square feet dedicated to retail/restaurant space. Of the 145 rental units, 7 units will be restricted to very low-income and 6 units to moderate income households.

Without the requested off-menu incentives and other variances, the Project would be smaller (and, as it turns out, infeasible.). The reduction in building scale affect not only the size of the improvements but the number of market-rate rental units that are necessary to make the development of this site pencil.

Depending on the alternative, the Project would include (1) three levels of structured parking serving the residential use, in addition to the two levels of subterranean parking serving the commercial use and (2) significantly less square footage. The gross building area would be reduced from 300,934 square feet to 77,852 square feet. The reduction in square footage primarily affects the residential component; the retail space would see a slight reduction from 31,055 to 20,570 square feet.

### A-2. Peer Review Findings

RSG believes that HR&A's development programming assumptions for each scenario are reasonable. RSG agrees that the square footage increase and zoning changes from what is allowable by-right is necessary to develop 145 rental units..

### **B-1. Development Costs**

In their analysis, HR&A calculated \$201 million in total construction costs for the proposed 20-story, 145-unit Project with retail and restaurant space, two levels of subterranean parking, and three stories of structured parking. Without the requested on- and off-menu incentives, HR&A concluded that the development would be downsized to a 5-story, 29-unit development with a slight reduction in commercial space, two levels of subterranean parking, 1 story of structured parking, and construction costs reduced to \$78 million. HR&A's development cost estimates incorporate the following assumptions:

- <u>Land Acquisition Costs</u>: \$948 per square foot of land, based on the recent appraisal obtained by Developer of \$47,600,000
- Off Site Community Benefits: One-time cost of \$3,022,641, applicable only to scenarios with incentives
- Hard Construction Building Costs: \$296 per square foot of residential and retail
- <u>Hard Construction Parking Costs</u>: \$50,914 per space in the subterranean garage and \$36,662 per space in the above-grade garage
- FF&E and Tenant Improvements Allowance: \$3,119,070 total
- Hard Cost Contingency: 5% of other hard costs

- Soft Costs<sup>1</sup>: 24% of hard costs
- <u>Construction Financing Costs</u>: Calculation assumes 70% loan-to-cost ratio, 1.5% loan fees, 6.0% interest rate, and a two-year loan term

### B-2. Peer Review Findings

RSG believes that HR&A's development cost estimates and assumptions are generally reasonable by industry standards.

### C-1. Net Operating Income

HR&A estimates an annual net operating income of \$9,834,456 with off-menu incentives and \$1,599,985 without off-menu incentives. The difference in income is attributable to the rent from the additional residential units and increased commercial square feet in the scenario with off-menu incentives. Caruso's net operating income estimates integrate the following assumptions:

- Market-Rate Apartment Rents: \$6,177 for 1-bedroom, \$11,088 for 2-bedroom, \$13,132 for four, "Urban Plan" units, and \$35,420 for one, "Sky Mansion"
- Very Low-Income Apartment Rents: \$520 for 1-bedroom and \$577 for 2-bedroom, based on the
  City Housing and Community Investment Department's affordable rent limits schedule for
  density bonus projects (effective August 1, 2016)
- Moderate Income Apartment Rents: \$1,265 for 1-bedroom and \$1,416 for 2-bedroom, based on the City Housing and Community Investment Department's affordable rent limits schedule for density bonus projects (effective August 1, 2016)
- Residential Miscellaneous Income: \$50 per unit per month
- Retail Income: \$4.00 per square foot per month
- Residential & Retail Vacancy Allowance: 5.0% for residential, 5.0% for retail
- Residential Operating Expenses & Reserves: 35% of effective gross income & \$250 per unit per vear
- Retail Management Fee: 3% of effective gross income

### C-2. Peer Review Findings

RSG believes that RR&A's income assumptions and findings are generally justifiable. HR&A anticipates that market rate units in the Project would rent for \$5.50 to \$7.00 per square foot. RSG finds this assumption to be reasonable as compared to similar mixed-use developments in the Mid-West Los Angeles Community area. The site plan shows unit sizes ranging from 981 square feet for a 1-bedroom to 5,060 square feet for a 3-bedroom, "Sky Mansion", apartment. RSG confirms that the rents and unit sizes are marketable and competitive with the current supply of rental housing.

<sup>&</sup>lt;sup>1</sup> Includes fees for design, engineering, consulting, permits, taxes, insurance, accounting, management, and soft cost contingencies.

The same findings are applicable to the retail component of the development. The market supports new retail space at \$4.00 per square foot and the assumption of a 5.0% vacancy is aligned with RSG's projected allowance. Per the Developer's Entitlement Drawing Set, a total of 27,685 square feet will be allocated to retail space (potentially a neighborhood market) and 3,370 for restaurant use which complement the surrounding market as well as the residential development within the project.

### **D-1. Financial Feasibility Analysis**

HR&A's analysis concludes that if the off-menu incentive and other requested variances are granted, the Project is feasible with a return rate of 4.9% and a profit margin of 17.8%. The Project without incentives would yield a 2.1% return rate and a -96.0% profit margin, both of which fall below the development threshold. HR&A's financial feasibility analysis uses the following assumptions:

• Threshold for Return Rate: 4.9%

• <u>Threshold for Development Profit Margin</u>: 12.5%

• Cap Rate: 3.9%

• Cost of Sale: 3% of project value

### D-2. Peer Review Findings

RSG believes that the assumptions and findings incorporated in Caruso's financial feasibility analysis align with current market realities.