AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

The City Council, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of the City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk’s office during normal business hours. Such Documents may also be posted on the City’s website at www.elsegundo.org and additional copies will be available at the City Council meeting.

Unless otherwise noted in the Agenda, the Public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the Agenda during the Public Communications portions of the Meeting. Additionally, the Public can comment on any Public Hearing item on the Agenda during the Public Hearing portion of such item. The time limit for comments is five (5) minutes per person.

Before speaking to the City Council, please come to the podium and state: Your name and residence and the organization you represent, if desired. Please respect the time limits.

Members of the Public may place items on the Agenda by submitting a Written Request to the City Clerk or City Manager’s Office at least six days prior to the City Council Meeting (by 2:00 p.m. the prior Tuesday). The request must include a brief general description of the business to be transacted or discussed at the meeting. Playing of video tapes or use of visual aids may be permitted during meetings if they are submitted to the City Clerk two (2) working days prior to the meeting and they do not exceed five (5) minutes in length.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Clerk, 524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, APRIL 15, 2014 – 5:00 PM

5:00 PM SESSION CANCELLED – NO ITEMS TO DISCUSS

REGULAR MEETING AT 7:00 PM

5:00 P.M. SESSION

CALL TO ORDER

ROLL CALL
PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d) (3): -0- matter

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957): –0- matter

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -0- matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0- matters
AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, APRIL 15, 2014 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – John Svendsen, Pastor, First Baptist Church

PLEDGE OF ALLEGIANCE – Council Member Fuentes
PRESENTATIONS


b. Presentation and recognition of the Election poll workers and Election night workers for their valuable services rendered to The City of El Segundo during the April 8, 2014 Municipal Election.

ROLL CALL

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

CITY COUNCIL COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

Recommendation – Approval.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

C. UNFINISHED BUSINESS

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.
1. Warrant Numbers 3000001 – 3000202 on Register No. 13 in the total amount of $832,362.38 and Wire Transfers from 3/16/2014 through 3/30/2014 in the total amount of $837,634.00.

Recommendation – Approve Warrant Demand Registers and authorize staff to release. Ratify Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

2. Special City Council Meeting Minutes of March 26, 2014, Regular City Council Meeting Minutes of April 1, 2014 and Special City Council Meeting of April 4, 2014.

Recommendation – Approval.

3. Consideration and possible action regarding the adoption of Ordinance No. 1494 for a Zone Change from the Corporate Office (CO) Zone to the 888 North Sepulveda Boulevard Specific Plan (888 NSBSP) Zone, a Zone Text Amendment, a Specific Plan, and a Development Agreement on the site located at 888 North Sepulveda Boulevard. Applicant: The Realty Associates Fund IX, L.P. c/o Barnard Ventures, LLC.

(Fiscal Impact: N/A)

Recommendation – 1) Waive second reading and adopt Ordinance No. 1494; 2) Alternatively, discuss and take other possible action related to this item.
4. Consideration and possible action to adopt a resolution pursuant to Public Contracts Code §20168 finding that an emergency existed within the City, ratifying the action of the City Manager and authorizing the City Manager to retroactively approve a contract in a form approved by the City Attorney with John Phillips Plumbing to replace a hot water boiler at the Park Vista Apartments without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC") § 1-7-12 and 1-7A-4 and find that the project is exempt from review under the California Environmental Quality Act as an emergency repair.
(Fiscal Impact: $8,532.00)
Recommendation – 1) Adopt a Resolution finding that an emergency existed and waiving bidding requirements pursuant to Public Contracts Code §§ 20168 and 22050 and ESMC §§ 1-7-12 and 1-7A-4; 2) Authorize the City Manager to execute a maintenance contract with prevailing wages, in a form approved by the City Attorney, John Phillips Plumbing for the replacement of a hot water boiler at the Park Vista Apartments; 3) Find that the project is exempt from review under the California Environmental Quality Act of 1970, as amended, Public Resources Code section 21000 et seq. ("CEQA") pursuant to Section 15269, subdivision (a) of the CEQA guidelines; 4) Alternatively, discuss and take other possible action related to this item.

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK

5. Consideration and possible action reciting the fact of the General Municipal Election held on April 8, 2014.
(Fiscal Impact: None)
Recommendation – 1) Read Resolution by title only; 2) Adopt Resolution; 3) Comments from Seated Council; 4) Alternatively, discuss and take other possible action related to this item.
6. Consideration and possible action regarding the administering of the Oath of Office to the Council Members Elect.  
(Fiscal Impact: None)  
Recommendation – 1) Clerk presents Certificate of election and administers oath of office to Council Members elect; 2) Comments from newly seated Council Members; 3) Alternatively, discuss and take other possible action related to this item.

7. Consideration and possible action regarding election of Mayor and Mayor Pro Tem by seated Council Members.  
(Fiscal Impact: None)  
Recommendation – 1) Clerk receives nominations for Mayor; 2) Mayor receives nominations for Mayor Pro Tem; 3) Alternatively, discuss and take other possible action related to this item.

J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer –

8. Consideration and possible action to discuss the salary and benefits that the City Council members receive and whether such should be reduced or eliminated either voluntarily or through formal action.  
(Fiscal Impact: varies based on options)  
Recommendation – 1) Discuss the salary and benefits that the Council members receive and whether such should be reduced or eliminated either voluntarily or through formal action; 2) Determine what type of action should be taken and/or direct staff to undertake further research and tasks related to this matter and prepare documents for Council consideration as applicable; 4) Alternatively, discuss and take other possible action related to this item.

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MEMORIALS –

CLOSED SESSION

The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators.

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT

POSTED:

DATE: 4-10-14

TIME: 7:15 pm

NAME: [Signature]

[Handwritten signature with name: Grady Weaver]
WHEREAS, Floyd Carr Jr., born and raised in El Segundo, California, served his community well for many years as an enthusiastic and hardworking member of many civic, church and charitable organizations, has held responsible positions to many boards and organizations, and has been a powerful influence for good in the growth and progress of the community; and

WHEREAS, Floyd Carr has served the community with distinction in a long list of public appointments and elected offices, and his performance of the duties and responsibilities as a former Mayor and member of the City Council has been characterized by extraordinary contributions to municipal government in our city; and

WHEREAS, throughout his career, Floyd Carr Jr. has demonstrated his willingness to place his concern for the public good ahead of his personal interests, which has earned him the respect of other civic leaders and the affection of a host of area residents who are proud to have called him “friend”; and

WHEREAS, On January 17, 2014 the City of El Segundo lost a fearless leader. Floyd’s record of community services was remarkable and unreplaceable.

NOW, THEREFORE, the Mayor and members of the City Council of the City of El Segundo, California, do hereby proclaim Saturday, May 3, 2014 as FLOYD CARR JR. DAY in El Segundo and encourage the community to celebrate this day in honor of Mr. Carr.

Mayor Bill Fisher
Mayor Pro Tem Carl Jacobson
Council Member Suzanne Fuentes
Council Member Dave Atkinson
Council Member Marie Fellhauer
Presentation
Recognition of the Election poll workers and Election night workers for their valuable services rendered to The City of El Segundo during the April 2014 Municipal Election.
<table>
<thead>
<tr>
<th>Code</th>
<th>Fund Name</th>
<th>Warrants</th>
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</thead>
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<tr>
<td>001</td>
<td>General Fund</td>
<td>735,063.89</td>
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<tr>
<td>104</td>
<td>Traffic Safety Fund</td>
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<tr>
<td>105</td>
<td>State Gas Tax Fund</td>
<td>-</td>
</tr>
<tr>
<td>108</td>
<td>Associated Recreation Activities Fund</td>
<td>-</td>
</tr>
<tr>
<td>109</td>
<td>Asset Forfeiture Fund</td>
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<td>111</td>
<td>Comm. Devel. Block Grant</td>
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<td>112</td>
<td>Prop &quot;A&quot; Transportation</td>
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<tr>
<td>114</td>
<td>Prop &quot;C&quot; Transportation</td>
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<td>115</td>
<td>Air Quality Investment Program</td>
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<td>116</td>
<td>Home Sound Installation Fund</td>
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<td>117</td>
<td>Hyperion Mitigation Fund</td>
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<tr>
<td>118</td>
<td>TDA Article 3 - SB 821 Bikeway Fund</td>
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<tr>
<td>119</td>
<td>MTA Grant</td>
<td>-</td>
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<tr>
<td>121</td>
<td>Fema</td>
<td>-</td>
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<tr>
<td>122</td>
<td>O.P.S. Fund</td>
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<td>202</td>
<td>L.A.W.A. Fund</td>
<td>-</td>
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<td>301</td>
<td>Assessment District #73</td>
<td>-</td>
</tr>
<tr>
<td>302</td>
<td>Capital Improvement Fund</td>
<td>-</td>
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<tr>
<td>405</td>
<td>Infrastructure Replacement Fund</td>
<td>-</td>
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<tr>
<td>501</td>
<td>Facilities Maintenance</td>
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<td>502</td>
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<td>503</td>
<td>Wastewater Fund</td>
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<td>Golf Course Fund</td>
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<td>Equipment Replacement</td>
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<td>603</td>
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<td>701</td>
<td>Workers Comp. Reserve/Insurance</td>
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<td>Retired Emp. Insurance</td>
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<td>703</td>
<td>Expendable Trust Fund - Developer Fees</td>
<td>3,768.80</td>
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<tr>
<td>709</td>
<td>Expendable Trust Fund - Other</td>
<td>20,246.35</td>
</tr>
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</table>

**Total Warrants**: $832,362.38

**State of California**
**County of Los Angeles**

Information on actual expenditures is available in the Director of Administrative Services office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

**Codes:**

- **R**: Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations
- **A**: Payroll and Employee Benefit checks
- **B-F**: Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.
- **H**: Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

**Date of Approval**: AS OF 4/15/14

**Register #:** 13

**Finance Director**: [Signature]

**City Manager**: [Signature]

**Date**: 4-3-04
## CITY OF EL SEGUNDO
### PAYMENTS BY WIRE TRANSFER
#### 03/16/14 THROUGH 03/30/14

<table>
<thead>
<tr>
<th>Date</th>
<th>Payee</th>
<th>Amount</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>3/18/2014</td>
<td>State of CA EFT</td>
<td>2,642.60</td>
<td>EFT Child support payment</td>
</tr>
<tr>
<td>3/18/2014</td>
<td>Cal Pers</td>
<td>116,125.85</td>
<td>EFT Retirement Misc (Chase)</td>
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<td>3/18/2014</td>
<td>Cal Pers</td>
<td>248,190.57</td>
<td>EFT Retirement Safety (Chase)</td>
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<td>3/18/2014</td>
<td>Cal Pers</td>
<td>1,398.39</td>
<td>EFT Retirement Safety-Police (Chase)</td>
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<td>Cal Pers</td>
<td>6,617.17</td>
<td>EFT Retirement Misc (Chase)</td>
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<td>3/20/2014</td>
<td>Lane Donovan Golf Ptr</td>
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<td>Payroll Transfer</td>
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<td>3/26/2014</td>
<td>Cal Pers</td>
<td>512.40</td>
<td>J. Quaintance Contribution Arrears</td>
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<tr>
<td>3/27/2014</td>
<td>Health Comp</td>
<td>2,486.11</td>
<td>Weekly claims</td>
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<td>3/27/2014</td>
<td>IRS</td>
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<td>Federal 941 Deposit</td>
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<td>3/27/2014</td>
<td>Employment Development</td>
<td>53,064.94</td>
<td>State PIT Withholding</td>
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<td>3/27/2014</td>
<td>Employment Development</td>
<td>3,838.81</td>
<td>State SDI payment</td>
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<td>3/28/2014</td>
<td>State of CA EFT</td>
<td>2,642.60</td>
<td>EFT Child support payment</td>
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<td>3/28/2014</td>
<td>Manufacturers &amp; Traders</td>
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<td>457 payment Vantagepoint</td>
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<td>3/28/2014</td>
<td>Manufacturers &amp; Traders</td>
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<td>IRA payment Vantagepoint</td>
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<td>3/28/2014</td>
<td>South Bay Credit Union</td>
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<td>Payroll credit union deduction pmt</td>
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<td>Nationwide NRS EFT</td>
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<td>03/15/14-03/21/14</td>
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<td>SCRMA checks issued</td>
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<tr>
<td>03/22/14-03/28/14</td>
<td>Workers Comp Activity</td>
<td>8,687.98</td>
<td>SCRMA checks issued</td>
</tr>
</tbody>
</table>

**DATE OF RATIFICATION: 03/31/14**

**TOTAL PAYMENTS BY WIRE:**

| Total                      | 837,634.00 |

Certified as to the accuracy of the wire transfers by:

**Deputy City Treasurer II**

**Director of Finance**

**City Manager**

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
CALL TO ORDER – Mayor Fisher at 5:00 p.m.

ROLL CALL

Mayor Fisher - Present
Mayor Pro Tem Jacobson - Present
Council Member Fuentes - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present

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CLOSED SESSION:

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1. CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -8- matters

   Agency Designated Representative: City Manager
   Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; Employees Association; Executive Management (unrepresented employees); Management/Confidential (unrepresented employees)

2. PUBLIC EMPLOYEE APPOINTMENT - GOVERNMENT CODE § 54957

   Title: City Attorney

Council moved to open session at 6:42 p.m.

A. SPECIAL ORDER OF BUSINESS (OPEN SESSION):

Mark D. Hensley was originally appointed City Attorney in August 1996. In September 2004, the Mr. Hensley joined the Jenkins & Higin and the City entered into a professional services agreement with Jenkins & Higin and Mr. Hensley continued to serve as the City Attorney. Mr. Hensley is leaving Jenkins & Higin at the end of April 2014.
It is recommended that the City Council:

1. Continue the appointment of Mr. Hensley as City Attorney beyond April 30, 2014;
2. Authorize the Mayor to execute an agreement with the Hensley Law Group on the same terms and conditions and the existing agreement with Jenkins & Hogin to take effect May 1, 2014; and/or
3. Take such additional, related, action that may be desirable.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fuentes to continue the appointment of Mr. Hensley as City Attorney beyond April 30, 2014 and authorize the Mayor to execute Agreement No. 4576 with the Hensley Law Group on the same terms and conditions and the existing agreement with Jenkins & Hogin to take effect May 1, 2014. Also to provide notice of termination to Jenkins & Hogin regarding attorney services. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

ADJOURNMENT at 6:46 p.m.

_____________________________
Cathy Domann, City Clerk
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, APRIL 1, 2014 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Fisher at 5:00 PM

ROLL CALL

Mayor Fisher - Present
Mayor Pro Tem Jacobson - Present
Council Member Fuentes - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present - Absent

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

Mayor Fisher announced that Council would be meeting in closed session pursuant to the items listed on the agenda.

CLOSED SESSION:
The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d) (3): -3- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279
2. Springfield vs. City of El Segundo, et.al. LASC Case No. YC067789
3. Moore vs. City of El Segundo, LASC Case No. BC537712

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov't. Code § 54957): -0- matter

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -8- matters
Agency Designated Representative: City Manager

Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group); Management/Confidential Group (Unrepresented Group)

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0- matters

Adjourned at 6:50 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, APRIL 1, 2014 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Fisher

INVOCATION – Rev. Dina Ferguson, St. Michael Episcopal

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Jacobson

PRESENTATIONS

a. Proclamation read by Council Member Fuentes and presented to Raquel Gonzales, Donor Mother and Ambassador, declaring April 2014 as DMV/National Donate Life Month.

b. Proclamation read by Mayor Fisher April 23, 2014 Denim Day for Sexual Assault Awareness Month.

ROLL CALL

Mayor Fisher - Present
Mayor Pro Tem Jacobson - Present
Council Member Fuentes - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present - Absent

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Liz Garnholz, resident, spoke regarding vote by mail ballots, controls for ensuring that not more than one ballot is counted, and sample ballot mailing.

Mike Briney, residents, spoke in support of SCROC funding.

Patricia Morales and Maggie Walsh, spoke on the Relay of Life event and presented an Award and Plaques to Council. Also requested that the City waive City related fees for the event.
Marc Renner, resident, spoke regarding Council comments to residents during meetings, downtown parking, and employee compensation.

Sam Pena, Consolidated Disposal Services, spoke regarding the upcoming shredding day in El Segundo, and stated that Consolidated would be giving away recycling and emergency preparedness kits at the event.

CITY COUNCIL COMMENTS – (Related to Public Communications)

Mark Hensley, City Attorney, answered questions regarding duplicate ballots.

Council Member Fuentes requested an item be agenized at a future meeting under her name regarding SCROC.

CITY COUNCIL COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fuentes to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER FELLHAUER ABSENT.
B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to open a public hearing and receive testimony regarding Environmental Assessment No. EA-997 (Proposed Mitigated Negative Declaration of Environmental Impacts pursuant to the California Environmental Quality Act Section 15070 (“IS/MND”), General Plan Amendment No. GPA 12-03, Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Specific Plan No. SP 12-05, Development Agreement No. 12-04, Subdivision No SUB 12-07 (Vesting Tentative Parcel Map No. 71788), Conditional Use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11 and Parking Demand Study No. PDS 12-06. The project consists of a proposed five-story, 190-room hotel with one level of underground parking, containing 72 parking spaces; continued use of an existing office building; and continued use of an existing parking structure. If approved, the proposed hotel would be 111,350-gross-square-foot, a maximum of 89 feet tall and include 190 rooms. The existing two parcels on the site (Assessor Parcel Nos. 4138-005-036) would be subdivided into three new parcels. Each parcel would contain an individual use as follows: (1) five-story hotel (1.52 acres), (2) office building (0.42 acre), and (3) office/hotel parking and remote airport parking to serve LAX (1.04 acres). The total floor area ratio (FAR) for the site would be approximately 1.47. Applicant: The Realty Associates Fund IX, L.P. (Fiscal Impact: $18,000 annual Development Agreement payment until Certificate of Occupancy is issued)

Mayor Fisher stated that this was the time and place to conduct a public hearing and receive testimony to: adopt a Resolution approving the IS/MND (Environmental Assessment No. EA-997); implementing a Mitigation Monitoring and Reporting Program (MMRP) and incorporating the errata sheet, amending the General Plan (Amendment No. 12-03), and approving Subdivision 12-07 for Vesting Tentative Parcel Map (VTPM) 71788, Conditional use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, and Parking Demand Study No. PDS 12-06; introduce, and waive first reading, of an Ordinance for Zone Change No 12-03, Zone Text Amendment No. 12-05, Specific Plan No. 12-05, and Development Agreement No. 12-04; c) Schedule second reading and adoption of Ordinance on April 15, 2014.

Deputy Clerk Domann stated that proper notice had been given in a timely manner and no written communication was received in the City Clerk’s office.

Greg Carpenter, City Manager, introduced the item.

Kimberly Christensen, AICP, Planning Manager gave a presentation and answered questions.

Mayor Fisher opened the Public Hearing.

Public Input:
Realty Associates responded to questions.

Mike Robbins, resident, spoke about parking at the hotel.

Marc Rener, resident, spoke about the parking impact on Walnut Ave.

MOTION by Council Member Fuentes, SECONDED by Mayor Pro Tem Jacobson to close the Public Hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0.
COUNCIL MEMBER FELLHAUER ABSENT

Council Discussion.

Mark Hensley, City Attorney, read by title only:

RESOLUTION NO. 4867

A RESOLUTION APPROVING A MITIGATED NEGATIVE DECLARATION FOR ENVIRONMENTAL ASSESSMENT NO. EA-997, ADOPTING GENERAL PLAN AMENDMENT NO. GPA 12-03 AND APPROVING SUBDIVISION NO. 12-07 FOR VESTING TENTATIVE PARCEL MAP NO. 71788, CONDITIONAL USE PERMIT NO. CUP 12-08, ADMINISTRATIVE USE PERMIT NO. AUP 13-11, AND PARKING DEMAND STUDY NO. PDS 12-06 FOR THE 888 NORTH SEPULVEDA BOULEVARD SPECIFIC PLAN PROJECT.

MOTION by Council Member Fuentes, SECONDED by Mayor Pro Tem Jacobson to adopt Resolution No. 4867 approving the IS/MND (Environmental Assessment No. EA-997); implementing a Mitigation Monitoring and Reporting Program (MMRP) and incorporating the errata sheet, amending the General Plan (Amendment No. 12-03), and approving Subdivision 12-07 for Vesting Tentative Parcel Map (VTPM) 71788, Conditional use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, and Parking Demand Study No. PDS 12-06 and scheduled second reading and adoption of Ordinance on April 15, 2014. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0.
COUNCIL MEMBER FELLHAUER ABSENT

Mark Hensley, City Attorney, read by title only:

ORDINANCE NO. 1494

AN ORDINANCE APPROVING SPECIFIC PLAN NO. SP 12-05, ZONE CHANGE NO. ZC 12-03, ZONE TEXT AMENDMENT NO. ZZTA 12-05, AND DEVELOPMENT AGREEMENT NO. DA 12-04; ADDING ESMC SECTION 15-3-2(A)(9); FOR THE 888 NORTH SEPULVEDA BOULEVARD SPECIFIC PLAN PROJECT.

Mayor Pro Tem Jacobson introduced Ordinance No. 1494.
Scheduled second reading and adoption of the Ordinance on April 15, 2014.

C.    UNFINISHED BUSINESS

D.    REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

   2. Consideration and possible action regarding recommendations from the Senior Housing Board Corporation to modify the eligibility requirements to reside at the Park Vista Apartments located at 615 East Holly Street.
      (Fiscal Impact: N/A)

Senior Housing Board Member Jim deCordova gave a report.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Atkinson to authorize the Senior Housing Board to lower the income/net worth eligibility requirement from $45,000 to $35,000 for a one person household and from $50,000 to $40,000 for a two person household and authorize the Senior Housing Board to modify the residency requirement from one year prior to application to at least five proven years of contiguous residency within the City of El Segundo at any time during a person’s adult (18 years and over) life. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER FELLHAUER ABSENT

E.    CONSENT AGENDA
All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

   3. Approved Warrant Numbers 2597039 - 2597277 on Register No. 12 in the total amount of $1,171,194.38 and Wire Transfers from 03/01/2014 through 03/16/2014 in the total amount of $2,987,698.93. Authorized staff to release Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.


   5. Authorized Fire Engine 35 (Unit #3345) to be declared a surplus vehicle.
      (Fiscal Impact: None)

   6. Authorized the return of a 1968 Crown fire engine to the El Segundo Firefighters’ Association. The fire engine was purchased by the Fire Association and donated to the City in 2003 to be used as a display engine at special events.
      (Fiscal Impact: None)
7. Adopt Resolution No. 4868 approving Plans and Specifications for Center St. and Pine Ave. Water Main Improvement, Project No. PW14-02. (Fiscal Impact: $600,000.00)

MOTION by Council Member Fuentes, SECONDED by Mayor Pro Tem Jacobson to approve Consent Agenda items 3, 4, 5, 6 and 7. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER FELLHAUER ABSENT

REPORTS – CITY MANAGER – Thanked staff for their work on the 888 North Sepulveda development project.

REPORTS – CITY ATTORNEY - NONE

REPORTS – DEPUTY CITY CLERK – Spoke on upcoming April 8, 2014 Municipal Election.

REPORTS – CITY TREASURER

REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer – ABSENT

Council Member Atkinson – NONE

Council Member Fuentes – Spoke regarding Earthquake Preparedness and clarified her vote at the last meeting related to Top Golf.

Mayor Pro Tem Jacobson – NONE

Mayor Fisher –

8. Consideration and possible action to act as a partner with the Advanced Manufacturing Partnership for Southern California (AMP SoCal) in response to the 2014 Investing in Manufacturing Communities Partnership (IMCP) notice. (Fiscal Impact: None)

MOTION by Council Member Fuentes, SECONDED by Mayor Pro Tem Jacobson, to approve the letter of commitment to act as a partner within AMP SoCal. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER FELLHAUER ABSENT

MINUTES OF THE REGULAR CITY COUNCIL MEETING
APRIL 1, 2014
PAGE NO. 8
PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have receive value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Marc Rener, resident, spoke on the budget, personnel cuts, and inconsistencies in the numbers.
Mike Robbins, resident, spoke on personnel cuts and employee compensation.

MEMORIALS - None

ADJOURNMENT at 8:33 p.m.

Cathy Domann, Deputy City Clerk II
CALL TO ORDER – Mayor Fisher at 5:03 PM

ROLL CALL

Mayor Fisher - Present
Mayor Pro Tem Jacobson - Present
Council Member Fuentes - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present – Open Session Only

PUBLIC COMMUNICATIONS - (Related to City Business Only - 5 minute limit per person, 30 minute limit total). Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves before addressing the City Council. Failure to do so is a misdemeanor and punishable by a fine of $250.

SPECIAL ORDERS OF BUSINESS:

Mayor Fisher announced that Council would be meeting in closed session pursuant to the items listed on the agenda.

CLOSED SESSION:

The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -8- matters

   Agency Designated Representative: City Manager
   Employee Organizations: Police Management Association; Police Officers
   Association; Police Support Services Employees Association; Fire Fighters
   Association; Supervisory and Professional Employees Association; Employees
   Association; Executive Management (unrepresented employees);
   Management/Confidential (unrepresented employees)

K. REPORTS – CITY COUNCIL MEMBERS

   Mayor Pro Tem –
1. Consideration and possible action to authorize the Mayor to send a letter to Assembly Member Christina Garcia opposing Assembly Bill 2189, which would establish separate replenishment assessments for the Central and West Coast Basins as well as new Proposition 218 guidelines for setting the assessments. (Fiscal Impact: $0)

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fuentes to authorize the Mayor to send a letter to Assembly Member Christina Garcia opposing Assembly Bill 2189, which would establish separate replenishment assessments for the Central and West Coast Basins, as well as establish new Proposition 218 guidelines for setting the assessments. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

ADJOURNMENT at 7:15 PM

______________________________
Tracy Weaver, City Clerk
AGENDA DESCRIPTION:
Consideration and possible action regarding the adoption of Ordinance No. 1494 for a Zone Change from the Corporate Office (CO) Zone to the 888 North Sepulveda Boulevard Specific Plan (888 NSBSP) Zone, a Zone Text Amendment, a Specific Plan, and a Development Agreement on the site located at 888 North Sepulveda Boulevard. Applicant: The Realty Associates Fund IX, L.P. c/o Barnard Ventures, LLC (Fiscal Impact: N/A)

RECOMMENDED COUNCIL ACTION:
1. Waive second reading and adopt Ordinance No. 1494; and/or
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Ordinance No. 1494 and Attachments

FISCAL IMPACT: N/A

- Amount Budgeted: N/A
- Additional Appropriation: N/A
- Account Number(s): N/A

ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager

REVIEWED BY: Sam Lee, Director of Planning and Building Safety

APPROVED BY: Greg Carpenter, City Manager

I. Background and Discussion

On April 1, 2014, the City Council adopted Resolution No. 4867 approving Environmental Assessment No. EA-997 for a Mitigated Negative Declaration (MND) for the 888 North Sepulveda Boulevard Specific Plan Project including the Errata to the MND and implementing the Mitigation Monitoring and Reporting Program (MMRP); amending the General Plan (Amendment No. GPA 12-03); and approving Subdivision No. SUB 12-07 for Vesting Tentative Parcel Map (VTPM) No. 71788, Conditional Use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, and Parking Demand Study No. PDS 12-06. The City Council also introduced an Ordinance for Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Specific Plan No. SP 12-05, and Development Agreement No. DA 12-04. The Council may waive second reading and adopt the Ordinance. If adopted, Ordinance No. 1494 will become effective in 30 days.
ORDINANCE NO. 1494

AN ORDINANCE APPROVING SPECIFIC PLAN NO. SP 12-05, ZONE CHANGE NO. ZC 12-03, ZONE TEXT AMENDMENT NO. ZTA 12-05, AND DEVELOPMENT AGREEMENT NO DA 12-04; ADDING ESMC § 15-3-2(A)(9) FOR THE 888 NORTH SEPULEDA BOULEVARD SPECIFIC PLAN PROJECT.

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and declares that:

A. On September 11, 2012 The Realty Associates Fund IX, L.P., filed an application for an Environmental Assessment No. EA-997, General Plan Amendment No. GPA 12-03, Specific Plan No. SP 12-05, Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Development Agreement No. DA 12-04, Conditional Use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, Parking Demand Study No. PDS 12-06 and Subdivision No. SUB 12-07 for Vesting Tentative Map Parcel Map No. 71788 for three lots, to re-designate and rezone an approximate 2.98 acre property at 888 North Sepulveda Boulevard from Corporate Office (CO) Zone to 888 North Sepulveda Boulevard Specific Plan (888 NSBS) to allow construction of a five-story, 89 foot high, 111,350 square foot hotel with up to 190 rooms and one level of underground parking;

B. The Project application was reviewed by the City of El Segundo Planning and Building Safety Department for, in part, consistency with the General Plan, the 888 North Sepulveda Boulevard Specific Plan, and conformity with the El Segundo Municipal Code ("ESMC");

C. In addition, the City reviewed the project’s environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., "CEQA"), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the “CEQA Guidelines”), and the City’s Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993);

D. An Initial Study/Mitigated Negative Declaration (ISMND) was prepared pursuant to the requirements of CEQA Guidelines § 15070 and circulated for public review and comment between December 12, 2013 and January 14, 2014 in compliance with CEQA Guidelines § 15087;
E. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for February 27, 2014. Following the public hearing, the Planning Commission adopted Resolution No. 2750 recommending that the City Council approve the Project including, without limitation, adopting this Ordinance;

F. On March 13, 2014 the City Council held a public hearing and considered the information provided by City staff, public testimony and representatives of The Realty Associates Fund IX, LP and Barnard Ventures, LLC;

G. On March 13, 2014 City Council introduced Ordinance No. 1494 approving Specific Plan No. SP 12-05, Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, and Development Agreement No. DA 12-04; adding ESMC § 15-3-2(A)(9); and approving Subdivision No. SUB 12-07 for Vesting Tentative Parcel Map No. 71788 for the 888 North Sepulveda Boulevard Specific Plan Project;

H. This Ordinance and its findings are made based upon testimony and evidence presented to the Council at its April 1, 2014 hearing including, without limitation, the staff report submitted by the Department of Planning and Building Safety.

SECTION 2: Environmental Assessment. Resolution No. 4867 approved an Initial Study/Mitigated Negative Declaration for this Project which, among other things, properly assesses the environmental impact of this Ordinance, and the Project, in accordance with CEQA. This Ordinance incorporates by reference the environmental findings and analysis set forth in Resolution No. 4867.

SECTION 3: Factual Findings and Conclusions. The City Council finds and declares that the factual findings and conclusions set forth in Resolution No. 4867, adopted on April 1, 2014, are incorporated as if fully set forth.

SECTION 4: Zone Change Findings.

A. Based on the factual findings in Resolution No. 4867, as incorporated into this Ordinance, the proposed Zone Change is necessary to carry out the proposed project because the proposed General Plan Amendment would change the land use classification of the project site from Corporate Office to 888 North Sepulveda Boulevard Specific Plan (888 NSBSP). The proposed Zone Change is necessary to maintain consistency with the proposed General Plan land use designation of 888 North Sepulveda Boulevard Specific Plan.
B. ESMC Title 15 is intended to be the primary tool for implementing the goals, objectives and policies of the El Segundo General Plan. The zone change will maintain consistency with the proposed change in General Plan land use designation to 888 North Sepulveda Boulevard Specific Plan and is also consistent with the General Plan goals, objectives and policies set forth in Section 4 of Resolution No. 4867. Those findings of consistency are incorporated by reference as if fully set forth below.

SECTION 5: Zone Text Amendment Findings. Based on the factual findings in Resolution No. 4867, as incorporated into this Ordinance, the proposed Zone Text Amendment is necessary to implement the Project and establish the proposed 888 North Sepulveda Boulevard Specific Plan (888 NSBSD) Zone. An amendment to ESMC § 15-3-2(A)(9) to create 888 North Sepulveda Boulevard Specific Plan (888 NSBSD) is necessary for consistency with the General Plan.

SECTION 6: Specific Plan Findings. Based on the factual findings in Resolution No. 4867, as incorporated into this Ordinance, the proposed creation of the 888 North Sepulveda Boulevard Specific Plan (888 NSBSD), which would allow an increased FAR of 1.47 for a five-story, up to 190 room, 111,350 square foot hotel with one level of underground parking, and the continued of an existing office building and parking structure with remote airport parking on the project site, is necessary to carry out the proposed project. Without amending the ESMC, the current zoning would not permit the proposed project with a 1.47 Floor Area Ratio (FAR). The General Plan Land Use Designation of the project site is 888 North Sepulveda Boulevard Specific Plan (888 NSBSD). This designation is intended for the project as defined herein. As conditioned, the proposed project would be compatible with the General Plan.

SECTION 7: Development Agreement Findings. Pursuant to City Council Resolution No. 3268, adopted June 26, 1984, the City Council finds that:

A. The project is consistent with the objectives, policies, general land uses, and programs specified in the general plan and any applicable specific plan. The Development Agreement would provide the following public benefits in exchange for valuable development rights (ten-year entitlement with no extension):

1. Development of a property that is currently vacant and underutilized.

2. Addition of an attractive new hotel at this location will encourage additional renovation of businesses in the vicinity of the project site.
3. The presence of a hotel and related evening activity will improve safety in this northern gateway area as more activity, together with building illumination, will create less of a need for police services as compared to the attractive nuisance of the existing long-time vacant property.

4. Existing and prospective corporate businesses and research and development businesses will benefit from the availability of additional lodging choices with competitive pricing resulting from more available rooms in the community.

5. Residents seeking lodging for out-of-town guest will benefit from more hotel choices which provide more competitive pricing with greater room availability.

6. The project will bring a new hotel flag to the City with experience in operating business hotels for professionals and the addition of the new hotel will increase the number of rooms and related facilities in the City to the benefit of adjacent and nearby business.

7. The project will provide one-time City revenues of $147,593 associated with the $26 million development costs as specified in the Development Agreement.

8. City will benefit from an increase in transient occupancy tax (TOT) in excess of $500,000 annually for the life of the hotel project which is a direct net benefit to the General Fund as specified in the Development Agreement.

9. City will benefit from an increase in sales tax of approximately $100,000 per year based on expected expenditures per room and the added occupancy rate for a new business hotel will encourage business growth as specified in the Development Agreement.

10. City will benefit from an increase in property tax which, based on the City’s tax allocation formula and increased property tax valuation from a vacant to a developed parcel, is estimated to be approximately $29,000 per year as specified in the Development Agreement.

11. The new hotel will create approximately 20 full-time jobs and a limited number of part-time positions. At an estimated salary of $35,000 per year, with many of these jobs filled locally, this will increase annual payroll within the City by approximately
$700,000, and increase employment opportunities for the City’s residents. Additionally, earnings within the City will result in an indeterminate amount of additional sales tax derived from retail expenditures by hotel employees.

12. Shuttle service to Los Angeles International Airport will be available to hotel guests to provide a convenient service for hotel guests and to reduce air quality impacts and traffic impacts to the City’s roadways as specified in the Development Agreement and as required in the conditions of approval.

13. The Developer agrees to contribute to the City an additional sum in the amount of $18,000 as an enhanced community benefit to be paid to the City annually beginning upon the effective date of this Development Agreement. This annual payment will cease on the date that a Certificate of Occupancy is issued for the proposed hotel building as specified as a term in the Development Agreement.

B. The project is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located. The proposed project includes a new land use designation and zoning classification, which establishes the permitted uses and development standards that would apply to the project. These uses and development standards are similar and compatible with the other commercially zoned districts in the City.

C. The project will not adversely affect the orderly development of property or the preservation of property values. This project is surrounded by previously developed commercial properties and will help improve the value of the neighboring properties. The proposed 888 North Sepulveda Boulevard Specific Plan development standards and development agreement will ensure that the project will be developed in an orderly fashion. All mitigation measures will be implemented at the time and place impacts occur.

SECTION 8: ESMC §15-3-2(A)(9) is amended to add subsection 9 to read as follows:

"9.  888 North Sepulveda Boulevard Specific Plan

There is one zone intended to be used within the boundaries of the 888 North Sepulveda Boulevard Specific Plan. The zone is:
SECTION 9: The current Zoning Map is amended by changing the Project site from Corporate Office to "888 North Sepulveda Boulevard Specific Plan (888 NSBSP)." The corresponding changes to the Zoning Map are set forth in attached Exhibit "A," which is incorporated into this Ordinance by reference.

SECTION 10: The "888 North Sepulveda Boulevard Specific Plan (888 NSBSP)." is adopted as set forth in attached Exhibit "B" which is incorporated into this Ordinance by reference.

SECTION 11: The Development Agreement by and between the City of El Segundo and the Realty Associates Fund IX, L.P., as set forth in attached Exhibit "C," and incorporated into this Ordinance by reference, is approved. The Mayor is authorized to execute the Development Agreement in a form approved by the City Attorney.

SECTION 12: Additional Approvals. To the extent they are not otherwise adopted or approved by this Ordinance, and subject to the conditions listed on attached Exhibit "D," which are incorporated into this Ordinance by reference, the City Council approves Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Specific Plan No. SP 12-05, Development Agreement No. DA 12-04, Conditional Use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, Parking Demand Study No. PDS 12-06 and Subdivision No. SUB 12-07.

SECTION 13: Reliance on Record. Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 14: Limitations. The City Council’s analysis and evaluation of the Project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of the project is the City Council’s knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City’s ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 15: Summaries of Information. All summaries of information in the findings which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding, is not based in part on that fact.
SECTION 16: Effectiveness of ESMC. Repeal or amendment of any provision of the ESMC will not affect any penalty, forfeiture, or liability incurred before or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 17: Memorization: The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 18: Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the city council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 19: Effective Date. This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED, APPROVED AND ADOPTED this 1st day of April 2014.

Bill Fisher, Mayor
ATTEST:

STATE OF CALIFORNIA  )
COUNTY OF LOS ANGELES  )  SS
CITY OF EL SEGUNDO  )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. 1494 was duly introduced by said City Council at a regular meeting held on the 1st day of April 2014, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the 15th day of April 2014, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: Karl H. Berger, Assistant City Attorney
1.0 SUMMARY

This 888 North Sepulveda Boulevard Specific Plan ("Specific Plan") allows a new select service business hotel to be developed and continued use of an existing parking structure and existing office building. The existing parking structure provides all parking for the office building and a portion of the required parking for the hotel, with the remaining parking spaces not needed to meet office and hotel parking requirements used for a remote airport parking facility. A portion of the required parking spaces for the hotel are provided on-site in surface parking and underneath the hotel. The Hotel is designed to be compatible with adjacent land uses and zoning. The Specific Plan regulates buildout of the project site in a manner that is consistent with applicable law.

1.1. Purpose And Authority

This Specific Plan is adopted in accordance with the provisions of Government Code §§ 65450 through 65457, which grants local governments authority to adopt specific plans to regulate any area within its jurisdiction.

Government Code §§ 65450 through 65454 establishes the authority to adopt a Specific Plan, identifies the required contents of a Specific Plan, and mandates consistency with the General Plan.

According to Government Code § 65451, a Specific Plan must include text and a diagram or diagrams which specify all of the following in detail:

- The distribution, location, and extent of the uses of land, including open space within the area covered by the plan.
- The proposed distribution, location, extent, and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy and other essential facilities proposed to be located within the land area covered by the plan and needed to support the land uses described in the plan.
- Standards and criteria by which development will proceed, and standards for the conservation, development, and utilization of natural resources, where applicable.
- A program of implementation measures including regulations, programs, public works projects and financing measures necessary to carry out the above items.
- A discussion of the relationship of the Specific Plan to the General Plan.

A thorough review of the El Segundo General Plan shows that this Specific Plan is compatible and consistent with the goals and policies outlined in the General Plan. The project regulated by this Specific Plan includes an existing office building and parking structure and a new hotel all of which are uses already permitted in the Corporate Office (CO) Zone. Such uses are consistent with the Corporate Office Land Use Element designation. Additionally, the Specific Plan allows for continued use of a portion of the parking structure for remote airport parking. This Specific Plan furthers the goals and policies of the General Plan.

As a regulatory document, the Specific Plan implements the General Plan as the new zoning for the Specific Plan area. All future development plans and entitlements within the Specific Plan boundaries must be consistent with the standards set forth in this document; the El Segundo Municipal Code ("ESMC"); and General Plan.

1.2. Project History

The 2.98 acre Specific Plan area was initially developed with two office buildings and a parking structure. The office building located at 898 North Sepulveda Boulevard is an eight-story, 95,360 square foot structure (79,404 net square feet). The parking garage at 892 North Sepulveda is a seven-
story structure with 808 parking spaces. The second office building at 888 North Sepulveda Boulevard was a 12-story, 140,000 square-foot structure which was unoccupied for a period of time before being demolished in 2003. Before the office building was demolished, the FAR of the site was 1.61. Since 1994, the existing parking structure provided 228 spaces to meet parking requirements for the existing office building at 898 North Sepulveda Boulevard. The remaining 580 parking spaces are used for remote airport parking with the operation designated as “105 Airport Parking.”

In 1994, the City approved an administrative use permit that allows for remote airport parking use in the parking structure until a new second office building was constructed.

In 2001, the City entered into a ten (10) year development agreement with Legacy Partners which provided for demolition of the 888 North Sepulveda Boulevard office building, and construction of a six-story, 120,610 square foot office building. The FAR for the site was approved at 1.47 (1.086 on the single parcel for the proposed office building and existing parking structure). The remote airport parking was required to terminate when the City issues the first certificate of occupancy for the new office building.

In 2008, the Trammell Crow Company submitted a conditional use permit application and development agreement amendment to replace the six-story office building with a new nine-story, 179-room hotel, consisting of 88,859 square feet. These project applications were not processed by the applicant.

In 2011, at the request of Realty Advisors Associates, the term of the 2001 development agreement was amended and extended for an additional five (5) year term to 2016. Under the terms of this amended development agreement, the proposed new office building at 888 North Sepulveda was changed to a structure of ten (10) stories or less, with a height not to exceed 200 feet, and with a maximum of 88,859 square feet.

A. Procedures

For this Specific Plan to be effective, the following must be approved by the City Council:

General Plan Amendment

A General Plan Amendment to change the land use designation from Corporate Office (CO) to the 888 North Sepulveda Boulevard Specific Plan.

Zone Change and Zone Text Amendment

A Zone Change creates the Specific Plan designation to replace the existing Corporate Office (CO) zone designation and a Zone Text Amendment adds the 888 North Sepulveda Boulevard Specific Plan to ESMC Title 15, Chapter 3-2(A)(9).

Vesting Tentative Parcel Map

The vesting tentative parcel map encompasses the Specific Plan area and creates three parcels, one for each structure, respectively. Parcel 1 includes the existing office building; Parcel 2 includes the existing parking structure; and Parcel 3 includes the hotel.

Development Agreement

A Development Agreement must be approved and executed.

1.3. Project Description

The Specific Plan area is divided into three parcels by a vesting tentative parcel map. Parcel 1 consists of 0.42 acres, encompassing the existing office building at 898 North Sepulveda Boulevard. Parcel 2, consisting of 1.04 acres, encompasses the existing parking structure. Vacant Parcel 3, at 888 North Sepulveda Boulevard, encompasses 1.52 acres.
The Project consists of a 190-room, five (5) story hotel not to exceed 77 feet in height, consisting of 111,350 square-foot (104,040 net square feet) together with the existing 95,360 square-foot (79,404 net square feet) office building comprising a Floor Area Ratio ("FAR") of 1.41 across the three parcels, with parking provided by the existing parking structure located on Parcel 2, and with an additional 72 parking stalls provided by the new hotel. The parking structure is not included in the FAR calculation. The hotel is built on Parcel 3 with an address of 888 North Sepulveda. The existing parking structure contains 808 available parking spaces. Currently, 228 spaces are provided to meet ESMC parking requirements for the office building with 580 parking spaces remaining for other uses.

The addition of a new hotel on the property to complement the existing office building enhances the potential for shared parking between the two uses.

The project components are shown in Table 1.

<table>
<thead>
<tr>
<th>Project Item</th>
<th>Existing Office Building</th>
<th>Existing Parking Structure</th>
<th>New Select Service Hotel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Description</td>
<td>Eight story, 95,360 gross square foot office building (79,404 net square feet), 110'-6&quot; in height</td>
<td>7 story, 808 stall parking structure; 66' in height</td>
<td>190 room, 111,350 gross square foot select service hotel (104,040 net square feet), 77' in height</td>
</tr>
<tr>
<td>Parcel No.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Parcel Size</td>
<td>0.42 acres</td>
<td>1.04 acres</td>
<td>1.52 acres</td>
</tr>
<tr>
<td>FAR</td>
<td>4.34:1 on its own parcel</td>
<td>N/A</td>
<td>1.57:1 on its own parcel</td>
</tr>
<tr>
<td></td>
<td>1.41:1 across three parcel property (no square footage allocated to parking structure)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking and Loading</td>
<td>Parking Structure: 808 parking spaces are provided for the office building, hotel and</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

remote airport parking uses. 2 loading spaces are provided in the parking structure for the office building.

Hotel Site: 72 parking spaces are provided for the Hotel use only. 3 loading spaces are provided.

1.4. CEQA

As set forth in the accompanying MND (as adopted by Resolution No. 4867 on April 1, 2014), the following development thresholds shown in Table 2, below, are established:

<table>
<thead>
<tr>
<th>MND</th>
<th>Gross Floor Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>111,350 square feet (104,040 net square feet) with a 1.41 floor area ratio (FAR) when combined with existing office building in the Specific Plan area</td>
</tr>
</tbody>
</table>

Other uses allowed by this Specific Plan (may be subject to additional CEQA compliance review) As determined by the maximum allowable FAR of 1.41 as allowed by this Specific Plan

1.5. Current General Plan and Zoning

After being amended as contemplated by this Specific Plan, the General Plan land use classification and the zoning district will designate the property as 888 North Sepulveda Boulevard Specific Plan. This designation allows for general office and hotel uses and a mixture of food-serving uses with limited retail uses.

2.0 CONSISTENCY WITH THE GENERAL PLAN

Government Code § 65454 requires that this Specific Plan be consistent with the General Plan; Government Code § 65451 requires a statement of relationship between this Specific Plan and the General Plan. As documented in the MND, the
Specific Plan is consistent with the General Plan. The two elements that are most related to the Project are the Land Use Element and the Circulation Element, the consistency with these two elements is discussed below.

2.1 Land Use Element

As set forth in Resolution No. 4867 and Ordinance No. 1494, which are incorporated by reference, this Specific Plan is consistent with the following Objectives and Policies of the Land Use Element of the General Plan: Objective LU4-4 and Policy 4-4.1.

2.2 Circulation Element

As set forth in Resolution No. 4867 and Ordinance No. 1494, which are incorporated by reference, this Specific Plan is consistent with the following Objectives and Policies of the Circulation Element of the General Plan: Policy C1-1.8, Policy C1-1.9, Policy 1-1.14, Objective C3-1, Policy C3-1.1, Policy C3-1.2.

3.0 PHYSICAL ENVIRONMENT

The 2.98 acre project site slopes west to east and varies in elevation from approximately 120 feet above mean sea level adjacent to the Sepulveda and Walnut intersection to 106 feet above mean sea level at the southeast corner of the property.

3.1. Project Location And Adjacent Land Uses

Regionally, the subject site is located in the northernmost portion of the City of El Segundo, less than 0.25 miles south of the Los Angeles city limit which is also the southern perimeter boundary of Los Angeles International Airport (LAX). The project site is approximately one-quarter mile south of the Interstate 105 (Glen Anderson Freeway) and approximately 1.5 miles west of the San Diego Freeway (Interstate 405).

Locally, the project site is located adjacent to the southeast corner of North Sepulveda Boulevard and Walnut Avenue. Along this stretch, Sepulveda is designated as a state highway – State Route (SR) 1. Located at the northern gateway to the City, the project site is surrounded by commercial office, research, and manufacturing facilities.

Directly to the south is a single-story concrete manufacturing/distribution business. To the east, the Boeing Corporation occupies a wide range of structures including buildings housing low-rise office, manufacturing and research uses. To the north across Walnut Avenue are single-story and three-story offices for the Boeing Corporation. To the west, directly across Sepulveda, are a Bank of America, Travelodge Hotel, and a two story office building.

3.2. Circulation

Access to the Specific Plan area is via three driveways. The existing parking structure is accessed from two driveways on Walnut Avenue and will continue to operate in a similar manner. Pedestrian access is available to the office building from the parking structure. There is no direct vehicle access to the office building. The new hotel takes access via a driveway from Sepulveda along the southern portion of the property. This driveway must be modified to comply with the Caltrans standards. Turning movements from this driveway are restricted at certain hours to ensure the safety of vehicles using the driveway and for through traffic.

3.3. Utilities And Infrastructure

A. Water Service

Water service is provided by the City of El Segundo Public Works Department, Water Division and is currently available within the Specific Plan area. There is a 10-inch water line in Walnut Avenue on the north side of the site. Additionally, two 10-inch water lines are available for use within North Sepulveda Boulevard located immediately west of the site.
B. Wastewater Service

Wastewater service within the project area which is east of Sepulveda Boulevard is provided by the Los Angeles County Sanitation District. Service connections can be made to the existing 8-inch sewer line at the southeastern corner of the property.

C. Solid Waste Disposal

Solid waste disposal is provided to commercial and industrial users by a variety of private haulers. Development within the Specific Plan area would contract with a provider. Landfill capacity is adequate for the assumed population and commercial growth within Los Angeles County. The Specific Plan area would not exceed any assumptions for either population or commercial growth in the region.

D. Gas Service

Gas service is provided by Southern California Gas Company. There is an existing 2-inch gas line, and 3-inch high pressure gas line, located within North Sepulveda Boulevard.

E. Electric/Telephone and Cable Service

Electric service is provided by Southern California Edison via existing underground lines along North Sepulveda Boulevard and Walnut Avenue. Telephone service is provided by AT & T and Sprint via existing lines in adjacent streets and cable service is provided by Time Warner Cable.

F. Fire Suppression

The El Segundo Fire Department (ESFD) provides fire protection services and emergency medical service to the City. The closest facility and immediate service provider to the project site, located 1.16 miles to the south and a two minute driving distance, is Fire Station 2 at 2261 East Mariposa Avenue. Additional or alternative services can be provided by Fire Station 1 located at 314 Main Street, located, 2.15 miles to the southwest at a five minute driving distance. The provision of water for fire suppression is available from existing water lines via adjacent hydrants.

G. Police Protection Services

The El Segundo Police Department (ESPD) provides police protection services to the City. The Specific Plan area is approximately 2.2 miles from the police station located at 348 Main Street. The El Segundo Police Department recently implemented an “Area Command” program which subdivides the City into two smaller geographic areas and assigns resources to the areas for more effective focus and delivery of police service. Sepulveda Boulevard is the physical divide for the two areas known as the East Command Area, for all properties east of Sepulveda Boulevard, and the West Command Area for all properties west of Sepulveda Boulevard. The Project is located within the East Command Area.

H. Drainage

On-site drainage must comply with applicable law including the California Water Code and the City’s National Pollution Discharge Elimination System (NPDES) permit.

4.0 LAND USE AND DEVELOPMENT STANDARDS

The Specific Plan must be administered in accordance with the ESMC, except as noted herein.

A. Permitted Uses

i. Cafes
ii. General offices
iii. Medical-dental offices
iv. Restaurants
v. Other similar uses approved by the Director of Planning and Building Safety Department, as provided by ESMC Chapter 15-22.
B. Permitted Accessory Uses

i. Any use customarily incidental to a permitted use
ii. Cafes
iii. Limited support service retail uses
iv. Open storage of commodities sold or utilized on the premises
v. Recreational uses (private)
vi. Restaurants
vii. Other similar uses approved by the Director of Planning and Building Safety Department, as provided by ESMC Chapter 15-22

C. Uses Subject to an Administrative Use Permit

i. Remote airport parking.
ii. The off site sale of alcohol at limited support service retail establishments as an accessory use.
iii. The on site sale and consumption of alcohol at hotels, restaurants and cafes.
v. Other similar uses approved by the director of planning and building safety as provided by Section 5.0 of this Specific Plan.

D. Uses Subject to a Conditional Use Permit

i. Hotels
ii. Other similar uses approved by the Director of Planning and Building Safety Department, as provided by ESMC Chapter 15-22

E. Prohibited Uses

All uses not listed as a Permitted Use, Permitted Accessory Use, or Use Subject to a Conditional Use Permit, except as may be approved by the Director of Planning and Building Safety for the City subject to an Administrative Use Permit.

F. Site Development Standards

The Specific Plan standards below apply to all uses in the Specific Plan area. Where the Specific Plan does not regulate, new development must comply with the applicable sections of the ESMC. Otherwise, this Specific Plan regulates the primary development guidelines for the Specific Plan area.


The development standards of the Specific Plan are generally consistent with the adjacent Corporate Office (CO) Zone with the added flexibility to allow the development of a hotel use, combined with the adjacent existing office building, at a 1.41 floor area ratio for the 2.98 acre Specific Plan area.

2. Lot Area

The minimum lot area is 10,000 gross square feet.

3. Height

No building or structure can exceed one hundred twenty-five feet (125').

4. Setbacks

(a) **Front Yard:** Twenty five feet (25') minimum, except that the existing office building and parking structure do not meet this requirement and, as such, they are legal nonconforming uses pursuant to ESMC Chapter 15-21. Architectural building features as defined in ESMC § 15-1-6 including, without limitation, balconies, columns, doors, eaves, marquees, soffits, window or window trim may encroach into the front setback of the hotel parcel a maximum of 5 feet, except within driveway and corner visibility.
triangles. Architectural landscape features as defined in ESMC § 15-1-6 including, without limitation, arbors, colonnades, fountains, gazebos, lighting bollards, permanent outdoor seating, statuary, topiaries, trellises, and works of art may encroach into the front setback of the hotel parcel up to a maximum of 10 feet, except within driveway and corner visibility triangles.

(b) **Side Yard**: Ten feet (10') minimum, unless the following exists:

If the side yard adjoins a dedicated street, a minimum of twenty five feet (25') must be provided.

No setback is required for an unenclosed bridge that connects the hotel and parking structure.

The existing parking structure does not meet this side yard requirement, and as such, it is a legal nonconforming use pursuant to ESMC Chapter 15-21.

(c) **Rear Yard**: Ten feet (10') minimum, unless the following condition exists:

If the rear yard abuts a property with a different classification, the rear yard setbacks must be the average of the two (2) rear yard setbacks, but not less than ten feet (10').

No setback is required for an unenclosed bridge that connects the hotel and parking structure.

5. **Lot Frontage**

Each lot must have a minimum frontage on a street of one hundred feet (100').

6. **Building Area/Floor Area Ratio (FAR)**

The maximum FAR for the 2.98 acre Specific Plan area is 1.41, determined pursuant to ESMC Chapter 15-1. The square footage of the existing on-site parking garage is not included in the 1.41 FAR calculation.

7. **Walls and Fences**

All walls and fences in a front yard setback must comply with the requirements of ESMC Chapter 15-2. All fences in the side and rear yard setbacks cannot exceed 8' in height. Retaining walls in the side yard setbacks of the hotel parcel cannot be higher than 18' for the portion of the property within 150' of the property line at Sepulveda Boulevard, and thereafter taper to maximum height of 4' at a distance 300' from the property line at Sepulveda Boulevard.

8. **Access**

The project must provide pedestrian access between buildings and transit facilities, if within adjoining public rights-of-way. As the building is part of a multi-building development project, then pedestrian access must be provided between buildings.

9. **Landscaping**

Landscaping must be provided as required by ESMC Chapter 15-2.
10. Transportation Demand Management & Transportation Systems Management

The project must comply with the City’s transportation demand management and transportation systems management requirements as provided in ESMC Chapters 15-16 and 15-17.

11. Off-Street Parking and Loading Spaces

Off-Street Parking and Loading Spaces must be provided in compliance with ESMC Chapter 15-15 except as provided below:

(a) Parking Requirements for the Hotel Use at 888 North Sepulveda Boulevard and for the “Office” Building at 898 North Sepulveda Boulevard: One hundred sixty-eight (168) parking spaces are required for the 190-room hotel use. Seventy-two (72) of the parking spaces must be provided on the hotel site (Parcel 3) at 888 North Sepulveda Boulevard and are limited to hotel use only. Ninety-six (96) parking spaces must be provided for the hotel in the parking structure (Parcel 2) at 892 North Sepulveda Boulevard. A portion of the ninety-six (96) parking spaces required for the hotel use that are located in the parking structure may be a shared/joint use with the remote airport parking subject to approval of a Parking Demand Study and approval of an Administrative Use Permit for the remote airport parking. A minimum of two hundred twenty-eight (228) parking spaces must be provided in the parking structure (Parcel 2) for the uses in the “office” building at 898 North Sepulveda Boulevard. A portion of the two hundred twenty-eight (228) parking spaces required for the uses in the “office” building at 898 North Sepulveda Boulevard may be a shared/joint use with the remote airport parking subject to approval of a Parking Demand Study and approval of an Administrative Use Permit for the remote airport parking.

(b) Remote Airport Parking: All parking spaces in the parking structure that are not required for the hotel use at 888 North Sepulveda Boulevard and for the uses in the “office” building at 898 North Sepulveda Boulevard may be provided for the remote airport parking use. Parking space that are required for the hotel use and for the uses in the “office” building may be a shared/joint use with the remote airport parking subject to approval of a Parking Demand Study and approval of an Administrative Use Permit for the remote airport parking.

(c) Loading Spaces: Provided as required by ESMC Chapter 15-15, except that loading spaces for the office building are designated in the parking structure as two loading spaces, each not less than 8.5' wide and 18' long and having an additional 1' in width if a wall abuts the side of said loading space. In addition, the large truck loading spaces on the hotel site (Parcel 3) must be available to the office building (Parcel 1) on an as-needed basis.

(d) Parking Space Allocation: Parking spaces must be allocated pursuant to ESMC § 15-15-6(A), except as
provided for in an approved Parking Demand Study and except as provided for in an approved Administrative Use Permit for Remote Airport Parking in conjunction with a parking management plan approved by the Director of Planning and Building Safety Department.

12. Signs

Signs located in the Specific Plan area must comply with the requirements of ESMC Chapter 15-18.

G. Features and Amenities for the Hotel

The following minimum features are included for the hotel:

1. The hotel must include a pedestrian oriented landscaped connection to/from the public sidewalk and a covered automobile pick-up/drop-off area at the front entrance driveway of the hotel.

2. Driveways and parking controls must be designed in such a manner that hotel employees and guests will easily identify access to the shared parking in the parking structure.

3. Pedestrian paths of travel between the parking structure and the hotel and office building must be designed with enhanced paving, landscaping, architectural and landscape lighting, and a comprehensive sign program.

4. The hotel must include a minimum of 1,000 square feet of meeting room space.

5. The hotel must include a minimum of 500 square feet of indoor fitness facilities.

6. The hotel must include a recreational amenity, such as a pool, spa, tennis court, racquetball court, or similar recreational or athletic facility, as approved by the Director of Planning and Building Safety.

7. The hotel may include food and beverage service for hotel patrons.

H. Design Standards

The following minimum design standards must be incorporated:

1. Ground level exterior walls facing Sepulveda Boulevard must include garden areas, balconies, patios and/or plazas and large windows to provide a visual connection with the surrounding area and pedestrian activity along the Sepulveda Boulevard frontage.

2. All colors, textures, and materials on exterior elevation(s) must be coordinated to achieve a continuity of design.

3. Exterior materials and design for buildings and structures must be contemporary in nature and compatible with developments in the vicinity.

4. Buildings must have contrasting accent features that use at least three primary exterior building materials (including, without limitation, stucco, stone, rock, and brick) and a minimum of two exterior colors.

5. Building materials must be of non-reflective coatings and glazings and windows must use low-reflectivity glass.

6. Plans must be reviewed and approved by the Director of Planning and Building Safety for compliance with these Design Standards. If the Director finds that such plans are not in compliance, an applicant may appeal that decision in accordance with the ESMC.
I. Phasing

The hotel portion of the Specific Plan area must be completed in one phase of construction.

4.1 MODIFICATIONS

A. Minor Modifications

Minor changes may be made to the Project and the Project Approvals ("Minor Modifications") without amending the Specific Plan upon the administrative approval of the Director of Planning and Building Safety or designee, provided that such modifications are consistent with the Development Standards, Applicable Rules and Project Approvals.

B. Major Modifications

Any proposed modification to the Project which results in any of the following constitutes a Major Modification and requires an amendment to the Specific Plan:

1. Any decrease in the required building setbacks;

2. Any increase in the total developable square footage or FAR of the entire Property for either project option;

3. Any increase in height of buildings or structures on the Property above 115 feet in height;

4. Any decrease in the minimum required lot area;

5. Any decrease in the minimum required lot frontage;

6. Any change in use to a use which is not permitted by this Specific Plan;

7. Any deviation from the uses and development standards or limitations set forth in Section 4.0 of this Specific Plan;

8. Any increase in the number of shared/joint use parking spaces for the remote airport parking facility with the office and hotel uses greater than 24 parking spaces;

9. Any material modification that requires modifications to the Mitigated Negative Declaration, other than an Addendum;

10. Other than the Major Modifications listed above, all other modifications to the Project are considered "Minor Modifications."

5.0 IMPLEMENTATION AND ADMINISTRATION

5.1. General Administration

The 888 North Sepulveda Boulevard Specific Plan is administered and enforced by the City of El Segundo in accordance with this Specific Plan and the ESMC.

5.2. Relationship To The ESMC

This Specific Plan augments the development regulations and standards of the City of El Segundo’s zoning regulations. When an issue, condition or situation occurs which is not covered or provided for in this Specific Plan, the zoning regulations that are most applicable to the issue, condition or situation apply. The procedures, regulations, standards and specifications described in this Specific Plan supersede any conflicting portions of the ESMC. Any development regulation and building requirement not addressed in this Specific Plan is subject to applicable law.

5.3. Amendment

In accordance with the Government Code §§ 65450-65457, Specific Plans must be prepared, adopted and amended in the same manner as General Plans except that Specific Plans may be adopted by resolution or by ordinance.

This Specific Plan may be amended as necessary in the same manner it was adopted, by ordinance. Said amendment or amendments do not require a concurrent General Plan amendment unless the Director of Planning and Building Safety
determines that the proposed amendment would substantially affect General Plan goals, policies, objectives or programs.
EXEMPT FROM RECORDER’S FEES
Pursuant to Government
Code §§ 6103, 27383
Recording Requested By
and When Recorded Return to:

CITY CLERK
CITY OF EL SEGUNDO
350 MAIN STREET
EL SEGUNDO, CA 90245

DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF EL SEGUNDO
AND
THE REALTY ASSOCIATES FUND IX, L.P.,
A CALIFORNIA LIMITED PARTNERSHIP
FOR 888, 892 & 898 NORTH SEPULEDAD BOULEVARD

THIS AGREEMENT MUST BE RECORDED WITHIN TEN DAYS
OF EXECUTION BY ALL PARTIES HERETO PURSUANT TO THE
REQUIREMENTS OF GOVERNMENT CODE § 65868.5
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DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is made this ____ day of ________, 2014, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation ("City"), and THE REALTY ASSOCIATES FUND IX, L.P., a California limited partnership (the "Developer"). In consideration of the mutual covenants and agreements contained in this Agreement, the City and Developer agree as follows:

1. **Recitals.** This Agreement is made with respect to the following facts and for the following purposes, each of which are acknowledged as true and correct by the parties:

   A. The City is authorized pursuant to Government Code §§ 65864 through 65869.5 to enter into binding agreements with persons or entities having legal or equitable interests in real property for the development of such property in order to establish certainty in the development process.

   B. The Developer is the owner of certain real property, located at the southeast corner of Sepulveda Boulevard and Walnut Avenue, commonly known as 888 N. Sepulveda Boulevard, 892 N. Sepulveda Boulevard, and 898 N. Sepulveda Boulevard (collectively, the "Site"). Currently, 898 N. Sepulveda Boulevard is improved with an eight story office building and is legally described in attached Exhibit "A-1," which is incorporated by reference ("Parcel 1"). Currently, 888 N. Sepulveda Boulevard is vacant and is legally described in attached Exhibit "A-2," which is incorporated by reference ("Parcel 3"). Currently, 892 N. Sepulveda Boulevard is improved with a seven (7)-story parking structure and is legally described in attached Exhibit "A-3," which is incorporated by reference ("Parcel 2").

   C. This Agreement is executed for the purpose of developing the Site pursuant to applicable law (as defined below) including, without limitation, the 888 North Sepulveda Boulevard Specific Plan, with a new hotel. Once executed, it supersedes all previous development agreements affecting the site including, without limitation, a 2001 development agreement (as amended).

   D. This Agreement will bind the Parties to the terms and obligations specified in this Agreement. Among other things, this Agreement obligates Developer to construct the Project in compliance with the 888 North Sepulveda Boulevard Specific Plan and limits City's ability to delay, postpone, preclude or regulate development of the Project.

2. **Definitions.** Unless the contrary is stated or clearly appears from the context, the following definitions govern the construction of the words and phrases used in this Agreement. Words and phrases not defined in this Section will have the meaning set forth in this Agreement; the El Segundo Municipal Code; or in common usage.

   (a) "Applicable Rules" means federal, state and local laws existing at the time of the Effective Date. Applicable Rules includes, without limitation, the 888 North Sepulveda Boulevard Specific Plan along with such Discretionary Approvals adopted by the City Council for the Project.
(b) "Effective Date" means the date on which the Enabling Ordinance becomes effective in accordance with Government Code § 36937.

(c) "Enabling Ordinance" means Ordinance No. 1494, approving this Development Agreement.

(d) "Subsequent Applicable Rules" means the rules, regulations, and official policies of the City, as they may be adopted, operative after the Effective Date of this Agreement which, other than as provided for in this Agreement, would govern the zoning, development, density, permitted uses, growth management, environmental considerations, and design criteria applicable to the Project and Site. The parties intend the development of the Project and the Site to be subject to Subsequent Applicable Rules only to the extent specified in paragraph (a) of Section 8 of this Agreement.

(e) "Uniform Codes" means those Uniform Codes adopted by reference in the ESMC in accordance with Government Code §§ 50022.2, et seq. as required by applicable law including, without limitation, Health and Safety Code § 18944.5 and Title 24 of the California Code of Regulations. The Uniform Codes govern building and construction standards including, without limitation, the building, plumbing, electrical, mechanical, grading, sign, and fire standards.

3. Interest of Developer. The Developer represents to the City that, as of the Effective Date, it owns the Site in fee, subject to encumbrances, easements, covenants, conditions, restrictions, and other matters of record.

4. Binding Effect. This Agreement, and all of the terms and conditions of this Agreement, runs with the land comprising the Site and is binding upon and inures to the benefit of the parties and their respective assigns, heirs, or other successors in interest.

5. Negation of Agency. The Parties acknowledge that, in entering into and performing under this Agreement, each is acting as an independent entity and not as an agent of the other in any respect. Nothing contained herein or in any document executed in connection herewith may be construed as making the City and Developer joint ventured, partners or employer/employee.

6. Development of the Site. The following specific restrictions govern the use and development of the Project as described herein and in Exhibit "B," and without the need for any additional Discretionary Actions:

(a) Permitted Uses of the Site. Nothing set forth in this Agreement may be deemed to require Developer to complete the Project. However, City and Developer agree that the permitted, conditional and permitted uses of the Site are provided in the Applicable Rules.
(b) Density and Intensity of Use. City and Developer agree that the maximum densities and, intensities for the permitted use of the Site are set forth in the Applicable Rules and in this Agreement.

(c) Maximum Height and Size of Proposed Building. City and Developer agree that the maximum height and size of the hotel proposed for the Site are set forth in the Applicable Rules and in this Agreement.

(d) Development Standards. All design and development standards applicable to the development of the Project must comply with the Applicable Rules.

(e) Adherence to Uniform Codes. All construction on the Site must adhere to the Uniform Codes in effect at the time building permits are issued.

(f) Remote Airport Parking. Developer will own and operate the remote airport parking facility with use and operation to be approved by an Administrative Use Permit concurrent with the approval of this Agreement. Upon the Effective Date, the Parties agree that the existing "Administrative Use Permit" (EA No. 356, and AUP No. 94-6), for the "Park and Ride" will be automatically terminated without additional action by either party.

7. Acknowledgements, Agreements and Assurances on the Part of the Developer. The parties acknowledge and agree that Developer's faithful performance in developing the Project on the Site, pursuant to the terms of this Agreement and in constructing and installing public improvements, making payments and complying with the Applicable Rules will fulfill substantial public needs. The City acknowledges and agrees that there is good and valuable consideration to the City resulting from Developer's assurances and faithful performance thereof and that same is in balance with the benefits conferred by the City on the Project and the Developer by this Agreement. In consideration of the foregoing and the City's assurances set out in Section 8 below, Developer makes the covenants set forth in this Agreement.

8. Acknowledgements, Agreements and Assurances on the Part of the City. In order to effectuate the provisions of this Agreement and in consideration for Developer to obligate itself to carry out the covenants and conditions set forth in the preceding Section 7 of this Agreement, City agrees and assures Developer that Developer will be permitted to carry out and complete the development of the Project within the Site, subject to the terms and conditions of this Agreement Applicable Rules. Therefore, the City agrees and acknowledges that:

(a) Entitlement to Develop. Developer is granted the vested right to develop the Project on the Site to the extent and in the manner provided by the Applicable Rules and any "Subsequent Applicable Rules." Any change in the Applicable Rules including, without limitation, any change in the General Plan, any applicable specific plan, zoning regulations, growth management regulations, design standards or any subdivision regulation of the City, adopted or becoming effective after the Effective Date, cannot be applied by the City to the Project on the Site. Subsequent Applicable Rules can be applied to the Site by the City only if, after public hearing, (1) the City determines that the failure of the City to apply Subsequent Applicable Rules will place residents of the City in a condition substantially dangerous to their
health or safety, which condition cannot otherwise be mitigated in a reasonable manner and (2) it is applied consistently and evenly to all other similar developments in the City. Subsequent Applicable Rules with regard to increases in existing permit fees imposed by the City (i.e., fees intended to cover the City’s processing costs) and not otherwise restricted by the terms of this Agreement, may, notwithstanding the above, be imposed on Developer.

(b) Prevailing Wages. In the event any infrastructure improvements are paid for in whole or in part out of public funds, as contemplated by Labor Code § 1720, Developer agrees to pay prevailing wages for the construction of such improvements to the extent required by Applicable Law.

In the event that an Applicable Rule is enacted after the Effective Date which would prevent or preclude compliance with one or more provisions of the Agreement, such provisions of the Agreement must be modified or suspended as may be necessary to comply with such Applicable Rule.

9. Vesting of Development Rights. In Pardee Construction Co. v. City of Camarillo, 37 Cal.3d 465 (1984), the California Supreme Court held that the failure of the parties therein to provide for the timing or rate of development resulted in a after-adopted initiative restricting the rate of development to prevail against the parties’ agreement. City and Developer intend to avoid the result in Pardee by acknowledging and providing that Developer has the right, without obligation, except as otherwise specifically set forth herein, to develop the Site in such order and at such rate and times as Developer deems appropriate within the exercise of its subjective business judgment subject to the term of this Agreement.

10. Benefits to the City. The parties acknowledge and agree that Developer’s agreement to perform and abide by the terms and conditions of this Agreement is material consideration for City’s agreement to also perform and abide by the terms and conditions of this Agreement including, without limitation, the following specific public benefits to be provided to the City in consideration for this Agreement:

- The addition of a new hotel at the Site will encourage additional renovation of businesses in the immediate vicinity of the project site.
- The presence of a hotel and related evening activity will improve safety in this northern gateway area as more activity, together with building illumination, will create less of a need for police services as compared to the attractive nuisance of the existing long-time vacant property.
- Existing and prospective corporate businesses and research & development businesses will benefit from the availability of additional lodging choices with competitive pricing resulting from more available rooms in the community.
- Residents seeking lodging for out of town guests will benefit from more hotel choices which provide more competitive pricing with greater room availability.
• The project will bring a new hotel flag to the City with experience in operating business hotels for professionals and the addition of the new hotel will increase the number of rooms and related facilities in the City to the benefit of adjacent and nearby business.

• The project will provide one-time City revenues of $147,593 associated with the $26 million development costs.

• City will benefit from the increase in transient occupancy tax (TOT) which is a direct net benefit to the General Fund as hotels and other commercial uses require minimal city services. Estimated annual TOT is in excess of $500,000 for the life of the hotel project.

• City will benefit from an increase in sales tax of approximately $100,000 per year based on expected expenditures per room and the added occupancy rate for a new business hotel will encourage business growth.

• City will benefit from an increase in property tax which, based on the City’s tax allocation formula and increased property tax valuation from a vacant to a developed parcel, is estimated to be $29,000 per year.

• The Project will create approximately 20 full-time jobs and a limited number of part-time positions. At an estimated salary of $35,000 per year, with many of these jobs filled locally, this will increase annual payroll within the City by approximately $700,000 and increase employment opportunities for the City’s residents. Additionally, earnings within the City will result in an indeterminate amount of additional sales tax derived from retail expenditures by hotel employees.

• Shuttle service to Los Angeles International Airport will be made available to hotel guests to provide a convenient service for hotel guests and to reduce air quality impacts and traffic impacts to the City’s roadways.

• The Developer agrees to contribute to the City an additional sum in the amount of $18,000 as an enhanced community benefit to be paid to the City annually beginning upon the effective date of this Development Agreement. This annual payment will cease on the date that a Certificate of Occupancy is issued for the proposed hotel building.

11. Sales and Use Tax.
   A. In the event the contract price for any work on the Project is valued at five million dollars ($5,000,000) or more, Developer agrees to report, on a State Board of Equalization Tax Return, any purchases of tangible personal property made in connection with the finishing of and/or installation of materials, or fixtures for the Project, when such purchases were made without sales or use tax due. Developer must indicate the City as a registered job site location on the State Board of Equalization Tax Return. In such event, Developer must also obtain a permit or a sub-permit from the State Board of Equalization indicating the City as the
registered job site location, in accordance with State Board of Equalization Operations Memorandum No. 1023.

B. Developer further agrees that if Developer retains contractors or subcontractors to perform a portion of work in the Project, and said contracts or subcontracts are valued at five million dollars ($5,000,000) or more, said contracts or subcontracts must contain the provisions set forth above.

C. The Director of Finance is authorized to relieve Developer, and Developer’s contractors and subcontractors, from the requirements set forth in this Section 5.6 upon proof to the reasonable satisfaction of the Director of Finance that Developer and/or its contractors or subcontractors have made good faith efforts to obtain said permit or sub-permits, but were denied the same by the State Board of Equalization.

12. Cooperation and Implementation. City agrees that it will cooperate with Developer to the extent allowed by law and practicable to implement this Agreement. Upon satisfactory performance by Developer of all required preliminary conditions, actions and payments, City will commence and in a timely manner proceed to complete all steps necessary for the implementation of this Agreement and the development of the Project or Site in accordance with the terms of this Agreement. Developer must, in a timely manner, provide City with all documents, plans, and other information necessary for the City to carry out its obligations under this agreement.

   (a) Periodic Review. The City Manager of City will review this Agreement annually, on or before the anniversary of the Effective Date, in accordance with the procedures and standards set forth in this Agreement and the ESMC in order to ascertain compliance by the Developer with the terms of this Agreement.

   (b) Special Review. The City Council of City may order a special review of compliance with this Agreement at any time, but not to exceed twice per year. The Director of Planning and Building Safety or the City Council, as determined by the City Council, must conduct such special reviews.

   (c) Procedure. During either a periodic review or a special review, Developer must demonstrate good faith compliance with the terms of this Agreement. The burden of proof on this issue is on Developer. The parties acknowledge that failure by Developer to demonstrate good faith compliance constitutes grounds for termination or modification of this Agreement in accordance with Government Code § 65865.1.

   (a) Default. Either party to this Agreement is deemed to have breached this Agreement if it materially breaches any of the provisions of the Agreement and the same is not cured within the time set forth in a written notice of violation from the non-breaching party to the breaching party, which period of time cannot be less than sixty (60) days for defaults from the date that the notice is deemed received, provided if the breaching party cannot reasonably
cure such a breach within the time set forth in the notice, then the breaching party cannot be in default if it commences to cure the breach within such time limit and diligently effects such cure thereafter. If City determines to proceed with termination of this Agreement, then City must give written notice to Developer of its intention to terminate this Agreement and comply with the notice and public hearing requirements of Government Code §§ 65867 and 65868. At the time and place set forth in the hearing on termination, Developer must be given an opportunity to be heard. If the City Council finds based upon the evidence that Developer is in breach of the Agreement, the Council may modify or terminate this Agreement.

(b) **Content of Notice of Violation.** Every notice of violation must state with specificity that it is given pursuant to this Section of the Agreement, the nature of the alleged breach, and the manner in which the breach may be satisfactorily cured. The notice is deemed given on the date that it is personally delivered or on the date that is three (3) business days after it is deposited in the United States mail, in accordance with Section 21 hereof.

(c) **Remedies for Breach.** The Parties agree that remedies for breach of the Agreement is limited to the remedies expressly set forth in this subsection. The remedies for breach of the Agreement by City or Developer are limited to injunctive relief and/or specific performance.

15. **Attorneys’ Fees and Costs.**

Each party to this Agreement agrees to waive any entitlement of attorneys’ fees and costs incurred with respect to any dispute arising from this Agreement. The parties will each bear their own attorneys’ fees and costs in the event of any dispute.

16. **Mortgagee Protection.** At the same time that City gives notice to the Developer of a breach, City must send a copy of the notice to each holder of record of any deed of trust on the portion of the Site in which Developer has a legal interest (“Financier”), provided that the Financier has given prior written notice of its name and mailing address to City and the notice makes specific reference to this Section 14. The copies must be sent by United States mail, registered or certified, postage prepaid, return receipt requested, and are deemed received upon the third (3rd) day after deposit. Each Financier that has given prior notice to City pursuant to this Section has the right, at its option and insofar as the rights of City are concerned, to cure any such breach within sixty (60) days after the receipt of the notice from City. If such breach cannot be cured within such time period, the Financier may have such additional period as may be reasonably required to cure the same, provided that the Financier gives notice to City of its intention to cure and commences the cure within sixty (60) days after receipt of the notice for City and thereafter diligently prosecutes the same to completion. City cannot commence legal action against Developer by reason of Developer’s breach without allowing the Financier to cure the same as specified herein. Notwithstanding any cure by Financier, this Agreement is binding and effective against the Financier and every owner of the Site, or part thereof, whose title thereto is acquired by foreclosure, trustee sale or otherwise.
17. **Estoppel Certificate.** At any time and from time to time, Developer may deliver written notice to City and City may deliver written notice to the Developer requesting that such party certify in writing that, to the knowledge of the certified party (i) this Agreement is in full force and effect and a binding obligation of the parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment, and (iii) the requesting party is not in breach of this Agreement, or if in breach, a description of each such breach. The party receiving such a request must execute and return the certificate within thirty (30) days following receipt of the notice. City acknowledges that a certificate may be relied upon by successors in interest to Developer who requested the certificate and by holders of record of deeds of trust on the portion of the Site in which that Developer has a legal interest.

18. **Operating Memoranda and Amendments of Development Agreement.**

(a) **Operating Memoranda.** The Parties acknowledge that the provisions of the Agreement require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance for those items covered in general terms under this Agreement. If and when from time to time, the Parties find that refinements or adjustments are desirable, such refinements or adjustments will be accomplished through operating memoranda or implementation agreements approved by the Parties which, after execution, will be attached to this Agreement as addenda and become a part hereof.

Operating memoranda or implementation agreements may be executed on behalf of the City by the City Manager after review by the City Attorney. In the event a particular subject requires notice or hearing, such notice or hearing will be appropriately given. Any significant modification to the terms of performance under this Agreement will be processed as an amendment of this Agreement in accordance with applicable rules and must be approved by the City Council.

(b) **Amendments.** This Agreement may be amended from time to time only upon the mutual written consent of City and Developer; provided, however, that in connection with the transfer of any portion of Developers rights or obligations under this Agreement to another developer, Developer (or any assignee of Developer’s rights), such other developer and City may agree that the signature of such other developer may be required to amend this Agreement insofar as such amendment would materially alter the rights or obligations of such developer hereunder. In no event will the signature or consent of any “Non-Assuming Transferee” (defined below) be required to amend this Agreement.

(c) **Minor Changes.** Any change to this Agreement which does not substantially affect (i) the Term of this Agreement, (ii) permitted uses of the Project Site, (iii) provisions for the reservation or dedication of land, (iv) conditions, terms, restrictions or requirements for subsequent discretionary actions, or (v) the density or intensity of use of the Project Site or the maximum height or size of proposed will, with Developer’s consent, be subject to the review and approval of the City’s city manager (the “City Manager”) and not require notice or public hearing, except to the extent otherwise required by law.
(d) **Future Development Agreements.** Except as otherwise consented to by Developer, any future development agreement that may be entered into between City and a successor or assign of Developer with respect to any portion of the Project Site must be consistent with the terms and provisions of this Agreement.

(e) **Future Approvals Do Not Require Amendments to Development Agreement.** Except as may be otherwise agreed to by the parties, no amendment of this Agreement is required in connection with the issuance of any Subsequent Applicable Rules except Major Modifications as defined in the 888 North Sepulveda Boulevard Specific Plan. Any Subsequent Applicable Rules will automatically be incorporated into this Agreement. Except as otherwise provided by this Agreement, City will not issue any Subsequent Applicable Rules for any portion of the Project Site unless Developer requests such Subsequent Applicable Rule from City.

19. **Term of Agreement.** This Agreement becomes operative and begins upon the Effective Date and remains in effect for a term of ten (10) years, unless said term is terminated, modified, or extended by circumstance set forth in this Agreement or by mutual consent of the Parties. Following the expiration of said term, this Agreement is deemed terminated and of no further force and effect; provided, such termination does not automatically affect any right of the City or Developer arising from City approvals on the Project before the expiration of the term or arising from the duties of the parties as prescribed in this Agreement.

20. **Administration of Agreement and Resolution of Disputes.** All decisions by the City staff concerning the interpretation and, administration of this Agreement and the Project which is the subject hereof are appealable to the City Council and all like decisions by the City Council are final. However, decisions of the City Council are also subject to judicial review pursuant to Code of Civil Procedure § 1094.5, so long as such action is filed in a court of competent jurisdiction not later than ninety (90) days following the date on which the City’s decision becomes final pursuant to Code of Civil Procedure § 1094.6.

21. **Notices.** All notices under this Agreement must be in writing and are effective when personally delivered or upon the third (3rd) day after deposit in the United States mail as registered or certified mail, postage prepaid, return receipt requested, to the following representatives of the parties at the addresses indicated below:

If to the City:  
City of El Segundo  
350 Main Street  
El Segundo, California 90245  
Attn: Director of Planning and Building Safety

With a copy to:  
Jenkins & Hogin, LLP  
1230 Rosecrans Avenue, Suite 110  
Manhattan Beach, CA 90266  
Attn: Mark Hensley

If to Developer:  
The Realty Associates Fund IX, L.P.  
1301 Dove Street, Suite 860  
Newport Beach, CA 92660
Attn: Marcus Berry

With a copy to: Barnard Ventures, LLC
5100 Birch Street, Suite 100
Newport Beach, CA 92660
Attn: Scott Barnard

Any party may, from time to time, by written notice to the other, designate a different address which shall be substituted for the one above.

22. **Severability and Termination.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, or if any provision of this Agreement is superseded or rendered unenforceable according to any law which becomes effective after the Effective Date, the remainder of this Agreement shall be effective to the extent the remaining provisions are not rendered impractical to perform, taking into consideration the purposes of this Agreement.

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

24. **Force Majeure.** In the event of changed conditions, changes in local, state or federal laws or regulations, floods, delays due to strikes, inability to obtain materials, civil commotion, fire, or other circumstances which substantially interfere with carrying out the Project, as approved by the City, or with the ability of either party to perform its obligations under this Agreement, and which are not due to actions of Developer and are beyond its reasonable control, the parties agree to bargain in good faith to modify such obligations to achieve the goals and preserve the original intent of this Agreement.

25. **Waiver.** No waiver of any provision of this Agreement constitutes a waiver of any other provision, whether or not similar; nor does any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver is binding, unless it is executed in writing by a duly authorized representative of the party against whom enforcement of the waiver is sought.

26. **Entire Agreement.** This Agreement contains the entire agreement between the Parties regarding the subject matter hereof, and all prior agreements or understandings, oral or written, are hereby merged herein. This Agreement cannot be amended, except as expressly provided herein.

27. **Relationship of the Parties.** Each party acknowledges that, in entering into and performing under this Agreement, it is acting as an independent entity and not as an agent of any of the other Party in any respect. Nothing contained herein or in any document executed in connection herewith may be construed as creating the relationship of partners, joint ventures or any other association of any kind or nature between City and Developer, jointly or severally.

28. **Rules of Construction.** The captions and headings of the various sections and subsections of this Agreement are for convenience of reference only, and they do not constitute a pact of this Agreement for any other purpose or affect interpretation of the Agreement. Should
any provision of this Agreement be found to be in conflict with any provision of the Project Approvals or the Subsequent Approvals, the provisions of this Agreement shall prevail over the Project Approvals.

29. **Constructive Notice and Acceptance.** Every person who, now or hereafter, owns or acquires any right, title or interest in or to any portion of the Project Site is conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired such right, title or interest in the Project Site.

30. **No Third Party Beneficiaries.** This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and assigns. No other person has any right of action based upon any provision of this Agreement.

31. **Incorporation of Exhibits.** The following Exhibits are part of this Agreement and each of which are incorporated herein by this reference:

   - Exhibit A-1   Legal Description of Parcel 1
   - Exhibit A-2   Legal Description of Parcel 3
   - Exhibit A-3   Legal Description of Parcel 2
   - Exhibit B     Description of the Project
   - Exhibit C     Form of Assignment and Assumption

32. **Entire Agreement Conflicts.** This Agreement represents the entire agreement of the parties. Should any or all of the provisions of this Agreement be found to be in conflict with any provision or provisions found in the Project Approvals, Applicable Rules, or Subsequent Applicable Rules, then the provision(s) of this Agreement prevail.

33. **Release Upon Transfer.** Upon the sale or transfer of the Developer’s interest in any portion of the Site, except as otherwise provided herein, Developer is released from its obligations with respect to the portion so sold or transferred subsequent to the effective date of the sale or transfer and the City’s sole remedy is against the assignee or its successor or assign, provided that (i) Developer is not in breach of this Agreement at the time of the sale or transfer and (ii) before the sale or transfer, Developer delivers to City a written assignment and assumption agreement in the form attached hereto as Exhibit “C,” duly executed by the purchaser or transferee and notarized by a notary public, whereby the purchaser or transferee expressly assumes the obligations of Developer under this Agreement with respect to the sold or transferred portion of the Site. Failure to provide a written assumption agreement hereunder does not negate, modify or otherwise affect the liability of the purchaser or transferee pursuant to this Agreement. Nothing contained herein may be deemed to grant to City discretion to approve or deny any such sale or transfer.

34. **Hold Harmless.** Developer agrees to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney’s fees), injuries, or liability, arising from the City’s approval of the Project, this Agreement, Developer’s performance of this Agreement, and all procedures with approving this Agreement (collectively,
“Discretionary Approvals”), except to the extent such is a result of the City’s sole negligence or intentional misconduct. Should the City be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of the Discretionary Approvals, Developer agrees to defend the City (at the City’s request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this Section “the City” includes the City of El Segundo’s elected officials, appointed officials, officers, and employees.

A. Defense of Agreement. If City accepts Developer’s indemnification and defense as provided above, City agrees to and must timely take all actions which are necessary or required to uphold the validity and enforceability of this Agreement, the Discretionary Approvals, and the Applicable Rules. This Section will survive the termination of this Agreement.

35. Joint Preparation. This Agreement is deemed to have been prepared jointly and equally by the Parties, and it cannot be construed against any party on the ground that the Party prepared the Agreement or caused it to be prepared.

36. Governing Law and Venue. This Agreement is made, entered into, and executed in the County of Los Angeles, California, and the laws of the State of California govern its interpretation and enforcement. Any action, suit or proceeding related to, or arising from this Agreement must be filed in the appropriate court having jurisdiction in the County of Los Angeles.

37. Counterparts. This Agreement may be executed in multiple counterparts, each of which is deemed an original, but all of which constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have each executed this Agreement of the date first written above.

CITY OF EL SEGUNDO

By: ____________________________
     Mayor
ATTEST:

__________________________________________
City Clerk

APPROVED AS TO FORM:

__________________________________________
City Attorney

THE REALTY ASSOCIATES FUND IX, L.P.,
a California limited partnership

By: ______________________________________
Name: ____________________________________
Its: ______________________________________

State of California                        }
}                                      }
County of Orange                          }
}                                      }

On ______________________ before me, ____________________, Notary Public, personally appeared ____________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature __________________________       (Seal)
EXHIBIT A-1

Legal Description of Parcel 1 (898 North Sepulveda Boulevard)

Parcel 1 of Vesting Tentative Parcel Map No. 71788.
EXHIBIT A-2

Legal Description of Parcel 3 (888 North Sepulveda Boulevard)

Parcel 3 of Vesting Tentative Parcel Map No. 71788.
EXHIBIT A-3

Legal Description of Parcel 2 (892 North Sepulveda Boulevard)

Parcel 2 of Vesting Tentative Parcel Map No. 71788.
EXHIBIT “B”

Description of Project

The Project consists of the development of a 190 room, five (5) story hotel not to exceed 77 feet in height to the primary roof, consisting of 111,350 square feet (104,040 net square feet) together with the existing 95,360 square foot (79,404 net square feet) office building comprising a Floor Area Ratio ("FAR") of 1.41 on the three parcel property, with shared office and hotel parking provided by the existing parking structure located on Parcel 2, with an additional 72 parking stalls provided by the new hotel. The hotel will be approved by a Conditional Use Permit ("CUP") to be approved concurrently with this Agreement. The CUP encompasses the entire 2.98 acre Specific Plan area site. The remote airport parking business would operate through a CUP approved concurrently with this Agreement and subject to the approval of a Parking Demand Study and Shared Parking Analysis.
EXHIBIT “C”

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption is entered into as of this ______ day of ________, 20__, by and between The Realty Associates Fund IX, L.P., a California Limited Partnership (“Assignor”) and _____________________ (“Assignee”) with respect to the following facts:

RECITALS:

A. Assignor is the “Developer” with respect to that certain Development Agreement dated _____________, (the “Development Agreement”) by and between Assignor and the City of El Segundo, a city in the State of California (“City”).

B. The Development Agreement pertains to that certain real property located in the City consisting of 888, 892 and 898 North Sepulveda Boulevard (collectively, the “Site”).

C. By this Assignment and Assumption, Assignor desires to assign all its right, title and interest in and to the Development Agreement to Assignee and Assignee desires to assume all of Developer’s interest and obligations with respect to the Development Agreement.

NOW, THEREFORE, for good and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignment of Development Agreement. Assignor hereby grants, assigns, transfers, conveys and delivers to Assignee all of its right, title and interest in and to the Development Agreement and Assignee hereby accepts such assignment.

2. As-Is; Non-Recourse. Assignee hereby acknowledges and represents that Assignee has had a full and complete opportunity to evaluate the Development Agreement and the Site. Assignee acknowledges and represents that Assignee accepts the assignment of Assignor’s interest in the Development Agreement on an “AS IS” basis, without any recourse to Assignor, and without any representation or warranty of any kind with respect to the terms and conditions of the Development Agreement and/or the obligations of “Developer” under the Development Agreement.

3. Assumption of Obligations. By acceptance of this Assignment, Assignee hereby assumes and agrees to perform and to be bound by all the terms, conditions, covenants and obligations imposed upon or assumed by Assignor under the Development Agreement.

4. Miscellaneous.

(a) Notices. All notices or other communications provided for or permitted hereunder shall be made in writing by hand-delivery, or pre-paid first-class mail:
If to Assignor: The Realty Associates Fund IX, L.P.,
A California Limited Partnership
1301 Dove Street, Suite 860
Newport Beach, CA 92660

If to Assignee: __________________________

____________________________

ALL SUCH NOTICES AND COMMUNICATIONS SHALL BE DEEMED TO HAVE BEEN
DULY GIVEN: WHEN DELIVERED BY HAND, IF PERSONALLY DELIVERED; AND
TWO BUSINESS DAYS AFTER BEING DEPOSITED IN THE MAIL, POSTAGE PRE-PAID,
IF MAILED AS AFORESAID. ANY PARTY MAY FROM TIME TO TIME, BY WRITTEN
NOTICE TO THE OTHER, DESIGNATE A DIFFERENT ADDRESS WHICH SHALL BE
SUBSTITUTED FOR THAT SPECIFIED ABOVE.

(b) Captions and Headings. The captions and headings in this Assignment for
convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(c) Time of Essence. Except as otherwise provided herein, time is of the
essence with respect to all provisions of this Assignment in which a definite time for
performance is specified; provided, however, that the foregoing shall not be construed to limit or
deprive a party of the benefit of any grace period provided for in this Assignment.

(d) Interpretation and Governing Law. This Assignment shall be governed by
and construed in accordance with the internal laws of the State of California applicable to
agreements made and to be performed within the state. The provisions of this Assignment shall
be interpreted in a reasonable manner to affect the purpose of the parties and this Assignment
Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision
that would require interpretation of any ambiguities in this Assignment against the party that has
drafted it is not applicable and is waived.

(e) Waiver of Jury Trial. The parties hereby waive their respective right to
trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action,
proceeding or hearing brought by a party hereto or its successors and assigns on any matter
whatsoever arising out of, or in any way connected with, this Assignment, the relationship of the
parties hereto, or the enforcement of any remedy under any law, statute, or regulation,
emergency or otherwise, now or hereafter in effect.

(f) Severability. In the event that any one or more of the provisions contained
herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in
any respect for any reason, the validity, legality and enforceability of any such provision in every
other respect and of the remaining provisions hereof shall not be in any way impaired or
affected, it being intended that all other rights and privileges shall be enforceable to the fullest
extent permitted by law.
(g) **Attorneys’ Fees.** In any action or proceeding brought to enforce or interpret any provision of this Assignment, or where any provision hereof is validly asserted as a defense, the prevailing party shall be entitled to recover actual attorneys’ fees and all other litigation costs including without limitation costs awardable pursuant to California Code of Civil Procedure Section 1033.5 and amounts payable to expert witnesses ("Costs") in addition to any other available remedy. In addition to the fees and Costs recoverable under the preceding sentence, the parties agree that the prevailing party shall be entitled to recover actual attorneys’ fees and Costs incurred in connection with the enforcement of a judgment arising from such action or proceeding.

(h) **Entire Agreement.** This Assignment is intended by the parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. This Assignment supersedes any and all prior restrictions, promises, representations, warranties, agreements, understandings and undertakings between the parties with respect to such subject matter and there are no restrictions, promises, representations, warranties, agreements, understandings or undertakings with respect to such subject matter other than those set forth or referred to herein.

(i) **Waiver.** No delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

(j) **Amendments.** Neither this Assignment nor any term hereof may be changed, waived, discharged or terminated orally or in writing, except that any term of this Assignment may be amended by a writing signed by the parties, and the observance of any such term may be waived (either generally or in a particular instance and either retroactively or prospectively) by a writing signed by the party against whom such waiver is to be asserted.

(k) **Successors and Assigns.** This Assignment shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties.

(l) **No Third Party Beneficiaries.** Nothing expressed or mentioned in this Assignment is intended or shall be construed to give any person, other than the parties hereto and their respective successors and assigns, any legal or equitable right, remedy or claim under or in respect of this Assignment or any provisions herein contained, this Assignment and any conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and for the benefit of no other person.

(m) **Counterparts.** This Assignment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
5. Facsimile. This Assignment may be executed by a party’s signature transmitted by facsimile (“fax”), and copies of this Assignment executed and delivered by means of faxed signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. All parties hereto may rely upon faxed signatures as if such signatures were originals. Any party executing and delivering this Assignment by fax shall promptly thereafter deliver a counterpart signature page of this Assignment containing said party’s original signature. All parties hereto agree that a faxed signature page may be introduced into evidence in any proceeding arising out of or related to this Assignment as if it were an original signature page.

“ASSIGNOR”

The Realty Associates Fund IX, L.P.,
A California Limited Partnership

By: ________________________________
Name: ______________________________
Its: _______________________________

“ASSIGNEE”

By: ________________________________
Name: ______________________________
Its: _______________________________
CITY COUNCIL RESOLUTION NO. 4867 EXHIBIT A
CITY COUNCIL ORDINANCE NO. 1494 EXHIBIT D

CONDITIONS OF APPROVAL

In addition to all applicable provisions of the El Segundo Municipal Code ("ESMC"), the Realty Associates Fund IX, L.P., agrees to comply with the following provisions as conditions for the City of El Segundo's approval of a Mitigated Negative Declaration for Environmental Assessment No. EA-997, General Plan Amendment No. GPA 12-03, Specific Plan No. SP 12-05, Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Development Agreement No. DA 12-04, Subdivision SUB 12-07 for Vesting Tentative Parcel Map No. 71788, Conditional Use Permit No. CUP 12-08, Administrative Use Permit No. AUP 13-11, and Parking Demand Study No. PDS 12-06 ("Project Conditions").

Planning and Building Safety Department

1. Before building permits are issued, the applicant must submit plans demonstrating substantial compliance with the plans and conditions of approval on file with the Planning and Building Safety Department. Any subsequent modification to the project as approved, including the site plan, floor plan, elevations, landscaping and materials, must be referred to the Director of Planning and Building Safety to determine whether the Planning Commission should review the proposed modification.

2. Before building permits are issued, the applicant must obtain all the necessary approvals, licenses and permits and pay all the appropriate fees as required by the City.

3. The applicant must comply with all mitigation measures identified in the Mitigated Negative Declaration prepared for the Project. A Mitigation Monitoring and Reporting Program (MMRP) was prepared as part of the environmental review for the project and is attached as Exhibit "C" to this Resolution. The mitigation measures of the MMRP are incorporated into these conditions of approval by reference. All mitigation measures and conditions of approval must be listed on the plans submitted for plan check and the plans for which a building permit is issued.

4. Any changes to the colors and materials of the exterior façade of the buildings and structures in the 888 North Sepulveda Boulevard Specific Plan must be in compliance with the 888 North Sepulveda
Boulevard Specific Plan Section 4.0(H) Development Standards and approved to the satisfaction of the Director of Planning and Building Safety.

5. Before the City issues a building permit, the applicant must submit final landscaping and irrigation plans to the Planning and Building Safety Department and the Parks and Recreation Department for review and approval to demonstrate compliance with the City's Water Conservation regulations and Guidelines for Water Conservation in Landscaping (ESMC §§ 10-2-1, et seq.). The plant materials used in landscaping must be compatible with the El Segundo climate pursuant to Sunset Western Garden Book’s Zone 24 published by Sunset Books, Inc., Revised and Updated 2001 edition, which is available for review at the Planning and Building Safety Department. Additionally, the landscaping and irrigation must be completely installed before the City issues a final Certificate of Occupancy. Additionally, the final landscaping and irrigation plans must comply with the following:

- Reclaimed water must be used as the water source to irrigate landscaped areas, if feasible. To that end, dual water connections must be installed to allow for landscaping to be irrigated by reclaimed water, if feasible.

- Efficient irrigation systems must be installed which minimize runoff and evaporation and maximize the water which will reach plant roots (e.g., drip irrigation, automatic sprinklers equipped with moisture sensors).

- Automatic sprinkler systems must be set to irrigate landscaping during early morning hours or during the evening to reduce water losses from evaporation. Sprinklers must also be reset to water less often in cooler months and during the rainfall season so that water is not wasted by excessive landscaping irrigation.

6. Selection of drought-tolerant, low-water consuming plant varieties must be used to reduce irrigation water consumption, in compliance with ESMC §§ 10-2-1, et seq.

7. Employees of both the proposed hotel and the existing office building must be provided current maps, routes and schedules for public transit routes serving the site; telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators; ridesharing promotional materials; and bicycle route and facility information.
8. Trash and recycling enclosures must be provided and shown on the site plan that are sufficiently large enough to store the necessary bins required for the regular collection of commercial solid waste and recyclable materials. The site plan with the location and dimensions of the trash and recycling enclosure and an elevation view of the enclosure must be provided to the Planning and Building Safety Department for review and approval before the City issues building permits.

9. Ground level mechanical equipment, refuse collectors, storage tanks, generators, and other similar facilities must be screened from view with dense landscaping and walls constructed of materials and finishes compatible with the overall design of the project and any ancillary buildings and in compliance with 888 NSBSP § 4.0(H) to the satisfaction of the Director of Planning and Building Safety.

10. Exterior lighting must be designed to minimize off-site glare.

11. The building must be designed to comply with all ESMC standards for the attenuation of interior noise.

**Building Division Conditions**

12. Before building permits are issued, the applicant must submit a geotechnical/soils report, along with an associated grading plan that addresses the current code to the Planning and Building Safety Department for review and approval.

13. Before grading permits are issued, the applicant must submit a soils report to the Planning and Building Safety Department for review and approval.

14. Before grading permits are issued, the applicant must submit a grading plan to the Planning and Building Safety Department for review and approval. Before building permits are issued, plans must show conformance with the 2013 California Building Code, 2013 California Mechanical Code, 2013 California Plumbing Code, 2013 California Electrical Code, and 2013 California Energy Code, all as adopted by the ESMC.

15. Before building permits are issued, plans must show compliance with accessibility requirements per the 2013 California Building Code, as adopted by the ESMC.
16. The applicant must provide a complete pool enclosure that encompasses the pool per the 2013 California Building Code, as adopted by the ESMC.

17. The applicant must provide a disabled access lift to access the pool per the 2013 California Building Code, as adopted by the ESMC.

18. At least one stairway must access the roof per the 2013 California Building Code, as adopted by the ESMC.

19. The applicant must provide a van accessible disabled parking space in the open, exterior parking area in addition to the van accessible disabled parking required in the underground parking area. The stall width must be a minimum of nine feet and the unloading zone area must be a minimum of eight feet in width.

20. The project must comply with current storm water requirements including the new MS4 permit under CAS004001.

21. The project will require complete structural calculations, notes, and details.

22. Separate permit applications will be required for all walls (retaining walls/block walls).

**Fire Department Conditions**

23. The project must comply with all applicable requirements in the 2013 California Building and Fire Codes, and the 2012 International Fire Code as adopted by the ESMC and El Segundo Fire Department regulations.

24. Construction of any cafeteria or kitchen facilities must include installation of a grease interceptor capable of removing fats, oils, and grease from the kitchen waste stream. If the Los Angeles County Health Department determines that the food preparation area does not require the installation of grease interceptors, then this condition will not be required.

25. Construction activities must include a storm water pollution prevention plan addressing non-storm water run-off, debris removal, track-out and protection of storm water system.

26. Any diesel-powered generators must be approved by the Fire Department, Environmental Safety Division, and provide for secondary containment, placarding, spill detection and prevention.
Underground tanks require additional environmental monitoring requirements.

27. The applicant must provide the Environmental Safety Division of the El Segundo Fire Department an inventory of any and all chemicals used for laundry, pool or house cleaning, emergency generators or other devices.

28. The applicant, or designee, must contact Underground Service Alert before digging or excavating.

29. In addition to the building plan check submittal, the applicant must provide as a separate submittal, and have approved by the Fire Department prior to issuance of the building permit, a Fire/Life Safety Plan, identifying fire safety precautions during demolition and construction, emergency site access during construction, permanent fire department access, fire hydrant locations and any existing or proposed fire sprinkler systems and fire alarm systems.

30. The applicant must comply with the City of El Segundo mid-rise building requirements identified in the 2013 California Fire Code (Section 915) adopted by the City of El Segundo.

31. A certification from the underground petroleum pipeline company must be submitted at time of initial plan check review, indicating that any proposed project encroachment within the pipeline right-of-way has been reviewed and approved by the pipeline owner/operator.

32. Any proposed exterior fire features must provide the following: (1) A barrier must be provided around the fire feature to prevent accidental access into the fire feature; (2) The distance between the fire feature and any combustible material and/or furnishings must meet the listed manufacturer’s requirements; (3) all exit paths and occupant seating must be a minimum 36 inches from the fire feature.

Public Works Department Conditions

33. All onsite utilities including, without limitation, water, electricity, gas, sewer and storm drains, must be installed underground. Contact Southern California Edison for required service and underground requirements (contact Mr. John Deng at (310) 783-9305).

34. A utility plan must be provided that shows all existing and proposed utility lines (sewer, water, storm drain, gas, electrical, cable,
communications, etc.) and their sizes, including easement boundaries, around the project site.

35. Before the City issues a Certificate of Occupancy, the applicant must upgrade the existing curb ramp located at the corner of Walnut Avenue and Sepulveda Boulevard to standards as required by the Public Works Department.

36. Before the City issues a Certificate of Occupancy, all damaged or off-grade curb, sidewalk and pavement must be removed and replaced as required by the Public Works Department by an appropriately licensed contractor.

37. The applicant must secure any required encroachment permits from the Public Works Department before commencing any work in the public right-of-way.

38. The applicant must improve the existing driveway on Sepulveda Boulevard to City Standards and adjust the off-grade existing pullbox.

39. Any work on the public right-of-way along Sepulveda Boulevard requires a Caltrans permit prior to issuance of the City encroachment permit (contact Mr. Art Escalante at (213) 897-3218).

40. The project must comply with the latest National Pollution Discharge Elimination System (NPDES) requirements and provide Best Management Practices (BMPs) for sediment control, construction material control and erosion control.

41. Before the City issues a building permit, the location and sizes of all proposed water meters must be approved by the City’s Water Division. The applicant must provide a water sewer service connection and a water meter for each parcel.

42. Any existing water meters, portable water service connections, fire backflow devices and potable water backflow devices must be upgraded to current City Water Division standards. These devices shall be placed or relocated onto private property. Contact the El Segundo Water Division regarding any proposed water system upgrades (meters, laterals, etc.) at (310) 524-2742.

43. The applicant must submit plans for water system upgrades to the City of El Segundo Public Works Department for review and approval, including traffic control plans for work in the public right-of-way.
44. Add the following note to the plans: No direct drainage connection can be made to the City’s catch basins or storm drain system.

45. Add the following note to the plans: Any unused water or sanitary sewer laterals must be abandoned and properly capped at the City main. Provide necessary permits (encroachment permit and Caltrans permit) traffic control plans and shoring plans.

46. Add the following note to the plans: A CCTV video of the existing sewer lateral condition must be made available for review so that the Planning and Building Safety Department and the Public Works Department can determine any need for repair. Neither the final Public Works approval nor the Certificate of Occupancy can be issued until the lateral condition is assessed and any necessary repairs have been fully completed.

47. The applicant must submit construction, traffic control, and sewer bypass plans for the proposed sewer upgrades to the City of El Segundo Public Works Department for review and approval. No construction on sewer system upgrades can occur without issuance of an encroachment permit from the City of El Segundo Public Works Department.

48. Before the City issues a building permit the applicant must provide a SUSMP (Standard Urban Storm Water Mitigation Plan).

49. Before the City issues a building permit the applicant must provide a SWPPP (Stormwater Pollution Prevention Plan).

50. A registered civil engineer must provide storm (hydrologic and hydraulic) calculations for appropriate storm drain facilities to control on-site drainage and mitigate off-site impacts, as follows, subject to review and approval from the Public Works Department:

   a) The design must follow the criteria contained in both the Los Angeles County Department of Public Works Hydrology Manual 2006 and Standard Urban Storm Water Mitigation Plan or most recent editions. Flows must remain in their historical drainage pattern so as not to impact neighboring properties. Calculations shall be signed by a registered civil engineer.

   b) New development must not increase the rate of flow (cubic feet per second) or velocity (feet per second) of site run-off water to any off-site drainage areas beyond the measured or calculated pre-project rate and velocity.
51. Add the following note to the plans: Construction related parking must be provided on-site.

52. Add the following note to the plans: PG-64-10 tack coat and hot mix asphalt must be used for all slot paving required next to new concrete. Slot paving must be 3 feet wide and 1 foot deep, consisting of 6 inches of asphalt over 6 inches of base.

53. Add the following note to the plans: The applicant must repair any damage to public streets and/or sidewalks due to construction or by construction vehicles traveling to or from the project site, before the permit can be finalized.

54. Add the following note to the plans: The developer or contractor must inform all neighboring properties in writing of any street lane closures or other significant traffic impacts on the adjacent streets at least on week before they occur.

55. Add the following note to the plans: The contractor must obtain all required City encroachment permits from the Public Works Department before commencing any work in the public right-of-way, including lane closure. Call (310) 524-2360 for permit requirements and associated fees.

56. Add the following note to the plans: No parkway trees are to be removed without Recreation and Parks Department approval.

57. The Recreation and Parks Department will review the landscape plans to ensure the plant material is compatible with the City’s Water Conservation and Landscape Ordinance.

58. All record drawings (as-built drawings) and supporting documentation must be submitted to the Public Works Department before scheduling the project’s final inspection.

59. The Final Map must be recorded and filed with both the City Engineer of the City of El Segundo and the Los Angeles County Recorder’s Office.

**Police Department Conditions**

60. Before the City issues a building permit for the hotel, the applicant must submit a photometric light study to the Police Department for review and approval. A site plan must be provided showing buildings, parking areas, walkways, and the point-by-point
photometric calculation of the required light levels. Foot candles must be measured on a horizontal plane and conform to a uniformity ratio of 4:1 average/minimum. The photometric study must be point-by-point and include the light loss factor (.7). Lighting levels must be adjusted to meet the minimum foot candle requirements within each area of the site. All interior or exterior corridors, passageways and pedestrian walkways and open parking lot must be illuminated at all times with a minimum maintained one foot-candle of light on the walking surface. The plan must also include the underground parking area and the existing parking structure.

61. A schematic plan of the security camera system must be submitted and approved by the El Segundo Police Department before the City issues a building permit for the hotel. The plan must be included as a page in the stamped approved set of plans.

62. Lighting devices must be enclosed and protected by weather and vandal resistant covers.

63. Stairways must be illuminated with a minimum maintained one foot-candle of light on all landings and stair treads at all times.

64. All types of exterior doors must be illuminated during the hours of darkness, with a minimum maintained one foot-candle of light measured within a five-foot radius on each side of the door at ground level. The light source must be controlled by a photocell device or a time-clock with an astronomic clock feature and capable of operating during a power outage.

65. The addressing, open parking lot and trash dumpster must be illuminated with a maintained minimum of one foot-candle of light on the ground surface during hours of darkness.

66. Street addressing must be a minimum of 6 inches high and must be visible from the street or driving surface, of contrasting color to the background and illuminated during hours of darkness. Addressing must also be shown on plan elevations.

67. All landscaping must be low profile around perimeter fencing, windows, doors and entryways so as not to limit visibility or provide climbing access. Dense bushes cannot be clumped together in a manner that provides easy concealment. Bushes must be trimmed to a distance of two to three feet away from the buildings. After reaching full maturity, tree crowns must be trimmed a minimum of seven feet above grade.
68. Stairwell doors exiting onto the street must have a minimum 100-square inch vision panel, with a minimum five inch width, to provide visibility into the area being entered. Vision panels must meet the requirements of the California Building Code, as adopted by the ESMC. Vision panels must preclude manipulation of the interior locking device from the exterior.

69. Interior stairwell doors must have glazing panels a minimum of five inches wide and 20 inches in height and meet the requirements of the California Building Code, as adopted by the ESMC. Guest rooms must have a deadbolt lock, a secondary security latch and a wide angle (190-200 degree) door viewer, not to be mounted more than 58 inches from the bottom of the door.

70. Exterior mounted ladders are prohibited except: (1) ladders with a minimum 1/8 inch thick steel plate, securely attached to the ladders edge on each side, and extending to within two inches of the wall for a height of ten feet above ground level. A door and cover must be securely attached to the front of the ladder, and be constructed of minimum 1/8-inch steel, extending from ground level to at least ten feet high. The ladder must have non-removable hinge pins and be locked securely against the side wall by a locking mechanism with a minimum five pin tumbler operation; or (2) the bottom of the ladder must begin ten feet above the ground surface.

71. All pool entrances at the hotel must be posted with “No Trespassing” signs.

72. Any pool restroom and shower doors at the hotel must have access control as reviewed and approved by the El Segundo Police Department.

73. Exterior gates leading to the pool at the hotel must be secured by electronic access control.

74. A safe for the hotel must be installed in a secure location (ex: general manager’s office) and the safe must be equipped with suitable anchors in concrete blocks or to the premises in which it is located.

Construction Conditions

75. Before any construction occurs the perimeter of the property must be fenced with a minimum 6-foot high fence. The fence must be covered with a material approved by the Planning and Building Safety Department to prevent dust from leaving the site.
76. Public sidewalks must remain open at all times.

77. All haul trucks hauling soil, sand, and other loose materials must either be covered or maintain two feet of freeboard.

78. NOx emissions during construction must be reduced by limiting the operation of heavy-duty construction equipment to no more than 5 pieces of equipment at any one time.

79. Staging of construction vehicles and vehicle entry and egress to the site must be approved by the Public Works Department. Temporary construction driveways must be approved by the Public Works Department. Temporary construction driveways must be removed before the City issues a certificate of occupancy.

80. Construction vehicles cannot use any route except the City's designated Truck Routes.

81. The applicant must develop and implement a construction management plan, as approved by the Public Works Department, which includes the following measures recommended by the SCAQMD:

- Configure construction parking to minimize traffic interference.
- Provide temporary traffic controls during all phases of construction activities to maintain traffic flow (e.g., flag person).
- Re-route construction trucks away from congested streets.
- Maintain equipment and vehicles engines in good condition and in proper tune as per manufacturer's specifications and per SCAQMD rules, to minimize dust emissions.
- Suspend use of all construction equipment during second stage smog alerts. Contact SCAQMD at (800) 242-4022 for daily forecasts.
- Use electricity from temporary power poles rather than temporary diesel or gasoline-powered generators.
- Diesel-powered equipment such as booster pumps or generators should be replaced by electric equipment, if feasible.
- Catalytic converters must be installed, if feasible.
- Equipment must be equipped with two-to-four-degree engine time retard or pre-combustion chamber engines.
• Use methanol or natural gas powered mobile equipment and pile drivers instead of diesel if readily available at competitive prices.
• Use propane or butane powered on-site mobile equipment instead of gasoline if readily available at competitive prices.

82. During construction and operations, all waste must be disposed in accordance with all applicable laws and regulations. Toxic wastes must be discarded at a licensed, regulated disposal site by a licensed waste hauler.

83. All leaks, drips and spills occurring during construction must be cleaned up promptly and in compliance with all applicable laws and regulations to prevent contaminated soil on paved surfaces that can be washed away into the storm drains.

84. If materials spills occur, they must be cleaned up in a way that will not affect the storm drain system.

85. The project must comply with ESMC Chapter 5-4, which establishes storm water and urban pollution controls.

86. Before anticipated rainfall, construction dumpsters must be covered with tarps or plastic sheeting.

87. Inspections of the project site before and after storm events must be conducted to determine whether Best Management Practices have been implemented to reduce pollutant loadings identified in the Storm Water Prevention Plan.

88. The owner or contractor must conduct daily street sweeping and truck wheel cleaning to prevent dirt in the storm drain system.

89. Storm drain system must be safeguarded at all times during construction.

90. All diesel equipment must be operated with closed engine doors and must be equipped with factory-recommended mufflers.

91. Electrical power must be used to run air compressors and similar power tools.

92. The applicant must provide a telephone number for local residents to call to submit complaints associated with the construction noise. The number must be posted on the project site and must be easily viewed from adjacent public areas.
93. During construction, the contractor must store and maintain equipment as far as possible from adjacent residential property locations northwest of the site.

94. As stated in ESMC Chapter 7-2, construction related noise is restricted to the hours of 7:00 a.m. to 6:00 p.m. Monday through Saturday, and prohibited at anytime on Sunday or a Federal holiday.

Impact Fee Conditions

95. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time fire services mitigation fee in accordance with Resolution No 4687. The fee amount must be based upon the adopted fee at the time the building permit is issued.

96. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time police services mitigation fee in accordance with Resolution No. 4687. The fee amount must be based upon the adopted fee at the time the building permit is issued.

97. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time park services mitigation fee in accordance with Resolution No. 4687. The fee amount must be based upon the adopted fee at the time the building permit is issued.

98. Before building permits are issued, the applicant must pay the required sewer connection fees (as specified in ESMC Title 12-3).

99. Pursuant to ESMC §§ 15-27A-1, et seq., and before the City issues a certificate of occupancy, the applicant must pay a one time traffic mitigation fee in accordance with Resolution No. 4443.

100. Before building permits are issued, the applicant must pay the required School Fees. This condition does not limit the applicant's ability to appeal or protest the payment of these fees to the school districts(s).

Conditional Use Permit Conditions

In addition to the above "Project" conditions, the hotel is subject to the following additional conditions:
101. The Conditional Use Permit for the proposed hotel will expire twenty four (24) months after its approval if the use has not commenced; or if improvements are required, but construction has not commenced under a valid building permit as specified in ESMC § 15-23-11.

102. The proposed hotel must provide features and amenities as specified in 888 NSBSP § 4.0(G) to the satisfaction of the Director of Planning and Building Safety.

103. The project must meet all design standards as specified in 888 NSBSP § 4.0(H) to the satisfaction of the Director of Planning and Building Safety.

104. The proposed hotel must comply with the Transportation Demand Management and Transportation Systems Management requirements in 888 NSBSP § 4.0(F)(10).

105. Plans for the hotel must include combining the existing and proposed walkways between the office building and hotel into a single walkway through the Sepulveda setback area. Any fencing, gate, and stairs providing access to the plaza must not be located in the Sepulveda setback area.

106. The 72 parking spaces located at 888 North Sepulveda Boulevard must be available only for the hotel use with corresponding signage and/or pavement marking.

107. The large truck loading space located at 888 North Sepulveda Boulevard must be made available for use by both the hotel at 888 North Sepulveda Boulevard and the office building at 898 North Sepulveda Boulevard.

108. Ninety six (96) parking spaces must be provided for the hotel in the parking structure at 892 North Sepulveda Boulevard. The parking spaces must be designated spaces subject to the approval of a parking management plan to the satisfaction of the Director of Planning and Building Safety in compliance with the parking management plan. The parking management plan must include detailed floor plans that designate the assignment of parking. Sharing of any of these required parking spaces with other uses within the Specific Plan will only be permitted subject to approval of a Parking Demand Study. An off-site parking covenant must be reviewed and approved as to form and recorded to the satisfaction of the Director of Planning and Building Safety and the City Attorney.
Administrative Use Permit Conditions

The remote airport parking facility is subject to the following conditions:

109. A maximum of 501 parking spaces located in the parking structure at 892 North Sepulveda Boulevard are allowed to be used for the remote airport parking facility. Provision for shared/joint use of parking spaces required for any other uses within the 888 North Sepulveda Boulevard Specific Plan with the remote airport parking facility is subject to a Parking Demand Study and the requirements of the 888 North Sepulveda Boulevard Specific Plan.

110. Parking spaces for the remote airport parking shuttles and the remote airport parking stalls must be designated spaces subject to the approval of a parking management plan to the satisfaction of the Director of Planning and Building Safety. All parking spaces and loading spaces must be clearly marked and designated through the use of signage and/or pavement marking to the satisfaction of the Director of Planning and Building Safety in compliance with the parking management plan. The parking management plan must include detailed floor plans that designate the assignment of parking.

111. A waiting area must be provided and maintained in the parking structure for use by the remote airport parking patrons.

112. A restroom must be provided and maintained in the parking structure for use by the remote airport parking patrons and employees.

113. Building permits must be obtained for improvements to the parking structure, including, but not limited to, the waiting area, storage rooms, the valet parking booth, the restroom required in the parking structure that will serve the remote airport parking facility employees and patrons.

Parking Demand Study Conditions

The Parking Demand Study approval is subject to the following conditions:

114. A minimum of two hundred twenty eight (228) parking spaces located in the parking structure at 892 North Sepulveda Boulevard must be available for the office building uses at 898 North Sepulveda Boulevard. An off site parking covenant must be reviewed and approved as to form and recorded to the satisfaction of the Director of Planning and Building Safety and the City Attorney.
Sharing of any of these required parking spaces with other uses within the Specific Plan are subject to the requirements of the 888 North Sepulveda Boulevard Specific Plan.

115. Ninety six (96) parking spaces must be provided in the parking structure at 892 North Sepulveda Boulevard for the hotel use located at 888 North Sepulveda Boulevard.

116. A maximum of seventeen (17) parking spaces may be shared jointly by the remote airport parking facility, the hotel, and the office uses. A maximum of three hundred seven (307) parking spaces may be shared jointly by the hotel and the office uses.

117. Any shared/joint use parking spaces for the hotel, the office building, and the remote airport parking stalls must be designated spaces subject to the approval of a parking management plan to the satisfaction of the Director of Planning and Building Safety. All parking spaces and loading spaces must be clearly marked and designated through the use of signage and/or pavement marking to the satisfaction of the Director of Planning and Building Safety in compliance with the parking management plan. The parking management plan must include detailed floor plans that designate the assignment of parking.

Miscellaneous Conditions

118. The tentative parcel map will expire pursuant to Government Code § 66452.6 and ESMC § 14-1-12.
119. The Realty Associates Fund IX, L.P., agrees to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney’s fees), injuries, or liability, arising from the City’s approval of Environmental Assessment No. EA-997, General Plan Amendment No. GPA 12-03, Specific Plan No. SP 12-05, Zone Change No. ZC 12-03, Zone Text Amendment No. ZTA 12-05, Development Agreement No. DA 12-04, Subdivision No. SUB 12-07, Conditional Use Permit CUP 12-08, Parking Demand Study PDS 12-06. Should the City be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of the City approval of Environmental Assessment No. 997, the Realty Associates Fund IX, L.P., agrees to defend the City (at the City’s request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section “the City” includes the City of El Segundo’s elected officials, appointed officials, officers, and employees.

By signing this document, Scott Amling on behalf of the Realty Associates Fund IX, L.P., certifies that they have read, understood, and agree to the Project Conditions listed in this document.

Scott Amling, Regional Director
Realty Associates Fund IX, L.P.
AGENDA DESCRIPTION:

Consideration and possible action to adopt a resolution pursuant to Public Contracts Code §20168 finding that an emergency existed within the City, ratifying the action of the City Manager and authorizing the City Manager to retroactively approve a contract in a form approved by the City Attorney with John Phillips Plumbing to replace a hot water boiler at the Park Vista Apartments without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”)§ 1-7-12 and 1-7A-4 and find that the project is exempt from review under the California Environmental Quality Act as an emergency repair. (Fiscal Impact: $8,532.00)

RECOMMENDED COUNCIL ACTION:

(1) Adopt a Resolution finding that an emergency existed and waiving bidding requirements pursuant to Public Contracts Code §§ 20168 and 22050 and ESMC §§ 1-7-12 and 1-7A-4

(2) Authorize the City Manager to execute a maintenance contract with prevailing wages, in a form approved by the City Attorney, John Phillips Plumbing for the replacement of a hot water boiler at the Park Vista Apartments; and/or

(3) Find that the project is exempt from review under the California Environmental Quality Act of 1970, as amended, Public Resources Code section 21000 et seq. (“CEQA”) pursuant to Section 15269, subdivision (a) of the CEQA Guidelines.

(4) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Resolution
Declaration of Emergency

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $8,532.00
Additional Appropriation: N/A
Account Number(s): Park Vista Capital Expenditures

ORIGINATED BY: Stephanie Katsouleas, Director of Public Works
REVIEWED BY: Meredith Petit, Recreation Superintendent
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
On May 1, 1984, the City Council approved construction of a ninety-seven (97) unit project generally known as the Park Vista Apartments ("Park Vista") with projected costs of approximately $4 million. This cost was paid for with money approved for a Senior Citizen housing project by voters on November 8, 1983. Park Vista was open to residents on or about July 19, 1987.

On Thursday, March 27, 2014, one of the rooftop boilers providing hot water to approximately 40 units failed due an electrical short, which also caused a small fire inside the unit. Upon calling out a plumber to inspect the damages, it was determined that the boiler could not be repaired and was in need of replacement. A replacement boiler was installed the next day by John Phillips Plumbing. This repair was treated as an emergency due to the need to provide Park Vista residents with hot water and the hot water requirements identified in the California Plumbing Code for occupied buildings such as Park Vista.

Ordinarily, the Public Contracts Code ("PCC") requires formal bidding for all public works projects. PCC § 20168, however, allows the City Council to adopt a resolution by four-fifths vote "declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health or property." Pursuant to this section and PCC § 22050, the City Council may by-pass bidding requirements ordinarily required under the PCC. An "emergency" is defined as "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services."

Here, there was an imminent danger to public health and safety for several reasons including, without limitation: (1) state regulations such as Chapter 6, Section 601 of the California Plumbing Code, which requires the availability of hot water for bathing, washing, laundry, cooking purposes, dishwashing or maintenance in \textit{occupied} buildings; and (2) Park Vista is a senior housing project who’s residents rely on hot water for daily medical and other health needs.

The project is exempt from review under the California Environmental Quality Act of 1970, as amended, Public Resources Code section 21000 \textit{et seq.} ("CEQA") pursuant to Section 15269, subdivision (a) of the CEQA Guidelines because replacing the boiler was an emergency repair to a public facility necessary to maintain service essential to the public, health and welfare.

Therefore, staff recommends that City Council adopt the attached resolution declaring the hot water boiler an emergency, ratifying the City Manager’s actions to authorize the replacement of the boiler, retroactively approving a contract with John Phillips Plumbing and finding that the project is exempt from CEQA review as an emergency project.
RESOLUTION NO. _____

A RESOLUTION ADOPTED PURSUANT TO PUBLIC CONTRACTS CODE § 20168 FINDING THAT AN EMERGENCY EXISTS WITHIN THE CITY AND AUTHORIZING CONTRACTING WITHOUT THE NEED FOR BIDDING PURSUANT TO § 22050 AND EI Segundo Municipal Code §§ 1-7-12 and 1-7A-4 AND FINDING THAT THE PROJECT IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AS AN EMERGENCY REPAIR.

The City Council does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. Pursuant to Public Contracts Code ("PCC") § 20168, the City Council may, upon a four-fifths vote, declare that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property because of an emergency.

B. In accordance with PCC §§ 20168 and 22050, the City Council may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.

C. A domestic hot water boiler, located within the public facility identified as Park Vista, failed on Thursday, March 27, 2014, due to a wiring short, which also caused a small internal fire to the unit. Park Vista currently houses many senior residents who were without hot water. The inoperable boiler constituted an imminent threat to public health and safety because the California Plumbing Code requires hot water be available to occupied buildings for bathing, washing, dishwashing, laundry and other cooking purposes.

D. In compliance with applicable law, and to protect public, health, safety and welfare, the City Manager took immediate emergency action to replace the boiler in accordance with EI Segundo Municipal Code ("ESMC")§§ 1-7-12 and 1-7A-4 and has reported his actions to the City Council.

E. The failed boiler constituted a sudden, unexpected occurrence that posed a clear and imminent danger to the City property, its citizens, and employees. This threat required immediate action to prevent or mitigate the loss or impairment of essential public services.

F. Under such emergency conditions, the City Council finds that the delay resulting from public bidding would have imperiled essential public
services.

G. The project is exempt from review under the California Environmental Quality Act of 1970, as amended, Public Resources Code section 21000 et seq. ("CEQA") pursuant to Section 15269, subdivision (a) of the CEQA Guidelines because replacing the boiler was an emergency repair to a public facility necessary to maintain service essential to the public, health and welfare.

SECTION 2: In light of the emergency described above, the City Council ratifies the actions of the City Manager, to take all steps necessary to protect public health, safety and welfare including, without limitation, awarding contracts in accordance with PCC § 22050 and ESMC §§ 1-7A-4 and and 1-7A-4

SECTION 3: This Resolution will become effective immediately upon adoption and remain effective unless superseded by a subsequent resolution.

PASSED AND ADOPTED this 15th day of April, 2014.

Bill Fisher, Mayor

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: Karl H. Berger, Assistant City Attorney
CERTIFICATION

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF EL SEGUNDO )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, DO HEREBY CERTIFY that the whole number of members of the City Council of the said City is five; that the foregoing resolution, being RESOLUTION NO. ______ was duly passed and adopted by the said City Council, approved and signed by the Mayor of said City, and attested by the City Clerk of said City, all at a regular meeting of the said Council held on the _____ day of ______________, 2014, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTION:
NOT PARTICIPATING:

WITNESS MY HAND THE OFFICIAL SEAL OF SAID CITY this _______ day of ____________, 2014.

Tracy Weaver, City Clerk
Of the City of El Segundo,
California
(SEAL)
DECLARATION OF EMERGENCY

The City Manager finds:

That conditions of extreme peril to the safety of persons and property arose within the City of El Segundo, caused by the failure of a hot water boiler at the Park Vista Senior Housing facility. These conditions required an immediate response to replace the boiler.

These conditions of extreme peril warrant and necessitated the proclamation of the existence of a local emergency with regard to the failure of the boiler.

Accordingly, pursuant to § 1-7A-4 of the El Segundo Municipal Code, a local emergency is proclaimed to have existed within the City of El Segundo on March 27, 2014.

City Manager

4-8-14

Date/Time
AGENDA DESCRIPTION:
Consideration and possible action reciting the fact of the General Municipal Election held on April 8, 2014. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
(1) Read Resolution by title only;
(2) Adopt Resolution;
(3) Comments from seated Council;
(4) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Draft Resolution

FISCAL IMPACT: None
Amount Budgeted: $
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Tracy Weaver
REVIEWED BY: Tracy Weaver
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The regularly scheduled Municipal Election for City Council was held on April 8, 2014 for two (2) Council Seats and Measure A. Staff recommends Council adopt the Resolution declaring the results.

Resolution will be provided prior to the Council Meeting.
RESOLUTION NO.


The City Council of the city of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. A General Municipal Election was held in the City of El Segundo on Tuesday, April 8, 2014, as required by law;

B. Notice of the election was given in the manner provided by law;

C. Voting precincts were properly established, election officers were appointed, votes were cast, votes were received and canvassed and the returns made and declared in the time and manner required by the Elections Code for holding elections in general law cities;

D. The City Clerk canvassed the returns of the election and certified the results to the City Council. These results are attached as Exhibit “A,” and incorporated by reference.

SECTION 2: The whole number of ballots cast in the precincts, except provisional ballots, was XXX. The number of provisional ballots cast in the City was XXX, the number of vote by mail ballots cast in the City was XXX, making a total of XXX ballots cast in the City.

SECTION 3: The names of persons voted for at the election for Members of the City Council are as follows:

CITY COUNCIL

Suzanne Fuentes
Bill Fisher
Michael Dugan

The number of votes given at each precinct and the number of votes given in the City to each of the persons named above for the respective offices for which the persons were candidates are as listed in attached Exhibit A.

SECTION 4: The City Council declares and determines that XX was (elected or re-elected) and XX was (elected or re-elected) as Members of the City Council for full terms of four years.

-1-
SECTION 5: That the measure voted upon at the election (Measure A) is as follows:

SHALL THE CONSOLIDATED TAX MEASURE WHICH; INCREASES UTILITY TAXES ON BUSINESSES BY 2.5% AND IMPOSES A 2.5% UTILITY TAX ON RESIDENTS (BOTH REDUCE BY .5% AFTER 3 YEARS); INCREASES TRANSIENT OCCUPANCY TAXES ON LODGING BY 2%; REDUCES BUSINESS LICENSE TAX CREDITS; AND IMPOSES A BUSINESS LICENSE TAX ON COMMERCIAL OPERATED PARKING LOTS (EXCEPT OFFICE VISITOR, EMPLOYEE, RESTAURANT, HOTEL, THEATER, RETAIL, AND VAILIDATED PARKING) FOR ALL CITY SERVICES BE ADOPTED?

Yes ☐  No ☐

SECTION 6: That the number of votes given at each precinct and the number of votes given in the City for and against these measures are as listed in Exhibit A.

SECTION 7: The City Council declares and determines that as a result of the election, Measure A [received a XXX vote accordingly, Ordinance No. XXX is adopted. Pursuant to Elections Code § 9217, Ordinance No. XXX] will become effective ten (10) days after the adoption of this Resolution.

SECTION 11: The City Clerk is directed to enter in the City's records a statement of the result of the election, showing: (1) the whole number of ballots cast in the City; (2) the names of the persons voted for; (3) the number of votes given at each precinct to each person; and (4) the total number of votes given to each person.

SECTION 12: The City Clerk will immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; the City Clerk will also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and will have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected will then be inducted into the respective office to which they have been elected.

SECTION 13: The City Clerk will certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

SECTION 14: This Resolution will become effective immediately upon adoption.

PASSED AND ADOPTED this 15th day of April 2014.
ATTEST:

Tracy Weaver, City Clerk

Approved as to form:
Mark D. Hensley, City Attorney

By: Karl H. Berger, Assistant City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding the administering of the Oath of Office to the Council Members Elect. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
(1) Clerk presents Certificate of election and administers oath of office to Council Members elect;
(2) Comments from newly seated Council Members;
(2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: None

Amount Budgeted: $
Additional Appropriation: No
Account Number(s):

ORIGINATED BY: Tracy Weaver
REVIEWED BY: Tracy Weaver
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Election Code Section 10265 states that the Elections Official (City Clerk) shall immediately sign and deliver to each person elected a certificate of election. He or she shall also administer to each person elected the oath of office prescribed in the California Constitution.
AGENDA DESCRIPTION:

Consideration and possible action regarding election of Mayor and Mayor Pro Tem by seated Council Members. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

(1) Clerk receives nominations for Mayor;
(2) Mayor receives nominations for Mayor Pro Tem;
(2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Copy of Government Code Section 36801

FISCAL IMPACT: None

Amount Budgeted: $  
Additional Appropriation: No
Account Number(s):

ORIGINATED BY: Tracy Weaver
REVIEWED BY: Tracy Weaver
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Government Code Section 36801 states that the City Council shall meet at the meeting at which the declaration of the election results for a general municipal election is made and, following the declaration of the election results and the installation of elected officials, choose one of its members as Mayor and one of its members as Mayor Pro Tempore.
CHAPTER 1. Organization [36801 - 36815]  (Chapter 1 added by Stats. 1949, Ch. 79.)

36801. The city council shall meet at the meeting at which the declaration of the election results for a general municipal election is made pursuant to Sections 10262 and 10263 of the Elections Code and, following the declaration of the election results and the installation of elected officials, choose one of its number as mayor, and one of its number as mayor pro tempore.

(Amended by Stats. 2005, Ch. 620, Sec. 1. Effective January 1, 2006.)
AGENDA DESCRIPTION:

Consideration and possible action to discuss the salary and benefits that the City Council members receive and whether such should be reduced or eliminated either voluntarily or through formal action. (Fiscal Impact: varies based on options)

RECOMMENDED COUNCIL ACTION:

1. Discuss the salary and benefits that the Council members receive and whether such should be reduced or eliminated either voluntarily or through formal action;
2. Determine what type of action should be taken and/or direct staff to undertake further research and tasks related to this matter and prepare documents for Council consideration as applicable;
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: $

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s):

PREPARED BY: Greg Carpenter, City Manager
REVIEWED BY: Marie Fellhauer, Council Member
APPROVED BY:

BACKGROUND & DISCUSSION:

As Council Members, we spend a great deal of time serving this community by attending meetings, speaking with residents and business people and reviewing materials and information provided by staff. I believe we do this work because we care deeply about this City and this is our way of giving something back and trying to improve the future of the community. As Council Members, we are provided with the opportunity to take the following salary and benefits:

- Monthly Salary/Stipend - $900.00 (maximum allowed by State law)
- Medical Insurance - up to $1,200.00 per month maximum (Council members can elect to pay the difference for more expensive plans, sign up for less expensive plans or decline insurance altogether).
- PERS – Government Code Section 20322 permits Council members the option of participating in Public Employee Retirement System (PERS) at any time during their term of office. If Council members elect to join, they are responsible for paying a portion of the cost of the benefit, also known as the member share. - Council members may “retire” after five years of service and 50 years of age.
- Up to $190.45 per month maximum for Dental, Vision, participation in the City’s Managed Health Network (MHN) and a $50,000 Life Insurance Policy.

I asked staff to provide information on the benefits provided to the current Council Members as shown in the table below:

<table>
<thead>
<tr>
<th>Council Member</th>
<th>Annual Salary</th>
<th>Annual Medical Insurance Cost</th>
<th>Eligible for Retiree Medical</th>
<th>Enrolled in PERS Pension/annual cost</th>
<th>Other Costs (Dental, Optical, Payroll Taxes, etc.)</th>
<th>Total annual expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atkinson</td>
<td>$10,800</td>
<td>$14,400</td>
<td>Dependent on service of second term</td>
<td>Yes/$1,836</td>
<td>$1,500</td>
<td>$28,536</td>
</tr>
<tr>
<td>Fellhauer</td>
<td>$10,800</td>
<td>Not enrolled</td>
<td>Dependent on service of second term</td>
<td>No</td>
<td>$1,008</td>
<td>$11,808</td>
</tr>
<tr>
<td>Fisher</td>
<td>$10,800</td>
<td>$14,400</td>
<td>Yes</td>
<td>Yes/$1,836</td>
<td>$3,564</td>
<td>$30,600</td>
</tr>
<tr>
<td>Fuentes</td>
<td>$10,800</td>
<td>$7,188</td>
<td>Yes</td>
<td>No</td>
<td>$2,544</td>
<td>$22,368</td>
</tr>
<tr>
<td>Jacobson</td>
<td>$10,800</td>
<td>$14,400</td>
<td>Yes</td>
<td>Yes/$1,836</td>
<td>$3,216</td>
<td>$30,252</td>
</tr>
</tbody>
</table>

I also asked staff to provide the information of former Council members who are receiving retirement benefits. There are currently 5 former Council members (or beneficiaries) receiving retiree health insurance for a total annual cost to the City of approximately $38,053. The average annual cost per retired council member for this benefit is approximately $7,610.

In addition, these former council members also receive a pension. As an example, a Council member that serves 2 4-year terms (8 years of service), is 55 years of age and receives $900.00 per month in salary would receive the following monthly pension:

\[
8 \text{ years of service} \times .02 \times $900 = $144.00 \text{ per month}
\]

This amount will vary based on the number of terms a Council Member serves and age, increases at a fixed rate of 2% per year to account for inflation. The current cost to the City to enroll an active Council Member for a PERS pension is approximately $1,836 per year.

Retiree Medical Insurance – After 5 years of service (or two 4-year terms of office), Council members and their spouses can receive lifetime medical insurance through the City. The current value of this insurance is $1,200.00 per month (the same amount provided to the Executive Management Group).

Given the City’s financial situation and the difficult decisions that will be discussed in coming months, I would ask that the City Council consider reducing or eliminating the salary and/or benefits provided. Should the majority of the City Council agree, staff should be directed to prepare the necessary documents to implement and bring them back for City Council consideration and action.
It should be noted that some reductions may have to be done on a voluntary basis as the City Attorney has informed me that Government Code Section 36516 requires that the City Council utilize the same procedures for decreasing compensation as when increasing compensation. This means that the City Council would need to adopt an ordinance amending El Segundo Municipal Code Section 1-4-3 (which sets the City Council’s compensation at $900 per month) to reduce its compensation and such a reduction would not take effect until after the 2016 General Election. There may be other legal issues associated with elimination of some of the other benefits unless such actions are taken voluntarily. Staff will continue to research the process for elimination of benefits as directed by the City Council.