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.

MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 21, 2018 – 5:00 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)(1): -4- matters

1. Achambault v. City of El Segundo, WCAB Case Nos. 79049(39, 53 and 56)
2. James v. City of El Segundo, WCAB Case No. ADJ 10523289
3. Turnbull v. City of El Segundo WCAB and Cal PERS Matter
4. Houston v. City of El Segundo, Los Angeles County Civil Service Commission

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matters.


DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): -1- matters

1. Public Employee Performance Evaluation
   Title: City Manager

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

PUBLIC EMPLOYMENT (Gov't Code § 54957) -0- matter
CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0- matters

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

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory, Professional Employees Association; City Employee Association; and Executive and Management/Confidential Employees (unrepresented groups).

Agency Designated Representative: Irma Moisa Rodriguez, City Manager, Greg Carpenter and Human Resources Director.
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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 21, 2018 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Pastor Chuck Brady, St. John’s Lutheran Church

PLEDGE OF ALLEGIANCE – Council Member Pimentel
PRESENTATIONS

a) Presentation – Chief Donovan introducing Firefighter Matthew Goodenough

b) Presentation – Chief Donovan recognizing Jose Zambrano’s Charity run from Los Angeles to Yarnell, Az.

c) Presentation – Chief Whalen will introduce the El Segundo Police Department Cadets; Michael Drohan, Nicole Reppucci, Anthony Gomez, Tanner Griffin, Ahmed Faraz, Tommy Tran, Jonathan Pena, Joseline Heredia and Brandon Mendoza.

ROLL CALL

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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)

1. Consideration and possible action regarding Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the Smoky Hollow Specific Plan update project. (Applicant: City of El Segundo) Address: Smoky Hollow
(Fiscal Impact: None with this action)

Recommendation – 1) Conduct a public hearing; 2) Take testimony and other evidence as presented; 3) Adopt a Resolution Certifying an Environmental Impact Report (Environmental Assessment No. EA-1011), approving a General Plan Amendment (General Plan Amendment No. GPA 13-01), and adopting the
Smoky Hollow Specific Plan 2018; 4) Introduce an Ordinance amending the Zoning Map to reflect the boundary changes of the Smoky Hollow Specific Plan (Zone Change No. ZC 13-01) and amending the El Segundo Municipal Code to delete and/or revise provisions related to the Smoky Hollow Specific Plan (Zone Text Amendment No. ZTA 13-01); 5) Schedule second reading and adoption of the Ordinance for September 4, 2018; 6) Alternatively, discuss and take other action related to this item.

2. Consideration and possible action regarding City Council approval of Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 to establish a parking in-lieu fee program in the Smoky Hollow area and adopt a parking in-lieu fee. (Applicant: City of El Segundo) Address: Citywide
(Fiscal Impact: None with this action)
Recommendation – 1) Conduct a public hearing; 2) Take testimony and other evidence as presented; 3) Introduce an Ordinance approving Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 amending the El Segundo Municipal Code to establish a parking in-lieu fee program for the Smoky Hollow Specific Plan area; 4) Schedule second reading and adoption of the Ordinance for September 4, 2018; 5) Adopt a Resolution establishing a parking in-lieu fee and procedures for payment of such a fee; 6) Alternatively, discuss and take other action related to this item.

3. Consideration and possible action to amend various sections of the El Segundo Municipal Code (ESMC) Title 15 (Zoning Code) to: (1) update and introduce new definitions related to measuring building height, (2) establish new zoning code standards for measuring the maximum height of buildings, and (3) allow the Director to approve an adjustment to the maximum building height by up to 5 feet, pursuant to ESMC Chapter 15-24. Adopting this Ordinance is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), § 15304 as a Class 4 (minor alteration to land), and does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and provisions for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA.
(Applicant: City of El Segundo).
(Fiscal Impact: None)
Recommendation – 1) Introduce an Ordinance (Zone Text Amendment No. ZTA 17-08) regarding amendments to various sections of the Zoning Code; 2) Schedule second reading and adoption of the Ordinance for September 4, 2018; 3) Alternatively, discuss and take other action related to this item.
4. Consideration and possible action regarding Environmental Assessment No. EA-1228, Zone Text Amendment No. ZTA 18-03 to add Chapter 30 to Title 15 (Zoning Regulations) of the Municipal Code to require a discretionary Site Plan Review Permit for specified types of development. (Fiscal Impact: None)

Recommendation – 1) Conduct a public hearing; 2) Take testimony and other evidence as presented; 3) Introduce an ordinance approving Environmental Assessment EA-1228 and amend the El Segundo Municipal Code to relate to discretionary Site Plan Review (ZTA 18-03); 4) Schedule second reading and adoption of the Ordinance for September 4, 2018; 5) Alternatively, discuss and take other action related to this item.

C. UNFINISHED BUSINESS

5. Consideration and possible action to introduce Ordinance No. 1567 to prohibit gatherings where underage drinking or illegal drug use occurs. (Fiscal Impact: None)

Recommendation – 1) Introduce Ordinance No. 1567; 2) Schedule second reading of Ordinance No. 1567, for September 4, 2018; 3) Approve Resolution No. ____, or provide direction; 4) Alternatively, discuss and take other action related to this item.

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

6. Consideration and possible action to announce the appointment to the Arts and Culture Advisory Committee. (Fiscal Impact: None)

Recommendation – 1) Announce the appointees; 2) Alternatively, discuss and take other action related to this item.

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.

7. Warrant Numbers 3022268 through 3022451 and 9000494 through 9000532 on Register No. 21 in the total amount of $826,135.56 and Wire Transfers from 7/30/18 through 8/12/18 in the total amount of $3,585,445.01.

Recommendation – Approve Warrant Demand Register 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.
8. Regular City Council Meeting Minutes of July 17, 2018, Special City Council Joint with the Economic Development Advisory Committee (EDAC) Minutes of July 18, 2018 and Regular City Council Minutes of August 7, 2018.
Recommendation – 1) Approval

9. Consideration and possible action to accept as complete the Recreation Park Picnic Shelter, Project No. PW 16-15.
(Fiscal Impact: $90,448.00)
Recommendation – 1) Accept the work as complete; 2) Authorize the City Clerk to file a Notice of Completion in the County Recorder’s Office; 3) Alternatively, discuss and take other action related to this item.

10. Consideration and possible action to authorize the City Manager to a) increase the Planning and Building Safety Department budgets for professional/technical services by $120,000, and b) increase the contract amounts of the following consultants: J Lee Engineering, Inc. (Building Safety) and Michael Baker International (Planning), which are necessitated by an unexpected high volume of plan checks and building permits. The additional funding is proposed to come from revenue generated by plan check and permit fees, which are projected to be approximately $600,000 over the budgeted estimate by the end of the fiscal year.
(Fiscal Impact: $120,000.00)
Recommendation – 1) Authorize the City Manager to increase the Planning and Building Safety Department budgets for professional/technical services by $120,000 to cover anticipated contract services related to a higher than expected volume of plan checks; 2) Alternatively, discuss and take other action related to this item.

11. Consideration and possible action authorize a budget appropriation of $8,500 related to an ongoing contract for professional services with MIG, Inc. for additional environmental services as part of the Smoky Hollow Specific Plan Update Project and, authorize the City Manager to execute an amendment to the existing agreement with MIG, Inc.
(Fiscal Impact: $8,500.00)
Recommendation – 1) Approve a budget appropriation of $8,500 and transfer from the General Plan Maintenance Fund (GPMF) to provide additional environmental services related to the Smoky Hollow Specific Plan Update Project; 2) Authorize the City Manager to execute an amendment to the existing agreement with MIG, Inc.; 3) Alternatively, discuss and take other action related to this item.

F. NEW BUSINESS
F. REPORTS – CITY MANAGER

G. REPORTS – CITY ATTORNEY

H. REPORTS – CITY CLERK

J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Pimentel –

Council Member Nicol –

Council Member Brann –

Mayor Pro Tem Pirsztuk –

Mayor Boyles –

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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: 8.15.18

TIME: 1:00 pm

NAME: (Handwritten signature)
PRESENTATION

Chief Donovan introducing Firefighter Matthew Goodenough
WHEREAS, On June 23, 2013 at 5:36 p.m. a wildfire was started by a lightning strike near Yarnell, Arizona a town of 700 residents about eighty miles northwest of Phoenix. The Granite Mountain Hotshots from Prescott, Arizona were dispatched to fight the fire. On June 30, 2013 the fire pushed from 300 acres to over 2,000 acres driven by strong winds, high temperatures and erratic fire behavior. 19 of the 20 Granite Mountain Hotshots were caught in a burnover and died, making it one of the most deadly brush fires in US history.

WHEREAS, One of the Granite Mountain Hotshots killed in the line of duty was Kevin Woyjeck, a 22 year old from Seal Beach, California. Kevin was the son of Los Angeles County Fire Captain Joe Woyjeck whose family started a non-profit organization to carry on the legacy of Kevin by helping young Men and Women participate in fire explorer programs.

WHEREAS, On June 23, 2018 El Segundo Firefighter Jose Zambrano initiated a memorial run to help raise funds for the Kevin Woyjeck Explorer for Life Association. Jose started in Bellflower, California and ran 370 miles over seven days, arriving at the site of the Yarnell burnover on Saturday, June 30, 2018.

WHEREAS, Firefighter Zambrano ran the entire 370 miles in full turnout gear, wearing his fire helmet, air tank and carrying an American flag. He averaged over 50 miles each day and ran most of the route by himself, picking up supporters are various spots throughout the route. The memorial run consisted of long stretches along desert roads within the Joshua Tree National Park where temperatures exceeded 105 degrees, but Jose never waivered and completed the run as promised.

NOW, THEREFORE, the Mayor and Members of the City Council of the City of El Segundo, California, do hereby recognize Firefighter Jose Zambrano for his incredible efforts, dedication, endurance, physical and mental toughness and most importantly compassion towards the 19 Granite Mountain Hotshots killed in the line of duty.

Mayor Drew Boyles
Mayor Pro Tem Carol Pirsztuk
Council Member Don Brann
Council Member Chris Pimentel
Council Member Scot Nicol
PRESENTATION

Chief Whalen will introduce the El Segundo Police Department Cadets; Michael Drohan, Nicole Reppucci, Anthony Gomez, Tanner Griffin, Ahmed Faraz, Tommy Tran, Jonathan Pena, Joseline Heredia and Brandon Mendoza.
AGENDA DESCRIPTION:
Consideration and possible action regarding Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the Smoky Hollow Specific Plan update project. (Applicant: City of El Segundo)

Address: Smoky Hollow

Fiscal Impact: None with this action

RECOMMENDED COUNCIL ACTION:
1. Conduct a public hearing;
2. Take testimony and other evidence as presented;
3. Adopt a Resolution Certifying an Environmental Impact Report (Environmental Assessment No. EA 1011), approving a General Plan Amendment (General Plan Amendment No. GPA 13-01), and adopting the Smoky Hollow Specific Plan 2018;
4. Introduce an Ordinance amending the Zoning Map to reflect the boundary changes of the Smoky Hollow Specific Plan (Zone Change No. ZC 13-01) and amending the El Segundo Municipal Code to delete and/or revise provisions related to the Smoky Hollow Specific Plan (Zone Text Amendment No. ZTA 13-01);
5. Schedule second reading and adoption of the Ordinance for September 4, 2018; and/or
6. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Proposed Ordinance No. _____
2. Proposed Resolution No. _____
   a. Final Environmental Impact Report, including technical studies
   b. Mitigation Monitoring and Reporting Program (MMRP)
   c. Findings of Fact and Statement of Overriding Considerations
   d. General Plan Land Use Map Amendments
   e. General Plan Land Use Designation Descriptions
   f. General Plan Land Use Plan Existing Trends Buildout
   g. General Plan Land Use Plan Excerpt
   h. Smoky Hollow Specific Plan 2018
   i. Specific Plan Boundary Changes
3. Planning Commission Staff Report, dated June 28, 2018 (without attachments)
4. Planning Commission Resolution No. 2837

FISCAL IMPACT: None

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

Goal: Champion Economic Development and Fiscal Sustainability

Objective: The City will implement a comprehensive economic development strategy to ensure the City encourages a vibrant business climate that is accessible, user-friendly and welcoming to all residents and visitors.

ORIGINATED BY: Gregg McClain, Planning Manager

REVIEWED BY: Sam Lee, Planning & Building Safety Director

APPROVED BY: Greg Carpenter, City Manager

INTRODUCTION

This amendment replaces the existing Smoky Hollow Specific Plan in its entirety with a new specific plan that will promote a more dynamic creative office environment, physical improvements to private and public property, and innovative mobility solutions, while preserving the essential character of the City’s Smoky Hollow neighborhood. The following discretionary actions are required:

- A general plan amendment to reflect changes to the regulations and boundaries of the new Smoky Hollow Specific Plan;
- Adoption of the Smoky Hollow Specific Plan 2018;
- A zone change to reflect changes to the boundaries of the Smoky Hollow Specific Plan and other zoning districts;
- A zone text amendment to remove the existing Smoky Hollow Specific Plan chapter, its zoning districts and overlays from Title 15 (Zoning Code) of the El Segundo Municipal Code (ESMC); and

BACKGROUND AND DISCUSSION

The Smoky Hollow Specific Plan was adopted 25 years ago and set goals and policies that reflected a desire to transform Smoky Hollow from an old fashioned, gritty and run down industrial district to a modern, clean and orderly industrial park. The specific plan included standards that promoted on-site parking, landscaping, and encouraged the demolition of old brick buildings in favor of new tilt-up and block structures. The plan also discouraged office uses and encouraged lot consolidation. Fortunately, much of Smoky Hollow was not demolished because over the past decade or so, the type of development envisioned by the Smoky Hollow Specific Plan has fallen out of fashion. Old buildings are now sought for refurbishment and even new buildings are being built to resemble the gritty look of old Smoky Hollow structures.

The nature of how Smoky Hollow is used and occupied is also trending away from industrial and warehouse uses toward creative offices and flexible space. The existing specific plan is hopelessly outdated to handle these shifts, and in many cases stands in the way of changes that can clearly be seen as positive improvements. Additionally. The existing specific plan is very rigid in its approval processes and does not provide the City flexibility to adapt to changes in the real estate marketplace, let alone adapt to technological shifts in society that impact on land use patterns.
In response to these trends, the City initiated a comprehensive update for the Smoky Hollow Specific Plan. This effort involved extensive research and a robust public engagement program led by City staff and a consultant team. The products of this effort were a new Specific Plan for Smoky Hollow and an Environmental Impact Report (EIR) evaluating the potential impacts of implementing the proposed Specific Plan.

On June 28, 2018, the Planning Commission held a public hearing to evaluate the proposed Specific Plan and EIR. After receiving public testimony and discussing the project, the Planning Commission adopted Resolution No. 2837 recommending that the City Council approve proposed Specific Plan and related discretionary actions.

1. **The Specific Plan document**

   **Summary**

The revised Specific Plan contains five chapters that are summarized below. The complete Specific Plan is attached as Exhibit No. 2(h).

Chapter 1: Introduction + Vision. The vision and guiding principles aim to attract creative businesses to Smoky Hollow, improve the infrastructure, provide parking and mobility solutions, and give the district an attractive and distinctive image.

Chapter 2: Private Realm Strategies. This chapter contains the rules that regulate private properties, including the uses, development standards, and design guidelines.

Chapter 3: Public realm strategies. This chapter contains strategies and guidelines for public infrastructure that will improve the physical appearance of streets and sidewalks, improve options for mobility (walking, biking, using transit), and provide parking solutions.

Chapter 4: Specific Plan Process + Administration. This chapter describes how new projects within the Specific Plan area will be reviewed and approved, how existing nonconforming uses and buildings will be treated, and how the Specific Plan may be interpreted and/or amended.

Chapter 5: Implementation + Financing. This chapter identifies strategies to implement the vision, regulations, infrastructure and plans identified in chapters 1-4. It lists specific actions and provides timeframes, primary responsibilities, approximate costs, and potential funding sources.

   **Private Realm**

**Uses.** The Specific Plan permits a mix of uses that promote more vibrant commercial activity and walkability. Examples of changes to the permitted uses in Smoky Hollow include:

- Removal of general office size cap. The current code restricts these uses to a maximum of 15,000 square feet per site, which inhibits the development or conversion of medium to large buildings for office purposes. Removing this limitation is consistent with the Specific Plan’s guiding principles, and with recent market trends.

- Conditional use permit requirement for full service and fast-food restaurants. Restaurants are encouraged to maintain an appropriate mix of uses in the plan area, however, they will be reviewed individually to address potential impacts, such as traffic, parking and noise.
• Outdoor dining for restaurants permitted without a use permit to promote a more walkable environment, which is a guiding principle of the Specific Plan.
• Conditional use permit requirement for public assembly uses. Currently, these uses are not permitted in Smoky Hollow. However, staff believes that these uses are in demand, and that they complement other permitted uses in Smoky Hollow and the surrounding area.

Development Standards. Table No. 1 below compares the current development standards in the ESMC and the revised specific plan. Generally, development standards in the revised plan have been relaxed compared to current regulations.

<table>
<thead>
<tr>
<th>Standard</th>
<th>Current Zone</th>
<th>Revised Specific Plan Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SB</td>
<td>MM</td>
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<tr>
<td>Building height</td>
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<td>Setbacks</td>
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<td>5'-10'</td>
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<tr>
<td>Side</td>
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<td>0'</td>
</tr>
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<td>Street Side</td>
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<td>4'-8' min.</td>
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<td>Rear</td>
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<td>0'</td>
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<td>Alley</td>
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<td>Floor area ratio (FAR)</td>
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<td>0.6</td>
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<tr>
<td>Parking ratio</td>
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<td></td>
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<tr>
<td>Office</td>
<td>1/300</td>
<td>1/400 - all uses</td>
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<td>Industrial</td>
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<tr>
<td>Warehouse</td>
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<td></td>
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<tr>
<td>Restaurant</td>
<td>1/75</td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td>3% of lot</td>
<td>7% of lot</td>
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</tbody>
</table>

*Exceptions to height, FAR, and other development standard limits may be granted in exchange for a community benefit.

Exceptions to standards. The Specific Plan allows exceptions to the permitted height limit, the FAR, and other development standards subject to approval of a Community Benefits Plan by the Planning Commission or City Council. A Community Benefits Plan may include public benefits, such as a publicly accessible open space area during business hours, publicly accessible parking, or dedication of land for sidewalk widening or other public improvements. This innovative approach provides flexibility to stimulate private property investment while helping the City accomplish some of the public goals for Smoky Hollow, which are discussed below and in Chapter 3 of the Specific Plan.

Parking. The Specific Plan proposes a single parking ratio of 1 space per 400 gross square feet for new buildings or additions irrespective of the use. This is a departure from the current approach
where parking ratios are based on the various uses within a building. However, it is similar to the approach in the Downtown Specific Plan area where uses are permitted to change without the provision of additional parking. Staff believes that this approach is advantageous for the following reasons:

- Conversions to office uses are easier. The Specific Plan requires existing buildings to comply with the new parking ratio if they change occupancy per the Building Code. The current code ratio for office uses is 1 space per 300 net square feet, whereas the new ratio in the Specific Plan is 1 space per 400 gross square feet. So, an existing warehouse or manufacturing use that converts into office would require less additional parking, which may make such a transformation feasible at that location.

- Once an existing industrial building is converted into office, and for all new buildings and additions, the single parking ratio of 1 space per 400 gross square feet would allow uses to change without providing additional parking. Parking requirements are the main regulatory inhibitor preventing creative businesses from moving to Smoky Hollow. Therefore, this new approach would lift a barrier to businesses’ entry and expansion.

- The proposed single parking ratio improves the permitting process for new buildings and additions. First, using the gross, instead of the net floor area simplifies parking calculations, and second, using a single parking ratio eliminates confusion when dealing with multiple-use buildings. As a result, design and review of plans will be simpler and faster.

**Loading.** The Specific Plan proposes to require loading spaces only for buildings 50,000 gross square feet or larger. Currently, the ESMC requires at least a 12’ x 25’ loading space for most buildings, which has proven onerous for property owners wishing to convert existing buildings and construct additions or new buildings. Most lots in Smoky Hollow are small and narrow and providing a dedicated loading space on-site is very challenging. In addition, loading spaces are typically used for a limited period of time that does not always coincide with regular business hours. Recognizing these facts, the City has in the last few years considered and approved adjustment applications to allow the shared use of parking spaces and loading spaces on properties. Furthermore, many businesses in Smoky Hollow rely primarily on deliveries that involve small trucks and vans. Those deliveries almost exclusively occur at the front of the property along the street curb and are completed within a few minutes. Therefore, most small businesses never use loading areas located at the rear of their properties. In response to these trends and to remove a significant barrier to investment on smaller properties, staff proposes requiring loading spaces only for larger buildings.

**Public realm**

In conjunction with the private property regulations, the Specific Plan identifies goals and actions for improving the public realm, including streets, sidewalks, landscaping, parking, and mobility in Smoky Hollow. Some of the major goals and improvements are discussed below.

**Street parking.** Parking was among the most important issues identified during the public outreach process. Based on the possibility of up to 517,000 square feet of additional building space anticipated in Smoky Hollow, approximately 1,300 additional parking spaces will be needed by
2040. The Specific Plan proposes additional street parking to help address this demand. Along El Segundo Boulevard, the plan identifies improvements that will provide parallel parking on the north side of the street (westbound) without reducing the number of vehicle travel lanes in either direction. This will result in approximately 74 additional parking spaces along El Segundo Boulevard.

In addition to El Segundo Boulevard, the Specific Plan proposes to convert up to 11 streets running north-south into one-way streets and provide angled parking on one side or the other. This will add approximately 85 additional parking spaces collectively. Currently, those streets have approximately 310 parallel spaces and this proposal will increase the number to 395. Overall, approximately 159 additional street parking spaces can be provided with these improvements. The remaining parking demand can be met through parking in public or private surface lots and parking structures, as well as on private property when new construction requires additional parking spaces.

**Streetscape improvements.** The Specific Plan proposes to supplement the parking improvements with streetscape improvements. The streetscape improvements include curb extensions (bulb-outs) with landscaping at street intersections, decorative cross-walks, and tree planters between parking spaces. Other streetscape improvements may include sidewalk widening, street parklets, and decorative paving treatments on selected streets. The purpose of these improvements is to make streets more walkable and transform Franklin Avenue into the central focus of the district.

**Mobility.** In addition to improving the physical appearance and walkability of the district, the Specific Plan aims to improve bicycle transportation and access to transit. In the long run, Franklin Avenue is envisioned as a safe, slow-moving street that accommodates pedestrians, cyclists, and drivers equally. Furthermore, the Specific Plan proposes the re-striping of Grand Avenue to accommodate a shared bicycle and vehicle travel lane in each direction. This would be accomplished by widening the right lane to 13 feet, which will make space for cyclists during off-peak hours when the right lane is used for parking. This improvement will be completed without reducing the number of vehicle lanes in either direction.

**Specific Plan Process and Administration**

This chapter streamlines the review process for new developments and additions, permits exceptions to development standards when necessary and appropriate, and allows for the continuation of existing nonconforming uses and buildings.

**Ministerial Review.** The Specific Plan allows most projects to proceed with only ministerial level review. Under the existing regulations, a discretionary site plan review process is required for all projects in Smoky Hollow. The site plan review process is expensive and time consuming because it is discretionary in nature and applicants cannot be assured of the outcome. That uncertainty, combined with the high cost, often discourages property owners that might otherwise invest more in their properties. A ministerial permitting process for most projects, on the other hand, would be faster, less expensive, and offer more certainty to applicants.
Administrative Adjustments. The Specific Plan authorizes the Director to process minor deviations of up to 10% from numeric standards, except building height and FAR, following an existing streamlined process in the ESMC.

Community Benefits Plans. As mentioned previously, the Specific Plan allows deviations from the building height, FAR and other standards above the level requiring administrative adjustments, subject to approval of a Community Benefits Plan. The Planning Commission will review most of these exceptions. The City Council will review those requests involving FAR over 1.5 or those involving three or more exceptions that also include height or FAR. The community benefits plan strategy will provide additional flexibility in new development design and incentivize owners to invest in Smoky Hollow. At the same time, the community benefit requirement will assist the City in meeting its long-term goals for the area, such as streetscape improvements, public open spaces, and improved mobility.

Implementation and Financing

As mentioned previously, Chapter 5 of the Specific Plan identifies how to implement the vision, regulations, infrastructure and strategies identified in the first four chapters. It lists specific actions and priorities, primary responsibilities and partners, approximate costs, and potential funding sources. Establishment of a Parking In-Lieu Fee is an example of an implementation action. The parking in-lieu fee allows property owners and developers to pay a fee instead of providing required parking on-site. This provides much needed flexibility to property owners, particularly of small lots. At the same time, the revenue from the parking in-lieu fee will help fund public parking and related street improvements.

2. Discretionary Permits

General plan amendment

A general plan amendment is necessary to: a) update the purpose of the Smoky Hollow Specific Plan in the land use element; b) update the description of the City’s northwest quadrant in the land use plan; c) update the Specific Plan area and City build-out projections; and d) update the General Plan land use map to reflect the revised boundaries of the Specific Plan and land use designations around it. These changes will ensure that the Specific Plan and the General Plan are consistent with each other.
Figure No. 1 – Boundary Changes

Zone Change

A zone change is necessary to reflect the revised boundaries of the Specific Plan (See Figure No. 1 above). Certain properties outside the existing Specific Plan and currently zoned Public Facilities (P-F) and Parking (P) will be incorporated into the new Specific Plan and maintain the same zoning designations. In addition, certain properties within the existing Specific Plan and zoned Medium Density Residential (MDR) will be removed from the new Specific Plan and zoned Multi-Family Residential (R-3). The R-3 zone has the same development standards as the MDR zone, so the conforming status of the affected residential properties will not change. The reason for removing the residential properties from the Specific Plan is that its character and vision is primarily office and light industrial in nature. In addition, those properties are developed with multi-family residential uses and are not anticipated to change during the Specific Plan’s time horizon. The properties zoned P-F and P will be incorporated into the Specific Plan, because they have a greater chance of being developed over the long term in a manner consistent with the uses envisioned in the Specific Plan. Finally, these zone changes will ensure that the Zoning designations for the subject properties are consistent with their General Plan land use designations. Figures 2 and 3 show the existing and proposed zoning designations for the Specific Plan and the properties immediately surrounding the Specific Plan area.
Zone Text Amendment

A zone text amendment is necessary to amend or delete municipal code provisions regarding the existing Specific Plan, its zones and overlay districts, and other provisions. These provisions will no longer be needed in the municipal code, as all of the corresponding regulations and standards will be incorporated directly into the new Specific Plan document.

Findings

General Plan and Zone Change. There are no required findings for a General Plan Amendment. However, an amendment must be internally consistent with the rest of the General Plan. In drafting the Specific Plan, staff took care to ensure that the Specific Plan vision and regulations are consistent with the General Plan goals, objectives, and policies. In addition, in areas where the Specific Plan is inconsistent with the existing General Plan, the project incorporates amendments to the General Plan to ensure the two documents are consistent with each other. The proposed Zone Changes are necessary to ensure that the zoning designations of properties affected by this project are consistent with their General plan land use designations.

Zone Text Amendment. ESMC Section 15-1-1 (Purpose, Title) states that Title 15 is the primary tool for implementation of the goals, objectives, and policies of the El Segundo General Plan. Accordingly, the City Council must find that the proposed Zone Text Amendment is consistent with those goals, objectives, and policies. Planning staff believes there is substantial evidence in the record to support the findings required for the City Council to approve the proposed amendment.

Pursuant to ESMC Title 15, Chapter 26 (Amendments), in order to approve the proposed amendments, the City Council must find that the amendments are necessary to carry out the general purpose of ESMC Title 15. The purpose of this Title (ESMC §15-1-1) is to serve the public health, safety, and general welfare and to provide economic and social advantages resulting from an orderly planned use of land resources. Planning staff believes there is substantial evidence in the record to support the findings required for the City Council to approve the proposed amendment.

ENVIRONMENTAL REVIEW

The draft Specific Plan establishes new land use, transportation, infrastructure, economic development, and urban design strategies that will provide opportunities for businesses to thrive in a creative, innovative, and dynamic environment. Solutions related to parking and transportation, along with streamlined processes and development standards will facilitate conversions of existing buildings and development of new buildings for creative office, commercial, and clean industrial uses. It is projected that an additional 517,000 square feet of new building space may be added to Smoky Hollow through the year 2040. Staff prepared an Environmental Impact Report to evaluate the environment impacts of the project. Based on its findings, the project is anticipated to have significant unavoidable impacts in the areas of greenhouse gas emissions, noise, and traffic. The impacts in these three areas are summarized below.
**Significant Impacts**

Greenhouse gas emissions (GHG). As discussed in the EIR, Assembly Bill 32, Senate Bill 32, and Executive Order S-03-05 set State goals for GHG emissions reductions of 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Based on these goals, GHG emissions in Smoky Hollow should be 60 percent below 1990 levels by 2040, which is the anticipated build-out year. The analysis in the EIR anticipates substantial reductions in the amount of GHG emissions in Smoky Hollow by 2040, however, those reductions will be not meet the State goals. As a result, for the purposes of CEQA analysis, the proposed Specific Plan will have a significant and unavoidable impact with regard to GHG emissions.

Noise. As part of the EIR analysis, noise measurements were taken at six locations within the Specific Plan area to establish the baseline ambient noise levels in the area. Implementation of the proposed Specific Plan will result in short- and long-term changes to the ambient noise environment in the planning area. The short-term changes would result from intermittent construction activities as existing buildings are improved and new buildings erected. Long term changes will result from changes in land uses and from changes in traffic volumes. The analysis in the EIR anticipates that the increased traffic volumes will result in significant unavoidable impact with respect to the exterior noise levels for commercial and industrial uses. The permitted level is 75 dBA and the EIR estimates those levels to be up to 75.4 dBA in two areas along Pacific Coast Highway.

Traffic. The traffic analysis in the EIR evaluated the potential traffic impacts of the anticipated development over the next 20 years on 15 street intersections in and around the Specific Plan. The analysis concluded that in combination with ambient growth in traffic volumes, the proposed Specific Plan would result in significant impacts by the year 2040 at two of the intersections studied: Pacific Coast Highway/Grand Avenue and Pacific Coast Highway/El Segundo Boulevard. The traffic analysis proposes mitigation measures to reduce the impact levels at these intersections. With the incorporation of mitigation measures the impact levels would be reduced, however, the impact level at the Pacific Coast Highway/El Segundo Boulevard intersection would still be considered significant and unavoidable based on the Los Angeles County’s Congestion Management Program (CMP) thresholds. That impact would be significant and unavoidable both in the AM and PM peak traffic periods.

**Public Comments on the DEIR**

Staff received public comments on the following issue areas. The comments and the responses to those comments are summarized below. The complete comments and responses are incorporated into the Final EIR.

1. Cultural and tribal cultural resources. A Native American tribe requested consultation with staff and the addition of mitigation measures to protect potential paleontological and archaeological resources in the Specific Plan area. Staff consulted with representatives of this tribe and the EIR incorporates mitigation measures to protect cultural resources.

2. Air quality. The South Coast Air Quality Management District (SCAQMD) recommended clarifications and changes to the air quality analysis in the draft EIR. In addition, SCAQMD recommended additional mitigation measures to reduce the project’s air quality impacts. Staff
revised the air quality analysis to address SCAQMD comments, but did not incorporated additional mitigation measures.

3. Hazards and hazardous materials. The Department of Conservation notified staff that 18 oil and gas wells under its jurisdiction are located within the Specific Plan area and requested that it be contacted in the event that any wells are discovered or damaged during construction. Staff added a mitigation measure to the EIR to reflect the request.

4. Transportation and traffic. The Department of Transportation requested that additional analysis be performed to evaluate potential impacts at on-ramps, off-ramps, and roads leading to the 105 freeway. In response, staff conducted additional analysis which identified significant traffic volume impacts at three locations. The locations are: Pacific Coast Highway and Imperial Highway, Nash Street and Imperial Highway, and Parkview Drive North and Atwood Way. A mitigation measure was added to the EIR to reduce these impacts at those intersections, however, even with mitigation the traffic volume impacts are still considered significant and unavoidable.

*Re-circulation of the EIR for public comment*

Pursuant to CEQA, Section 15088.5 (Recirculation of an EIR Prior to Certification), a lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review. Pursuant to this CEQA requirement and the additional traffic impacts and mitigation measures, staff recirculated the traffic section of the EIR for public comment and resent it to the State clearinghouse and the agencies notified previously regarding the draft EIR. The updated traffic section was made available for public review for a 46-day period, beginning on June 22 and ending on August 6. No additional substantive comments were received. However, the non-substantive comments received and the responses to those comments are incorporated into the Final EIR.

*Statement of Overriding Considerations*

Due to the significant and unavoidable impacts identified above, a Statement of Overriding Considerations must be adopted by the City Council for this project. In adopting a Statement of Overriding Considerations, Staff believes that the following finding can be made:

Specific economic, legal, social, technological, or other considerations, including considerations discussed in the Statement of Overriding Considerations, outweigh the unavoidable adverse environmental effects; therefore the adverse environmental effects are considered acceptable.

As discussed in the draft resolution, staff believes that to the extent the impact would remain significant, this impact is acceptable and outweighed by social, economic and other benefits of the project. The EIR, its appendices, and Mitigation Monitoring and Reporting Program are attached to this report as Exhibits No. 2(a), 2(b), and 2(c).
Next Steps

The impact of adopting the new specific plan will be immediate in some respects and slower in others. Several larger-scale developments are currently being designed and planned around the new specific plan regulations. So the first result may be that these projects will be seeking entitlements from the City to develop. The changes proposed to development standards alone may unlock a noticeable increase in development within Smoky Hollow.

The streamlined approval processes of the new specific plan will also help to stimulate growth and transformation of the built environment. The new approach to flexibility in the development standards that allows the City to negotiate public benefits for increased height or FAR will result in new public amenities provided by private developers. These may include, among other things, public parking, publicly accessible parklets, bicycle docking facilities, and public art. These sort of changes will be conspicuous and contribute to Smoky Hollow’s place identity.

On the side of public realm, streetscape improvements will follow private development because they are mostly linked to the funding that is associated with the in-lieu parking program. As development projects pay into the fund, it will pay for street improvements. It is envisioned that the projects will proceed piecemeal as funding allows rather than all at once. El Segundo Boulevard improvements are a good place to start since the initial changes involve only restriping and curb painting, but even this simple change will result in over 70 new parking spaces.

The changes brought on by the new specific plan will be realized over several years and decades, but the accumulation of changes will become noticeable within the first year and, hopefully, pick up steam after that.
ORDINANCE NO. ___

AN ORDINANCE APPROVING ZONE CHANGE NO. 13-01 AND ZONE TEXT AMENDMENT NO. ZTA 13-01 AMENDING EL SEGUNDO MUNICIPAL CODE PROVISIONS RELATED TO THE COMPREHENSIVE UPDATE OF THE SMOKY HOLLOW SPECIFIC PLAN.

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

SECTION 1: The Council finds and declares as follows:

A. On October 1, 2014, the City initiated an Environmental Assessment No. EA 1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the comprehensive update of the Smoky Hollow Specific Plan;

B. 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”);

C. An Environmental Impact Report (EIR) was prepared pursuant to the requirements of CEQA and the CEQA Guidelines;

D. On June 28, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the application including, without limitation, information provided to the Planning Commission by city staff; and, adopted Resolution No. 2837 recommending that the City Council approve the proposed Specific Plan;

E. On August 21, 2018, the City Council held a public hearing and considered the information provided by City staff and public testimony regarding this Ordinance; and

F. This Ordinance and its findings are made based upon the entire administrative record including testimony and evidence presented to the City Council at its August 21, 2018, hearing including the totality of evidence in the administrative record.

SECTION 2: Factual Findings and Conclusions. The City Council finds as follows:

A. The Smoky Hollow Specific Plan Update (hereinafter, the “Smoky Hollow Specific Plan” or “Specific Plan”) covers approximately 94.3 acres and will replace the existing Smoky Hollow Specific Plan which covers approximately 93.55 acres. The Specific Plan is located in the northwest
quadrant of the City, generally bounded by Standard Street to the west, El Segundo Boulevard to the south, Pacific Coast Highway to the east and Grand Avenue to the north (Exhibit A – Specific Plan Boundary Changes);

B. The project removes a 7.44-acre area north of Grand Avenue from the existing Smoky Hollow Specific Plan and changes its General Plan Land Use designation to Multi-Family Residential (Exhibit B – General Plan Land Use Map Amendments) and its zoning designation to Multi-Family Residential (R-3) (Exhibit C – Zoning Map Amendments);

C. The project incorporates three areas immediately abutting the existing Smoky Hollow Specific Plan, which are approximately 8.19 acres in size, into the Specific Plan, change their General Plan Land Use designations from Parking and Public Facilities to Smoky Hollow Specific Plan (Exhibit B – General Plan Land Use Map Amendments), and zoning designations to Smoky Hollow Specific Plan – Parking (P) and Smoky Hollow Specific Plan – Public Facilities (P-F) (Exhibit C – Zoning Map Amendments);

D. The zone text amendments to the El Segundo Municipal Code (ESMC) change or delete municipal code provisions regarding the existing Smoky Hollow Specific Plan, its zones and overlay districts, and other provisions. These amendments are necessary to ensure that the ESMC is consistent with the General Plan.

E. The zone text amendments are necessary and ensure that the ESMC is consistent with the updated Smoky Hollow Specific Plan.

F. The zone text amendments enable the adoption of the Smoky Hollow Specific Plan Update, and with it, the adoption of new regulations for private properties to:

1. Allow more office uses in the plan area;
2. Increase the permitted floor area ratio (FAR) from .6 currently, to .75 in the west and 1.0 in the east portion of the plan;
3. Replace the existing parking requirements that are based on the type of use with a single parking ratio of 1 space per 400 gross square feet of building area; and
4. Allow deviations from development standards, subject to approval of a community benefits plan.
SECTION 3: General Plan Findings. As required under Government Code Section 65860, the Zone Change and ESMC amendments proposed by the zone text amendment are consistent with the El Segundo General Plan as follows:

A. As set forth in Section 2, the zone change ensures that the zoning map designations of properties affected by the Smoky Hollow Specific Plan Update project are consistent with their General Plan Land Use designations.

B. The zone text amendment is consistent with the goals and policies of the General Plan and will not obstruct their attainment. The zone text amendment eliminates zoning designations that are inconsistent with the amended General Plan and updated Smoky Hollow Specific Plan and will establish new zoning designations that are consistent with the General Plan Land Use designations and the updated Smoky Hollow Specific Plan.

C. The zone text amendment eliminates ESMC regulations regarding permitted uses, development standards, and design guidelines that are inconsistent with the regulations in the updated Smoky Hollow Specific Plan and with the General Plan Land Use Designation description for the updated Smoky Hollow Specific Plan.

D. The zone text amendment eliminates ESMC regulations regarding nonconforming buildings and uses that are inconsistent with the regulations in the updated Smoky Hollow Specific Plan.

E. The ordinance amends the ESMC to add and to delete permissible use categories in the Smoky Hollow Specific Plan area in a manner consistent with the updated Smoky Hollow Specific Plan. These amendments are consistent with the General Plan and the updated Smoky Hollow Specific Plan.

1. The ordinance is consistent with Land Use Element Goal LU4 (Provision of a Stable Tax Base for El Segundo) and Objective LU4-3 in that it provides for new office and research and development uses in Smoky Hollow. The ordinance does so by eliminating an existing cap on the floor area of office uses on individual building sites and eliminating a prohibition on public assembly uses.

2. The ordinance is consistent with Objective LU4-4 to provide areas where development has the flexibility to mix uses, in an effort to provide synergistic relationships which have the potential to maximize economic benefit, reduce traffic impacts, and encourage pedestrian environments, in that it eliminates a prohibition on public assembly uses in the plan area, and public assembly uses can operate synergistically with other permitted uses.
3. The ordinance is consistent with Goal LU5 to attract clean and beneficial industrial uses in that it deletes noxious uses, such as automobile service uses, freight forwarding, and service stations.

4. The ordinance is also consistent with Objective LU5-6 to encourage a mix of office and light industrial uses in industrial areas, because it permits additional office, along with research and development, and light industrial uses in Smoky Hollow.

SECTION 4: Zone Change Findings.

A. Based on the factual findings of this Resolution, the Zone Change is necessary to carry out the proposed project. The General Plan Amendment changes the land use classification of the Specific Plan area to Smoky Hollow Specific Plan and certain properties north of Grand Avenue to Multi-Family Residential as identified in Exhibit B (General Plan Land Use Map Amendments). Therefore, the Zone Change is necessary to maintain consistency with the proposed General Plan land use designations.

B. The purpose of ESMC Title 15 (Zoning Code) and adopted specific plans is to implement the goals, objectives and policies of the El Segundo General Plan. The zone change is necessary to implement the Smoky Hollow Specific Plan and is consistent with the General Plan goals, objectives and policies discussed in Section 3 of this resolution.

C. The Zone Change will not adversely affect surrounding properties, in that the Specific Plan area is anticipated to transition to more office uses, which tend to have less impacts with regard to noise, odors, hazardous materials, and other impacts associated primarily with industrial uses.

D. The Zone Change promotes the public health, safety and general welfare and serves the goals and purposes of the Zoning Code, in that the Zone Change, the Specific Plan vision and standards are consistent with General Plan goals, objectives, and policies as detailed in Section 3. The Specific Plan vision and guiding principles will benefit the surrounding area and community overall by generating new employment and tax revenues; providing new public infrastructure, including additional public parking, publicly available open space, street trees and other streetscape improvements, bicycle improvements; and creating connections to all modes of travel. In addition, the development standards and design guidelines in the Specific Plan serve the public health, safety, and general welfare and provide economic and social advantages resulting from an orderly use of land resources.
SECTION 5: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), and based on the findings set forth in Sections 2 and 3, the zone text amendment is consistent with and necessary to carry out the purpose of the ESMC as follows:

A. The zone text amendment is consistent with the purpose of the Zoning Code, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. The zone text amendment is necessary to facilitate the development process and ensure the orderly development of buildings and the location of uses in the City. The intent of the zone text amendment is to update the vision, permitted uses and development standards in the Smoky Hollow Specific Plan area, which will encourage, facilitate, and expedite the development process and provide economic and social benefits resulting from the orderly planned use of land resources. The zone text amendment will not adversely affect properties surrounding the Smoky Hollow Specific Plan area.

C. The zone text amendment will not adversely affect surrounding properties, in that it will enable the adoption of the Smoky Hollow Specific Plan. One of the Specific Plan goals is to transition to more office uses in the area, which tend to have less impacts with regard to noise, odors, hazardous materials, and other impacts associated primarily with existing industrial uses.

D. The zone text amendment promotes the public health, safety and general welfare and serves the goals and purposes of the Zoning Code, in that it enables the adoption of the Smoky Hollow Specific Plan. The Specific Plan vision and standards are consistent with General Plan goals, objectives, and policies as detailed in Section 3. The Specific Plan vision and guiding principles will benefit the surrounding area and community overall by generating new employment and tax revenues; providing new public infrastructure, including additional public parking, publicly available open space, street trees and other streetscape improvements, bicycle improvements; and creating connections to all modes of travel. In addition, the development standards and design guidelines in the Specific Plan will serve the public health, safety, and general welfare and provide economic and social advantages resulting from an orderly use of land resources.

SECTION 6: Environmental Assessment. Resolution No. ____ certified a Final Environmental Impact Report and adopted a Statement of Overriding Considerations (SOC) for this Project. The Environmental Impact Report was prepared in accordance with CEQA and the CEQA Guidelines. This Ordinance incorporates by reference the environmental findings and analysis set forth in Resolution No. ____.
SECTION 7: ESMC Section 15-3-1 (Designation of Zone Names) is amended to read as follows:

15-3-1: DESIGNATION OF ZONE NAMES:

In order to classify, regulate, restrict and segregate the uses of lands and buildings, to regulate and restrict the height and bulk of buildings, to regulate the area of yards and other open spaces about buildings, and to regulate the density of population, the classes of use zones are by this title established, to be known as follows:

<table>
<thead>
<tr>
<th>Code</th>
<th>Zoning Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1</td>
<td>Single-family residential zone</td>
</tr>
<tr>
<td>R-2</td>
<td>Two-family residential zone</td>
</tr>
<tr>
<td>R-3</td>
<td>Multi-family residential zone</td>
</tr>
<tr>
<td>C-RS</td>
<td>Downtown commercial zone</td>
</tr>
<tr>
<td>C-2</td>
<td>Neighborhood commercial zone</td>
</tr>
<tr>
<td>C-3</td>
<td>General commercial zone</td>
</tr>
<tr>
<td>CO</td>
<td>Corporate office zone</td>
</tr>
<tr>
<td>MU-N</td>
<td>Urban mixed use north zone</td>
</tr>
<tr>
<td>MU-S</td>
<td>Urban mixed use south zone</td>
</tr>
<tr>
<td>C-4</td>
<td>Commercial center zone</td>
</tr>
<tr>
<td>M-1</td>
<td>Light industrial zone</td>
</tr>
<tr>
<td>M-2</td>
<td>Heavy industrial zone</td>
</tr>
<tr>
<td>SB</td>
<td>Small business zone</td>
</tr>
<tr>
<td>MM</td>
<td>Medium manufacturing zone</td>
</tr>
<tr>
<td>MDR</td>
<td>Medium density residential zone</td>
</tr>
<tr>
<td>GAC</td>
<td>Grand-avenue commercial zone</td>
</tr>
<tr>
<td>MMO</td>
<td>Multimedia overlay district</td>
</tr>
<tr>
<td>O-S</td>
<td>Open space zone</td>
</tr>
<tr>
<td>P</td>
<td>Automobile parking zone</td>
</tr>
<tr>
<td>P-F</td>
<td>Public facilities zone</td>
</tr>
</tbody>
</table>
SECTION 8: ESMC Section 15-3-2(A)(1) regarding Specific Plan Zones is amended to read as follows:

1. Smoky Hollow Specific Plan: There are four (4) classes of use zones intended to be used within the boundaries of the Smoky Hollow specific plan. These zones include:

SB — Small business zone
SH-W — Smoky Hollow West Zoning District
MM — Medium manufacturing zone
SH-E — Smoky Hollow East Zoning District
MDR — Medium density residential zone
PF — Public Facility Zoning District
GAC — Grand Avenue commercial zone
P — Parking Zoning District

SECTION 9: ESMC Chapter 15-6, Article C (Small Business (SB) Zone) and ESMC Chapter 15-6, Article D (Medium Manufacturing (MM) Zone) are deleted in their entirety.

SECTION 10: ESMC Chapter 15-7, Article A (Medium Density (MDR) Residential Zone) and ESMC Chapter 15-7, Article B (Grand Avenue Commercial (GAC) Zone) are deleted in their entirety and ESMC Chapter 15-7, Article C (Multimedia Overlay (MMO) District) is renumbered as ESMC Chapter 15-7, Article A.

SECTION 11: ESMC Chapter 15-11 (Smoky Hollow Specific Plan) is deleted in its entirety.

SECTION 12: ESMC Section 15-15-5(K) (Tandem Spaces Permitted) is hereby amended to read as follows:

K. Tandem Spaces Permitted: All tandem parking spaces, where allowed, must be clearly outlined on the surface of the parking facility.

**TANDEM SPACES PERMITTED**

<table>
<thead>
<tr>
<th>Use</th>
<th>Percentage Of Total Required Spaces</th>
<th>Percentage Of Total Required Spaces In Smoky Hollow</th>
<th>Maximum Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-family and two-family dwellings</td>
<td>100</td>
<td>n/a</td>
<td>2 spaces¹</td>
</tr>
<tr>
<td>Multiple-family residential</td>
<td>Prohibited²</td>
<td>Prohibited² n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Retail uses and services</td>
<td>Prohibited</td>
<td>30</td>
<td>2 spaces</td>
</tr>
</tbody>
</table>

¹Spaces shall not exceed 2.
²Spaces prohibited.
³Spaces prohibited, or n/a option permitted.
<table>
<thead>
<tr>
<th>Industrial uses (^3)</th>
<th>20</th>
<th>85</th>
<th>2 spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offices</td>
<td>20</td>
<td>85</td>
<td>2 spaces</td>
</tr>
<tr>
<td>Restaurants</td>
<td>Prohibited</td>
<td>10</td>
<td>2 spaces</td>
</tr>
</tbody>
</table>

Notes:
1. Tandem spaces for single- and two-family dwellings must be assigned to the same unit.
2. Tandem parking is permitted for multiple-family residential developments involving density bonuses, pursuant to Government Code section 65915.
3. Includes manufacturing, warehousing, and research and development uses.

The Director may approve tandem parking and/or administrative adjustments to the tandem parking standards as provided in chapter 24, "Adjustments", of this title, subject to conditions. The conditions may include recording of a covenant agreement, requiring a parking attendant, requiring valet service, and other operational conditions. The Director may also approve tandem parking in excess of the above limits for permitted temporary uses and/or special events.

SECTION 13: ESMC Section 15-21-7 (Smoky Hollow Specific Plan Restrictions) is deleted and Sections 15-21-8 (Restrictions for the Heavy Industrial (M-2) Zone) and 15-21-9 (Nonconforming Signs) are re-numbered as 15-21-7 and 15-21-8 respectively.

SECTION 14: The current Zoning Map is amended to reflect the updated Smoky Hollow Specific Plan boundaries, the zoning district designations within the Specific Plan, and the new zoning designations of properties immediately north of the Specific Plan. The corresponding changes to the Zoning Map are set forth in attached Exhibit C (Zoning Map Amendments), which is incorporated into this Ordinance by reference.

SECTION 15: The City Council adopts and approves the Smoky Hollow Specific Plan 2018 as set forth in attached Exhibit D (Smoky Hollow Specific Plan 2018).

SECTION 16: EXHIBITS. There are three exhibits to this ordinance, each of which is incorporated herein by this reference. They are as follows:

- Exhibit A: Specific Plan Boundary Changes
- Exhibit B: General Plan Land Use Map Amendments
- Exhibit C: Zoning Map Amendments
- Exhibit D: Smoky Hollow Specific Plan 2018

SECTION 17: CONSTRUCTION. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.
SECTION 18: ENFORCEABILITY. Repeal of any provision of the ESMC does 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 19: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 20: 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 21: 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 a summary thereof to be published or posted in accordance with California law.
SECTION 22: This Ordinance shall take effect 30 days after its passage and adoption.

PASSED AND ADOPTED this ___ day of ____________, 2018.

________________________
Drew Boyles, Mayor

APPROVED AS TO FORM:

By: _______________________
Mark D. Hensley, City Attorney

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. ________ was duly introduced by said City Council at a regular meeting held on the ___ day of __________ 2018, 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 ___ day of __________, 2018, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

________________________
Tracy Weaver, City Clerk
RESOLUTION NO. ___

A RESOLUTION APPROVING ENVIRONMENTAL ASSESSMENT NO. EA-1011, GENERAL PLAN AMENDMENT NO. GPA 13-01, AND A COMPREHENSIVE UPDATE OF THE SMOKY HOLLOW SPECIFIC PLAN

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

SECTION 1: The City Council finds and declares that:

A. On October 1, 2014, the City initiated an Environmental Assessment No. EA 1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the comprehensive update of the Smoky Hollow Specific Plan;

B. 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”);

C. An Environmental Impact Report (EIR) was prepared pursuant to the requirements of CEQA Guidelines Section 15161;

D. On June 28, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the application including, information provided to the Planning Commission by city staff; and, adopted Resolution No. 2837 recommending that the City Council approve the proposed project;

E. On August 21, 2018, the City Council held a public hearing to receive public testimony and other evidence regarding the project including information provided to the Council by City Staff;

F. This Resolution and its findings are made based upon the evidence presented to the City Council at its August 21, 2018, hearing including the totality of the evidence in the administrative record.

SECTION 2: Factual Findings and Conclusions. The City Council finds as follows:

A. The Smoky Hollow Specific Plan Update (hereinafter, the “Smoky Hollow Specific Plan” or “Specific Plan” or “project”) covers approximately 94.3 acres and supersedes the existing Smoky Hollow Specific Plan which covers approximately 93.55 acres. The Specific Plan is located in the northwest quadrant of the City, generally bounded by Standard Street to the west, El Segundo Boulevard to the south, Pacific Coast Highway to the east and Grand Avenue and Holly Avenue to the north (Exhibit I – Specific Plan Boundary Changes);
B. The project removes a 7.44-acres area north of Grand Avenue from the existing Smoky Hollow Specific Plan area and change its General Plan Land Use designation to Multi-Family Residential (Exhibit D – General Plan Land Use Map Amendments) and its zoning designation to Multi-Family Residential (R-3);

C. The project incorporates three areas immediately abutting the existing Smoky Hollow Specific Plan area, which are approximately 8.19 acres in size, into the Specific Plan area, change their General Plan Land Use designations from Parking and Public Facilities to Smoky Hollow Specific Plan (Exhibit D – General Plan Land Use Map Amendments), and zoning designations to Smoky Hollow Specific Plan – Parking (P) and Smoky Hollow Specific Plan – Public Facilities (P-F);

D. The project amends the Smoky Hollow Specific Plan General Plan Land Use Designation description to reflect a change in focus toward creative office uses and increased densities in the Specific Plan (Exhibit E – General Plan Land Use Designation Descriptions);

E. The project amends the description of the City's northwest quadrant in the General Plan Land Use Element Land Use plan (Exhibit G – General Plan Land Use Plan Excerpt);

F. The project amends the General Plan Land Use Element Build-out projections (Exhibit F – General Plan Land Use Plan Existing Trends Buildout);

G. The project will amend the El Segundo Municipal Code (ESMC) to change or delete the Smoky Hollow Specific Plan chapter, its zones and overlay districts, and other provisions;

H. The Specific Plan (Exhibit H – Smoky Hollow Specific Plan 2018) changes the regulations for private properties to:

1. Allow more office uses in the plan area;
2. Increase the permitted floor area ratio (FAR) from .6 currently, to .75 in the west and 1.0 in the east portion of the plan;
3. Replace the existing parking requirements that are based on the type of use with a single parking ratio of 1 space per 400 gross square feet of building area; and
4. Allow deviations from development standards, subject to approval of a community benefits plan.

I. The Specific Plan will result in public improvements, including:
1. Converting 11 north-south streets within the plan area to one-way streets and adding angled parking, which will generate approximately 85 additional on-street parking spaces;
2. Restriping El Segundo Boulevard without reducing the number of vehicle travel lanes to add a parking lane on the north side of the street, which will generate approximately 74 new on-street parking spaces;
3. Building curb extensions at street intersections, decorative crosswalks and street trees within the plan area; and
4. Making bicycle related improvements along Franklin Avenue and Grand Avenue, including pavement markings and signage to allow cyclists to share vehicle travel lanes.

SECTION 3: General Plan Consistency Findings. The City Council finds that the Smoky Hollow Specific Plan is consistent with the City’s General Plan pursuant to the analysis below:

<table>
<thead>
<tr>
<th>General Plan goals, objectives, policies and programs</th>
<th>Consistency analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Use designation</strong></td>
<td>The permitted uses in the amended specific plan are consistent with this designation</td>
</tr>
<tr>
<td>Smoky Hollow Specific Plan:</td>
<td></td>
</tr>
<tr>
<td>This designation is intended to permit a range of incubator businesses, small and medium size industrial uses, research and development, and creative office uses. The designation also permits public facilities, parking facilities, and limited restaurant and retail uses.</td>
<td></td>
</tr>
<tr>
<td><strong>Land Use Element</strong></td>
<td>One of the Specific Plan guiding principles is to preserve Smoky Hollow’s Mid-Century Industrial Feel. The development standards and design guidelines in the Specific Plan are consistent with that principle in that they encourage the preservation of existing buildings and character of Smoky Hollow</td>
</tr>
<tr>
<td>Objective LU2-2:</td>
<td></td>
</tr>
<tr>
<td>To encourage the preservation of historical and cultural sites and monuments</td>
<td></td>
</tr>
<tr>
<td><strong>Goal LU4 (Provision of a Stable Tax Base for El Segundo):</strong></td>
<td>The Specific Plan lifts an existing cap on the floor area of office uses on individual building sites and continues to permit research and development uses</td>
</tr>
<tr>
<td>To provide for new office and research and development uses in Smoky Hollow</td>
<td></td>
</tr>
<tr>
<td><strong>Goal LU5 (Attraction of clean and beneficial industrial uses) and Objective LU5-3:</strong></td>
<td>The Specific Plan contains guidelines, standards and strategies to improve aesthetic and functional deficiencies in such as areas as landscaping, off-street parking, and loading areas</td>
</tr>
<tr>
<td>To encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors</td>
<td></td>
</tr>
<tr>
<td>Objective LU5-6: The Specific Plan permits office, research and development, and light industrial uses in Smoky Hollow</td>
<td></td>
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</tr>
<tr>
<td>To encourage a mix of office and light industrial uses in industrial areas</td>
<td>The Specific Plan contains strategies and specific actions to provide and finance public infrastructure. The proposed infrastructure includes, streetscape improvements along most streets in the plan area, additional on-street parking and possible off-street parking structures, additional bicycle facilities, and additional open space. Some of the implementation and financing actions include completing a detailed Engineering Study to determine the costs of major infrastructure project, completing a revenue projections study, securing grant funding, and establishing funding mechanisms such as a Business Improvement District (BID) or a Parking Benefit District (PBD)</td>
</tr>
<tr>
<td>Goal LU7 (Provision of Quality Infrastructure) and Objective LU7-1: To provide the highest and most efficient level of public services and public infrastructure financially possible</td>
<td>Economic Development Element</td>
</tr>
<tr>
<td>Economic Development Element</td>
<td>The Specific Plan permits more creative office uses, limited restaurants and accessory retail uses, which promotes the diversification of the City’s retail and commercial base</td>
</tr>
<tr>
<td>Objective ED1-2: to center diversification efforts on targeted industries that meet the City’s criteria for job creation, growth potential, fiscal impact, and fit with local resources</td>
<td>The City plans to invest in infrastructure, such as on-street parking, streetscape improvements, landscaping, bicycle facilities, which encourage more commercial and industrial development near the City’s residential core</td>
</tr>
<tr>
<td>Objective ED2-1: To strengthen partnerships between local government, the residential community, and El Segundo’s business community</td>
<td>Circulation Element</td>
</tr>
<tr>
<td>Circulation Element</td>
<td>The Specific Plan includes improvements such as sidewalk widening, street trees, and traffic calming measures to encourage and make walking safe within Smoky Hollow</td>
</tr>
<tr>
<td>Objective C2-1: To support and encourage walking as a safe and convenient travel mode within the City’s circulation system</td>
<td>Objective C2-2: To provide a bikeway system throughout the City to support and encourage the use of the bicycle as a safe and convenient travel mode within the City’s circulation system</td>
</tr>
<tr>
<td>Objective C2-2: To provide a bikeway system throughout the City to support and encourage the use of the bicycle as a safe and convenient travel mode within the City’s circulation system</td>
<td>The Specific Plan provides for shared bicycle lanes on Grand Avenue and a bike friendly street on Franklin Avenue that will improve cyclist safety and provide links to the east part of El Segundo and the Green Line rail stations</td>
</tr>
<tr>
<td>Goal C3 and Objective C3-1: To ensure that potential circulation system impacts are considered when the City’s decision makers and staff are evaluating land use changes</td>
<td>The City prepared an Environmental Impact Report (EIR) evaluating the potential traffic impacts of the proposed land use changes and incorporating appropriate mitigation measures to reduce potentially significant impacts</td>
</tr>
</tbody>
</table>
Objective C3-2: To ensure the consideration of the impacts of land use decisions on the City's parking situation

The Specific Plan's parking requirements take into account the potential parking demand from anticipated development in the plan area. In addition, the plan contains strategies to provide more public parking and to encourage the use of alternatives modes of travel to and from the plan area.

### Housing Element
Goal No. 3 and Program No. 5: Provision of adequate sites

The Specific Plan will continue to permit caretaker units as accessory uses at a ratio of one unit per legal building site or business establishment, whichever is larger.

### Open Space Element
Goal OS1: To provide and maintain high quality open space and recreational facilities that meet the needs of the existing and future residents and employees within the City of El Segundo

The Specific Plan contains minimum open space requirements for all development on private property and incentives for exceeding the minimum requirements and providing publicly accessible open space.

### Conservation Element
Goal CN 5: To develop programs to protect, enhance, and increase the amount and quality of the urban landscape to maximize aesthetic and environmental benefits

The Specific Plan contains strategies and planned improvements to increase the landscaping and street trees throughout the plan area.

### Air Quality Element
Goal No. AQ4: To promote non-motorized transportation

The Specific Plan contains strategies to encourage the development of high quality pedestrian and bicycle facilities to link the entire plan area internally, and connect to the Downtown and other key locations in the City.

Goal No. AQ9: To reduce the length of vehicle trips

The Specific Plan contains strategies to establish a shuttle bus system to transport employees and El Segundo residents between the east and west sides of the City.

### Noise Element
Goal N1: To provide a noise-safe environment and Objective No. N1-2 to ensure that City residents are not exposed to stationary noise levels in excess of El Segundo's Noise Ordinance standards

All new construction projects in the plan area shall be required to meet the City's noise and vibration standards.

### SECTION 4: Environmental Assessment
The City Council makes the following environmental findings based on the whole of the administrative record:

A. The City completed a Draft Environmental Impact Report (DEIR) for this project. A noticed Public Scoping meeting was held on April 21, 2017 pursuant to CEQA Guidelines §15083. A Notice of Preparation of the DEIR was circulated for public review from March 30, 2017 to May 1, 2017.
pursuant to CEQA Guidelines §15082. A Notice of Completion for the DEIR was filed with the State Office of Planning and Research on March 8, 2018 pursuant to CEQA Guidelines §15085. The public comment and review period for the DEIR was open between March 8, 2018 and April 23, 2018 in compliance with CEQA Guidelines §15087. In response to comments received during the public review period, staff conducted additional analysis. The analysis found additional significant transportation and traffic impacts. As a result, the DEIR Transportation and Traffic section was revised and recirculated for public review pursuant to CEQA Guidelines §15088.5. The second public comment and review period for the DEIR was open between June 22, 2018 and August 6, 2018;

B. The Final EIR, attached hereto as Exhibit A and incorporated by reference, was presented to the City Council and each Council member independently reviewed and considered the FEIR and its appendices prior to reaching a decision on the Project. Furthermore, each Council member reviewed and considered the testimony and other additional evidence presented at or prior to the public hearing on August 21, 2018;

C. The Final EIR is an accurate and complete statement of the potential environmental impacts of the project and is in compliance with CEQA and the CEQA Guidelines. The FEIR was prepared under the City's direction and reflects its independent judgment and good faith analysis of the potential environmental impacts and includes substantive and thorough responses to comments received during the public review period;

D. Pursuant to Public Resources Code section 21081(b) and Section 15093 of the CEQA Guidelines, the City Council has weighed the benefits of the amended Smoky Hollow Specific Plan against the unavoidable, unmitigable adverse impacts associated therewith and determines that the adoption and implementation of the Specific Plan would be the most desirable and appropriate action.

E. The project will result in the following unavoidable significant adverse impacts after mitigation:

1. Greenhouse gas emissions (GHG). Assembly Bill 32, Senate Bill 32, and Executive Order S-03-05 set State goals for GHG emissions reductions of 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Based on these goals, GHG emissions in Smoky Hollow should be 60 percent below 1990 levels by 2040, which is the anticipated build-out year. The analysis in the EIR anticipates substantial reductions in the amount of GHG emissions in Smoky Hollow by 2040, however, those reductions will not meet the State goals. As a result, for the purposes of CEQA analysis, the proposed Specific Plan
will have a significant and unavoidable impact with regard to GHG emissions.

2. Noise. Implementation of the Specific Plan will result in short- and long-term changes to the ambient noise environment in the planning area. The short-term changes would result from intermittent construction activities as existing buildings are improved and new buildings erected in the area. Long term changes would result from changes in land uses and from changes in traffic volumes. The analysis in the EIR anticipates that the increased traffic volumes would result in significant unavoidable impact with respect to the exterior noise levels for commercial and industrial uses. The permitted level is 75 dBA and the EIR estimates those levels to be up to 75.4 dBA in two areas along Sepulveda Boulevard.

3. Traffic. The traffic analysis in the EIR evaluated the potential traffic impacts of the anticipated development over the next 20 years on 15 street intersections in and around the Specific Plan. The analysis concluded that in combination with ambient growth in traffic volumes, the Specific Plan will result in significant impacts by the year 2040 at two of the intersections studied: Pacific Coast Highway/Grand Avenue and Pacific Coast Highway/Ei Segundo Boulevard. The traffic analysis proposes mitigation measures to reduce the impact levels at these intersections. With the incorporation of mitigation measures the impact levels would be reduced, however, the impact level at the Pacific Coast Highway/Ei Segundo Boulevard intersection would still be considered significant and unavoidable based on the Los Angeles County’s Congestion Management Program (CMP) thresholds. That impact would be significant and unavoidable both in the AM and PM peak traffic periods.

4. Additional Traffic Analysis. In response to comments received during the initial public review and comment period, additional traffic analysis was performed that identified significant impacts at three additional intersections: a) Pacific Coast Highway and Imperial Highway, b) Nash Street and Imperial Highway, and c) Parkview Drive North and Atwood Way. A mitigation measure has been added to the EIR to reduce impacts to those intersections. However, the impacts will remain significant and unavoidable.

F. The City Council weighed and considered the project’s benefits against its significant and unavoidable impacts. The City Council finds that the project’s benefits outweigh the significant and unavoidable impacts and, therefore, that those impacts are acceptable in light of the project’s benefits. The City Council finds that each of the following benefits is an overriding
consideration, independent of the other benefits, that warrants approval of the proposed project notwithstanding the project's significant and unavoidable impacts related to greenhouse gas emissions, noise, and transportation and traffic. The project will provide several public benefits, including the following:

1. Foster economic development through policies that stimulate and encourage the development of new and creative uses consistent with current trends that have proven successful in many communities across southern California.

2. Stimulate business retention, job creation, and a broadening tax base.

3. Promote healthy and active lifestyles through design regulations and transportation improvements that enhance pedestrian and bike safety access to the Smoky Hollow area.

4. Provides a comprehensive update to the Smoky Hollow Specific Plan, last adopted in 1986, to reflect the community's values and vision for this area of the City. The Plan includes creative new policy directives that will guide development and redevelopment over the next several years and revitalize an underused area of the City with great potential.

5. Promotes consistency with regional growth strategies, such as the SCAG 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy, by increasing density within the Plan area.

G. The project represents a balance between several competing objectives in the City of El Segundo. After balancing the specific economic, legal, social, technological, and other benefits of the proposed project, the City Council determined that the unavoidable adverse environmental impacts identified may be considered acceptable due to the specific considerations listed above which outweigh the unavoidable, adverse environmental impacts that will be caused by implementation of the project.

H. Based on the foregoing, and on the evidence in the record as a whole, the City Council hereby finds that:

1. All potentially significant environmental impacts resulting from the project have been eliminated or substantially lessened where feasible, and

2. The remaining significant and unavoidable greenhouse gas, noise, and transportation and traffic impacts are acceptable due to the factors described above.
I. Based on the foregoing, on the findings and conclusions set forth in Exhibit C (Findings of Fact and Statement of Overriding Considerations), and on the evidence in the administrative record as a whole, the City Council adopts a Statement of Overriding Considerations and approves the project notwithstanding its significant, unavoidable impacts.

SECTION 5: Approvals.

A. The City Council hereby certifies a Final Environmental Impact Report for Environmental Assessment No. 1011 as set forth in Exhibit A;
B. The City Council adopts a Mitigation Monitoring and Reporting Program (MMRP) set forth in attached Exhibit B;
C. The City Council adopts findings of fact and a Statement of Overriding Considerations incorporating the facts set forth in Section 6 of this resolution and attached hereto as Exhibit C; and
D. The City Council adopts and approves General Plan Amendment No. GPA 13-01 as set forth in attached Exhibits D through G; and

SECTION 6: Exhibits. There are nine exhibits to this Resolution, each of which is incorporated herein by this reference. They are as follows:

Exhibit A: Final Environmental Impact Report
Exhibit B: Mitigation Monitoring and Reporting Program
Exhibit C: Findings of Fact and Statement of Overriding Considerations
Exhibit D: General Plan Land Use Map Amendments
Exhibit E: General Plan Land Use Designation Descriptions
Exhibit F: General Plan Land Use Plan Existing Trends Buildout
Exhibit G: General Plan Land Use Plan Excerpt
Exhibit H: Smoky Hollow Specific Plan 2018
Exhibit I: Specific Plan Boundary Changes

SECTION 7: Reliance on Record. Each and every one of the findings and determinations in this Resolution 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 8: 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 lack of 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 9: 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 10: This Resolution will take effect immediately and remain effective until superseded by a subsequent resolution.

PASSED, APPROVED AND ADOPTED this ___ day of _____________ 2018.

__________________________
Drew Boyles, 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 Resolution No. ____ was duly passed, approved and adopted by said City Council at a regular meeting held on the ___ day of _____________, 2018, approved and signed by the Mayor, and attested to by the City Clerk, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

__________________________
David King, Assistant City Attorney
Attachments A – I

The following Supporting Documents for Item #1 – Smoky Hollow Specific Plan Update Project can be found on the City’s Website, https://www.elsegundo.org/civicax/filebank/blobdload.aspx?BlobID=19615

a) Final Environmental Impact Report, including technical studies
b) Mitigation Monitoring and Reporting Program (MMRP)
c) Findings of Fact and Statement of Overriding Considerations
d) General Plan Land Use Map Amendments
e) General Plan Land Use Designation Descriptions
f) General Plan Land Use Plan Existing Trends Buildout
g) General Plan Land Use Plan Excerpt
h) Smoky Hollow Specific Plan 2018
i) Specific Plan Boundary Changes

A hard copy of the Smoky Hollow Specific Plan is also available upon request in the City Clerk’s Office. You can contact our office at 310-524-2306.
AGENDA DESCRIPTION:

Consideration and possible action regarding recommending City Council approval of Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the Smoky Hollow Specific Plan (SHSP) update project.
(Applicant: City of El Segundo)

RECOMMENDED PLANNING COMMISSION ACTION: Staff recommends that the Planning Commission open the public hearing and take public testimony on the proposed project, close the public hearing and consider the evidence, and adopt Resolution No. 2837 recommending that the City Council approve Environmental Assessment No. EA-1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the SHSP update project.

ATTACHED SUPPORTING DOCUMENTS:

1. Draft Planning Commission Resolution No. 2837
2. Revised Draft EIR, including technical studies and Mitigation Monitoring and Reporting Program (MMRP).
3. Draft Ordinance
4. Draft Specific Plan
5. Existing zoning map
6. Proposed Specific Plan zoning map
7. Summary of comments from the community workshop on April 19, 2018.

ORIGINATED BY: Paul Samaras, Principal Planner
REVIEWED BY: Gregg McClain, Planning Manager
APPROVED BY: Sam Lee, Director of Planning and Building Safety

INTRODUCTION

The proposed project would replace the existing Smoky Hollow Specific Plan in its entirety and require the following discretionary actions:

- Adoption of a general plan amendment to reflect changes to the General Plan Land Use Element including incorporation of the new Smoky Hollow Specific Plan
- Adoption of a zone change to reflect changes to the Smoky Hollow Specific Plan and other zoning districts' boundaries
- Adoption of a zone text amendment to remove the existing Smoky Hollow Specific Plan, its zoning districts and overlays from Title 15 (Zoning Code) of the El Segundo Municipal Code (ESMC).
- Approval of an environmental assessment and certification of an Environmental Impact Report (EIR).
BACKGROUND AND DISCUSSION

Background

Smoky Hollow is a transitional, predominantly light industrial district that was developed about 50 years ago. It was intended originally as light industrial district serving the aerospace and refinery businesses in the area. In response to shrinking manufacturing demand, declined investment, and parking issues, the City adopted the SHSP in 1986. The intent of the Plan was to 1) preserve the existing uses, 2) provide opportunities for both small business and medium-sized manufacturing uses, 3) provide a transition from the high-density uses on the east side of Sepulveda Boulevard to the lower density commercial and residential uses to the west, and 4) to resolve issues related to parking, circulation, and development standards.

In the last 5-10 years, there has been regional growth in creative, technology, and new media companies, which has led to increased demand for small to medium size office space in Smoky Hollow. In response to this trend, the City initiated a comprehensive update for the SHSP. On August 5, 2014, the City Council awarded a contract to MIG, Inc., a planning consulting firm, to lead the effort to update the SHSP. After an extensive public outreach effort and several community meetings, the draft Specific Plan and associated EIR were made available for public review from March 8, 2018 to April 23, 2018, and are now being presented to the Planning Commission for consideration.

Project Site and Vicinity

The existing Specific Plan area is 93.55 acres and located in the northwest quadrant of the City, generally bounded by Standard Street to the west, El Segundo Boulevard to the south, Pacific Coast Highway to the east and Grand Avenue to the north (see Exhibit 5).

The Specific Plan is surrounded by the Downtown Specific Plan to the west, the Chevron refinery to the south, the PCH corridor and corporate office area to the east, and predominantly residential uses to the north.

Public Participation

The draft Specific Plan was prepared after an extensive public outreach process. During the initial fact-gathering and research process, staff and the consultant team conducted stakeholder interviews in the form of six focus group meetings. In these meetings, the staff and consultant team sought input from Planning Commissioners, architects, developers, real estate brokers, business representatives, and property owners. Through these interviews, key land use and development needs, opportunities, and issues were discussed. Following the interviews, the consultant team summarized the key themes in a presentation to the Economic Development Advisory Council (EDAC) and obtained its feedback.

In March 2016, staff held a City-wide workshop where the community commented on Smoky Hollow’s existing conditions and provided feedback regarding future land uses, design, parking and mobility. The community workshop was an open house format and was attended by approximately 80 community members.
Based upon the information and ideas provided by the community and stakeholders as a foundation, the City developed a number of land use and mobility alternatives for community discussion. In November 2016, the City hosted its second community workshop to discuss this series of potential concepts for the district. Over 40 residents, business owners, and property owners attended and contributed to a thoughtful and spirited discussion. The workshop’s aim was to discuss improving the district’s walkability, increasing parking, modifying existing development standards to respond to market trends, and enhancing district identity. Participants responded to questions through an interactive polling exercise and all comments were graphically recorded during the discussion. The interactive workshop was also posted as an online survey to be completed by participants who were not able to attend the workshop. Six additional participants utilized the web-based survey.

Following the second workshop, the City met with EDAC to review community input and receive feedback on potential plan concepts. Utilizing the input from the community meetings, stakeholder interviews and feedback from EDAC, a draft specific plan was developed that provides parking and mobility solutions, improves public infrastructure, preserves the unique character of Smoky Hollow and promotes a vibrant and innovative employment district.

The draft Specific Plan was released on March 8, 2018, and the City conducted its third community workshop in April 2018 to introduce the community to the draft Specific Plan. The workshop format was an open-house style and involved a short presentation of the Specific Plan’s vision, development regulations, and implementation strategies followed by free-form discussion where staff answered questions and received comments about the draft Specific Plan. More than 110 community members attended the event the majority of whom expressed support for the plan and provided valuable feedback. Some of the comments addressed the following topics: a) support for a mix of complementary uses, b) residential uses, c) concern regarding parking demand, d) traffic safety and visibility, e) alternatives modes of travel, such as walking and cycling, f) landscaping requirements and maintenance, and g) overall district aesthetics. Staff concluded from the feedback received at this last workshop that the draft Specific Plan is consistent with the community’s values and interests. A summary of the comments received at the event is attached as Exhibit No. 7.

ANALYSIS

The discussion below contains a brief summary of the five chapters in the Specific Plan, followed by a description of the major provisions and innovations in each of those chapters. Staff explains the reasons for those provisions and how they relate to the Specific Plan vision. The discussion then describes the discretionary permits required to adopt the Specific Plan. The analysis concludes with a summary of the environmental assessment of the proposed Specific Plan.
The Specific Plan document
The draft Specific Plan contains five chapters that are briefly summarized below. After the summary follows a description of the major provisions in the plan:

Chapter 1: Introduction + Vision. The vision and guiding principles aim to attract creative businesses to Smoky Hollow, improve the infrastructure, provide parking and mobility solutions, and give the district an attractive and distinctive image.
Chapter 2: Private Realm Strategies. The second chapter of the Specific Plan contains the rules that regulate private properties, including the uses, development standards, and design guidelines.
Chapter 3: Public realm strategies. The third chapter contains strategies and guidelines for improvements to public infrastructure that will improve the physical appearance of streets and sidewalks, improve options for mobility (walking, biking, using transit), and provide parking solutions.
Chapter 4: Specific Plan Process + Administration. The fourth chapter describes how new projects within the Specific Plan area will be reviewed and approved, how existing nonconforming uses and buildings will be addressed, and how the Specific Plan may be interpreted and/or amended.
Chapter 5: Implementation + Financing. The fifth chapter identifies how to implement the vision, regulations, infrastructure and plans identified in the first four chapters. It lists specific actions and provides a priority timeframe, primary responsibilities and partners, approximate costs, and potential funding sources.

Major provisions – Private Realm

Uses. The Specific Plan permits a synergistic mix of creative uses that promote more vibrant commercial activity and walkability. The list below includes examples of changes to the way uses are regulated in Smoky Hollow:
- The Specific Plan removes a cap on the size of general office uses. The current code restricts these uses to a maximum of 15,000 square feet per site, which inhibits the development or conversion of medium to large size buildings for office purposes. Removing this limitation is consistent with the Specific Plan’s guiding principles, and with recent market trends and forecasts.
- The Specific Plan will require conditional use permits for full service and fast-food restaurants. Although restaurants are encouraged to maintain a synergistic mix of uses in the plan area, restaurants will be reviewed on a case-by-case basis to ensure impacts, such as traffic, parking and noise are addressed, and to ensure that restaurants in Smoky Hollow do not impact downtown restaurants.
- Allows outdoor dining for restaurants without a use permit, because outdoor dining promotes a more walkable environment, which is one of the guiding principles of the Specific Plan.
- Allows public assembly uses with a conditional use permit. Public assembly uses are not currently permitted in Smoky Hollow. However, staff believes that a) there is a demand for such uses, and b) public assembly uses complement other permitted uses in Smoky Hollow and the surrounding area.
Development Standards. Table No. 1 below provides a comparison of the development standards under the current ESMC regulations and the proposed Specific Plan. Generally, development standards in the proposed Specific Plan have been relaxed compared to the current ESMC regulations.

Table No. 1 – Development Standard Comparison

<table>
<thead>
<tr>
<th>Standard</th>
<th>Current ESMC</th>
<th>Draft Specific Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SB MM</td>
<td>SH-West SH-East</td>
</tr>
<tr>
<td>Building height</td>
<td>35</td>
<td>35*</td>
</tr>
<tr>
<td>Setbacks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Front</td>
<td>3’</td>
<td>5’-10’</td>
</tr>
<tr>
<td>Side</td>
<td>0’</td>
<td>0’</td>
</tr>
<tr>
<td>Street Side</td>
<td>3’-6’ min.</td>
<td>4’-8’ min. 5’ max. on Franklin</td>
</tr>
<tr>
<td>Rear</td>
<td>0’</td>
<td>0’</td>
</tr>
<tr>
<td>Alley</td>
<td>5’</td>
<td>5’</td>
</tr>
<tr>
<td>Floor area ratio (FAR)</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Parking ratio</td>
<td>1/300 - Office</td>
<td>1/400 - all uses</td>
</tr>
<tr>
<td></td>
<td>1/500 - Industrial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1/1000 - Warehouse</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1/75 - Restaurant</td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td>3% of lot</td>
<td>7% of lot</td>
</tr>
<tr>
<td></td>
<td>3% - lots up to 22,400 s.f. and 10% - lots 22,400 s.f. or greater</td>
<td></td>
</tr>
</tbody>
</table>

*Exceptions to height, FAR, and other development standard limits may be granted in exchange for a community benefit.

Exceptions to standards. The Specific Plan allows developments to exceed the permitted height limit by up to 15 feet, the FAR, and other development standards subject to approval of a Community Benefits Plan by the Planning Commission or City Council. A Community Benefits Plan may include public benefits, such as provision of a publicly accessible open space area during business hours, provision of publicly accessible parking, or dedication of land to allow for sidewalk widening or other public improvements. This is an innovative approach to regulating development, which provides the flexibility needed for private property owners to invest in their properties, while providing a means for the City to accomplish some of the public goals for Smoky Hollow. The City’s goals for the public realm are discussed below in this staff report and in Chapter 3 of the draft Specific Plan (Exhibit No. 4).
Parking. The Specific Plan proposes a single parking ratio of 1 space per 400 gross square feet for new buildings or additions to buildings irrespective of the use. This is a departure from the approach in the ESMC off-street parking regulations where parking ratios are based on the use of a building. However, it is similar to the approach in the Downtown Specific Plan area where uses are permitted to change without the provision of additional parking. Staff believes that this approach is advantageous for the following reasons:

1. Conversions to office uses are easier. The Specific Plan requires existing buildings to comply with the new parking ratio if they change occupancy (per the Building Code). The current code ratio required for office uses is 1 space per 300 net square feet, whereas the proposed ratio in the Specific Plan is 1 space per 400 gross square feet. So, an existing warehouse or manufacturing use that converts into office would provide less additional parking.

2. Once an existing industrial building is converted into office, and for all new buildings and additions, the single parking ratio of 1 space per 400 gross square feet would provide flexibility for uses to change without providing additional parking. Parking requirements are the main regulatory factor inhibiting the market trend of creative office businesses moving to Smoky Hollow. Therefore, this new approach would lift a regulatory barrier to businesses’ entry and expansion in Smoky Hollow.

3. The proposed single parking ratio would improve the efficiency of the permitting process for new buildings and additions. First, using the gross, instead of the net floor area simplifies parking calculations. Second, using a single parking ratio eliminates certain confusion when dealing with mixed-use buildings. As a result, design and review of plans will be much simpler and much faster.

Loading. The Specific Plan proposes to require loading spaces only for buildings 50,000 gross square feet or larger. Currently, the ESMC requires at least a 12’ x 25’ loading space for most buildings, which has proven onerous for property owners wishing to convert existing buildings and construct additions or new buildings on their property. Most lots in Smoky Hollow are small and narrow and providing a dedicated loading space on-site is very challenging. In addition, loading spaces are typically used only for a limited period of time, which doesn’t always coincide with regular business hours. Recognizing these facts, staff has in the last few years considered and approved adjustment applications to allow the shared use of parking spaces and loading spaces on properties and has in some cases restricted the loading hours to nonbusiness hours. Furthermore, many businesses in Smoky Hollow rely primarily on deliveries that involve small UPS and FedEx trucks. Those deliveries typically occur at the front of the property along the street and are completed within a few minutes. Therefore, in practice those small businesses don’t need and rarely make use of loading areas required at the rear of their properties. In response to these trends and to remove a significant barrier to investment on smaller properties, staff proposes requiring loading spaces only for larger buildings.

Public realm

In conjunction with the private property regulations, the Specific Plan identifies goals and actions for improving the public realm, including streets, sidewalks, landscaping, parking, and mobility in Smoky Hollow. Some of the major goals and improvements are discussed below.
On-street parking. Parking demand was the most important issue identified during the public outreach process and based on the additional 517,000 square feet of building space anticipated in the Specific Plan, approximately 1,300 additional parking spaces will be required by 2040. The Specific Plan proposes to provide on-street parking to help address the demand for more parking. Along El Segundo Boulevard, the Specific Plan identifies improvements that would provide parallel parking on the north side of the street (westbound) without reducing the number of vehicle travel lanes. This would be accomplished by restriping and narrowing the existing vehicle travel lanes, resulting in approximately 74 parking spaces along El Segundo Boulevard.

In addition to re-striping El Segundo Boulevard, the Specific Plan proposes to convert 11 streets running north-south into one-way streets and provide angled parking on one side. This improvement would add approximately 85 additional parking spaces on those streets. Currently, those streets have approximately 310 parallel spaces and the proposed improvements would increase the number to 395. Overall, approximately 159 additional on-street parking spaces can be provided with these improvements.

The additional parking demand can be further met through off-street parking in public or private surface lots and parking structures, which are permitted in the Parking zone by right and in the other Specific Plan zones subject to an administrative use permit (AUP).

Streetscape improvements. The Specific Plan proposes to supplement the re-striping on El Segundo Boulevard and the north-south streets with streetscape improvements on the same streets and Franklin Avenue. The streetscape improvements include curb extensions (bulb-outs) with landscaping at street intersections, decorative cross-walks, and tree planters between parking spaces. Other streetscape improvements may include sidewalk widening, street parklets, and decorative paving treatments on selected streets. The purpose of these improvements is to improve the walkability of all streets in Smoky Hollow and make Franklin Avenue the central focus of the district.

Mobility. In addition to improving the physical appearance and walkability of the district, the Specific Plan aims to improve bicycle transportation and access to transit. In the long run, Franklin Avenue is envisioned as a safe, slow-moving street that accommodates pedestrians, cyclists, and drivers equally. Furthermore, the Specific proposes re-striping Grand Avenue to accommodate a shared bicycle and vehicle travel lane in each direction. This would be accomplished by widening the right lane to 13 feet, which would make space for cyclists during off-peak hours when the right lane is used for parking. This improvement will be completed without reducing the number of vehicle lanes in either direction.

Specific Plan Process and Administration

This chapter streamlines the review process for new developments and additions to buildings, permits exceptions to development standards when necessary and appropriate, and allows for the
continuation of existing nonconforming uses and buildings. Some of the major improvements and innovations in the processes and administration of the Specific Plan are described below.

Ministerial Review. The Specific Plan would allow many projects to proceed with only ministerial level review. Under the existing regulations, a discretionary site plan review process is required in Smoky Hollow. The site plan review process is expensive and time consuming. And, because it is discretionary in nature, applicants cannot be assured of any particular outcome. That uncertainty, combined with the high cost, often discourage property owners that might otherwise be willing to invest in improvements. A ministerial permitting process, on the other hand, is quicker, far less expensive, and offers a valuable level of certainty to applicants.

Administrative Adjustments. The Specific Plan would authorize the Director to process minor deviations of up to 10% from numeric standards, except building height and FAR, following an existing streamlined process in ESMC Chapter 15-24.

Community Benefits Plans. As mentioned previously, the Specific Plan would allow deviations from the building height, FAR and other standards above the level requiring administrative adjustments, subject to approval of a Community Benefits Plan. The Planning Commission would review and approve most for exceptions. The City Council would review requests involving a) FAR over 1.5 or b) three or more exceptions that also include height or FAR. The community benefits plan strategy will provide additional flexibility in new development design and incentivize owners to invest in Smoky Hollow. At the same time, the community benefit requirement will assist the City in meeting its long-term goals for the area, such as improved building design, streetscape improvements, public open spaces, and improved mobility.

Implementation and Financing

As mentioned previously, Chapter 5 of the Specific Plan identifies how to implement the vision, regulations, infrastructure and strategies identified in the first four chapters. It lists specific actions and priorities, primary responsibilities and partners, approximate costs, and potential funding sources. Establishment of a Parking In-Lieu Fee is an illustrative example of an implementation action. The parking in-lieu fee allows property owners and developers to pay a fee instead of providing required parking on-site. This provides much needed flexibility, particularly on smaller lots, to construct new buildings or additions, and change building occupancies. At the same time, the revenue from the parking in-lieu fee will help fund public parking and related street improvements. Other implementation actions are described in the draft Specific Plan.

Discretionary Permits

General plan amendment. A general plan amendment is necessary to a) update the Smoky Hollow land use designation description to reflect the purpose of the new Specific Plan, b) update the description of the City’s northwest quadrant in the land use plan, c) update the Specific Plan area and City build-out projections, and d) update the General Plan land use map to reflect the revised boundaries of the Specific Plan and land use designations around the Specific Plan. These changes
will ensure that the Specific Plan and the General Plan are consistent with each other. These general plan amendments are described in detail in the attached draft resolution (Exhibit No. 1).

Figure No. 1 – Boundary Changes

Zone Change

A zone change is necessary to reflect the revised boundaries of the Specific Plan. Certain properties outside the existing Specific Plan and currently zoned Public Facilities (P-F) and Parking (P) will be incorporated into the new Specific Plan and maintain the same zoning designations. In addition, certain properties within the existing Specific Plan and zoned Medium Density Residential (MDR) will be removed from the new Specific Plan and zoned Multi-Family Residential (R-3). The R-3 zone has the same development standards as the MDR zone, so the conforming status of the affected residential properties will not be affected by this change. The reason for removing the residential properties from the Specific Plan is that the plan character and vision is primarily office and light industrial in nature. In addition, those properties have been developed with multi-family residential uses and are not anticipated to change during the Specific Plan’s time horizon. The properties zoned P-F and P will be incorporated into the Specific Plan, because they have a greater chance of being developed over the long term in a manner consistent with the office and industrial uses envisioned in the Specific Plan. Finally, these zone changes will ensure that the Zoning designations for the subject properties are consistent with their General Plan land use designations. Figures 2 and 3 show the existing and proposed zoning designations for the Specific Plan and the properties immediately surrounding the Specific Plan area.
Zone Text Amendment

A zone text amendment is necessary to amend or delete municipal code provisions regarding the existing Specific Plan, its zones and overlay districts, and other provisions. These provisions would no longer be needed in the municipal code, as all of the corresponding regulations and standards will be incorporated directly into the new Specific Plan. Table No. 2 summarizes the ESMC amendments.

<table>
<thead>
<tr>
<th>ESMC Chapter/Section</th>
<th>Subject</th>
<th>Amended/Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 15-3</td>
<td>Zones and uses</td>
<td>Amended</td>
</tr>
<tr>
<td>Chapter 15-6, Articles B and C</td>
<td>Small Business (SB) and Medium Manufacturing (MM) zones</td>
<td>Deleted</td>
</tr>
<tr>
<td>Chapter 15-7, Articles A and B</td>
<td>Medium Density Residential (MDR) and Grand Avenue Commercial (GAC) overlays</td>
<td>Deleted</td>
</tr>
<tr>
<td>Chapter 15-11</td>
<td>Smoky Hollow Specific Plan</td>
<td>Deleted</td>
</tr>
<tr>
<td>Section 15-15-5(K)</td>
<td>Parking standards: Tandem spaces</td>
<td>Amended</td>
</tr>
<tr>
<td>Section 15-21-7</td>
<td>Nonconforming Buildings and uses; Smoky Hollow Specific Plan Restrictions</td>
<td>Deleted</td>
</tr>
</tbody>
</table>
The above amendments are described more precisely in the draft Ordinance (Exhibit No. 3).

Findings

General Plan and Zone Change. There are no required findings for a General Plan Amendment. However, an amendment must be internally consistent with the rest of the General Plan. In drafting the Specific Plan, staff took care to ensure that the Specific Plan vision and regulations are consistent with the General Plan goals, objectives, and policies. In addition, in areas where the Specific Plan is inconsistent with the existing General Plan, the project incorporates amendments to the General Plan to ensure the two documents are consistent with each other. The proposed Zone Changes are necessary to ensure that the zoning designations of properties affected by this project are consistent with their General plan land use designations.

Zone Text Amendment. ESMC Section 15-1-1 (Purpose, Title) states that Title 15 is the primary tool for implementation of the goals, objectives, and policies of the El Segundo General Plan. Accordingly, the Planning Commission must find that the proposed Zone Text Amendment is consistent with those goals, objectives, and policies. Planning staff believes there is substantial evidence in the record to support the findings required for the Planning Commission to recommend City Council approval of the proposed amendment. The findings are discussed in the proposed resolution.

Pursuant to ESMC Title 15, Chapter 26 (Amendments), in order to recommend City Council approval of the proposed amendments, the Planning Commission must find that the amendments are necessary to carry out the general purpose of ESMC Title 15. The purpose of this Title (ESMC §15-1-1) is to serve the public health, safety, and general welfare and to provide economic and social advantages resulting from an orderly planned use of land resources. Planning staff believes there is substantial evidence in the record to support the findings required for the Planning Commission to recommend City Council approval of the proposed amendment. The findings are discussed in the proposed resolution.

ENVIRONMENTAL ASSESSMENT

The draft Specific Plan establishes new land use, transportation, infrastructure, economic development, and urban design strategies that will provide opportunities for businesses to thrive in a creative, innovative, and dynamic environment. Solutions related to parking and transportation, along with streamlined processes and development standards will facilitate conversions of existing buildings and development of new buildings for creative office, commercial, and clean industrial uses. It is projected that an additional 517,000 square feet of new building space may be added to Smoky Hollow through the year 2040. Staff prepared an Environmental Impact Report (EIR) to evaluate the environment impacts of the project. Based on its findings, the project is anticipated to have significant unavoidable impacts in the following areas: a) greenhouse gas emissions, b) noise, and c) traffic. The impacts in these three areas are summarized below. A more detailed analysis can be found in the EIR and individual technical studies in those areas.
Significant Impacts

Greenhouse gas emissions (GHG). As discussed in the EIR, Assembly Bill 32, Senate Bill 32, and Executive Order S-03-05 set State goals for GHG emissions reductions of 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Based on these goals, GHG emissions in Smoky Hollow should be 60 percent below 1990 levels by 2040, which is the anticipated build-out year. The analysis in the EIR anticipates substantial reductions in the amount of GHG emissions in Smoky Hollow by 2040, however, those reductions will not meet the State goals. As a result, for the purposes of CEQA analysis, the proposed Specific Plan will have a significant and unavoidable impact with regard to GHG emissions.

Noise. As part of the EIR analysis, noise measurements were taken at six locations within the Specific Plan area to establish the baseline ambient noise levels in the area. Implementation of the proposed Specific Plan would result in short- and long-term changes to the ambient noise environment in the planning area. The short-term changes would result from intermittent construction activities as existing buildings are improved and new buildings erected in the area. Long term changes would result from changes in land uses and from changes in traffic volumes. The analysis in the EIR anticipates that the increased traffic volumes would result in significant unavoidable impact with respect to the exterior noise levels for commercial and industrial uses. The permitted level is 75 dBA and the EIR estimates those levels to be up to 75.4 dBA in two areas along Sepulveda Boulevard.

Traffic. The traffic analysis in the EIR evaluated the potential traffic impacts of the anticipated development over the next 20 years on 15 street intersections in and around the Specific Plan. The analysis concluded that in combination with ambient growth in traffic volumes, the proposed Specific Plan would result in significant impacts by the year 2040 at two of the intersections studied: Sepulveda Boulevard/Grand Avenue and Sepulveda Boulevard/El Segundo Boulevard. The traffic analysis proposes mitigation measures to reduce the impact levels at these intersections. With the incorporation of mitigation measures the impact levels would be reduced, however, the impact level at the Sepulveda Boulevard/El Segundo Boulevard intersection would still be considered significant and unavoidable based on the Los Angeles County’s Congestion Management Program (CMP) thresholds. That impact would be significant and unavoidable both in the AM and PM peak traffic periods.

Public Comments on the DEIR

Staff received public comments on the following issue areas. The comments and the responses to those comments are summarized below. The complete comments and responses are incorporated into the EIR (Exhibit No. 2)

1. Cultural and tribal cultural resources. A native American tribe requested consultation with staff and addition of mitigation measures to protect potential paleontological and archaeological resources in the Specific Plan area. Staff consulted with representatives of this tribe and the EIR has incorporated mitigation measures to protect potential resources.

2. Air quality. The South Coast Air Quality Management District (SCAQMD) recommended clarifications and changes to the air quality analysis in the draft EIR. In addition, SCAQMD recommended additional mitigation measures to reduce the project’s air quality
impacts. Staff has revised the air quality analysis to address SCAQMD comments, but has not incorporated additional mitigation measures.

3. Hazards and hazardous materials. The Department of Conservation notified staff that 18 oil and gas wells under its jurisdiction are located within the Specific Plan area and requested that it be contacted in the event that any wells are discovered or damaged during construction activities in the areas. Staff has added a mitigation measure to the Hazards and Hazardous Materials chapter in the EIR to reflect the request.

4. Transportation and traffic. The Department of Transportation requested that additional analysis be performed to evaluate potential impacts on on-ramps, off-ramps, and roads leading to the 105 freeway. In response, staff has conducted additional analysis which has identified significant impacts at three additional locations. The locations are: a) Sepulveda Boulevard and Imperial Highway, b) Nash Street and Imperial Highway, and c) Parkview Drive North and Atwood Way. A mitigation measure has been added to the EIR to reduce impacts to those intersections. However, the impacts would still be considered significant and unavoidable.

Re-circulation of the EIR for public comment.

Pursuant to CEQA Section 15088.5 (Recirculation of an EIR Prior to Certification), a lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review. Pursuant to this CEQA requirement and the additional traffic impacts and mitigation measure, staff has released the traffic section of the EIR for public comment and recirculated it to OPR, the State clearinghouse and the agencies notified previously regarding the draft EIR. The updated traffic section will be available for public review for a 46-day period, beginning on June 22\textsuperscript{d} and ending on August 6\textsuperscript{th}.

Due to the significant and unavoidable impacts identified above, a Statement of Overriding Considerations (SOC) must be adopted (ultimately by the City Council for this project). In adopting a Statement of Overriding Considerations, Staff believes that the following finding can be made:

1. Specific economic, legal, social, technological, or other considerations, including considerations discussed in the Statement of Overriding Considerations, outweigh the unavoidable adverse environmental effects; therefore the adverse environmental effects are considered acceptable.

As discussed in the draft resolution, staff believes that to the extent the impact would remain significant, this impact is acceptable and outweighed by social, economic and other benefits of the project. The EIR, its appendices, and Mitigation Monitoring and Reporting Program (MMRP) are attached to this report as Exhibit 2.
RESOLUTION NO. 2837


The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. On October 1, 2014, the City initiated an Environmental Assessment No. EA 1011, General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01 for the comprehensive update of the Smoky Hollow Specific Plan;

B. 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");

C. An Environmental Impact Report (EIR) was prepared pursuant to the requirements of CEQA Guidelines Section 15161;

D. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for June 28, 2018;

E. On June 28, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the application including, information provided to the Planning Commission by city staff; and, adopted Resolution No. 2837 recommending that the City Council approve the proposed project;

F. This Resolution and its findings are made based upon the evidence presented to the Commission at its June 28, 2018, hearing including the staff report submitted by the Planning and Building Safety Department and the totality of the evidence in the administrative record.

SECTION 2: Factual Findings and Conclusions. The Planning Commission finds as follows:

A. The proposed Smoky Hollow Specific Plan Update (hereinafter, the "Smoky Hollow Specific Plan" or "Specific Plan") covers approximately 94.3 acres and will replace the existing Smoky Hollow Specific Plan which covers approximately 93.55 acres. The proposed Specific Plan is located in the northwest quadrant of the City, generally bounded by Standard Street to the
The proposed project will remove a 7.44-acre area north of Grand Avenue from the existing Smoky Hollow Specific Plan and change its General Plan Land Use designation to Multi-Family Residential (Exhibit G) and its zoning designation to Multi-Family Residential (R-3) (Exhibit H);

C. The proposed project will incorporate three areas immediately abutting the existing Smoky Hollow Specific Plan, which are approximately 8.19 acres in size, into the proposed Specific Plan, change their General Plan Land Use designations from Parking and Public Facilities to Smoky Hollow Specific Plan (Exhibit G), and zoning designations to Smoky Hollow Specific Plan – Parking (P) and Smoky Hollow Specific Plan – Public Facilities (P-F) (Exhibit H);

D. The proposed project will amend the Smoky Hollow Specific Plan General Plan Land Use Designation description to reflect a change in focus toward creative office uses and increased densities in the proposed Specific Plan (Exhibit C);

E. The proposed project will amend the description of the City’s northwest quadrant in the General Plan Land Use Element Land Use plan (Exhibit D);

F. The proposed project will amend the General Plan Land Use Element Buildout projections (Exhibit E);

G. The proposed project will amend the El Segundo Municipal Code (ESMC) to amend or delete municipal code provisions regarding the existing Smoky Hollow Specific Plan, its zones and overlay districts, and other provisions (Exhibit B);

H. The proposed Specific Plan (Exhibit I) will change the regulations for private properties to:

1. Allow more office uses in the plan area;
2. Increase the permitted floor area ratio (FAR) from .6 currently, to .75 in the west and 1.0 in the east portion of the plan;
3. Replace the existing parking requirements that are based on the type of use with a single parking ratio of 1 space per 400 gross square feet of building area; and
4. Allow deviations from development standards, subject to approval of a community benefits plan.

I. The proposed Specific Plan will result in public improvements, including:
1. Converting 11 north-south streets within the plan area to one-way streets and adding angled parking, which will generate approximately 85 additional on-street parking spaces;
2. Restriping El Segundo Boulevard without reducing the number of vehicle travel lanes to add a parking lane on the north side of the street, which will generate approximately 74 new on-street parking spaces;
3. Building curb extensions at street intersections, decorative crosswalks and street trees within the plan area; and
4. Making bicycle related improvements along Franklin Avenue and Grand Avenue, including pavement markings and signage to allow cyclists to share vehicle travel lanes.

SECTION 3: General Plan Consistency Findings. The Planning Commission finds that the Smoky Hollow Specific Plan is consistent with the City's General Plan. The consistency of the General Plan with the Smoky Hollow Specific Plan is analyzed below:

<table>
<thead>
<tr>
<th>General Plan goals, objectives, policies and programs</th>
<th>Consistency analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Use designation</strong></td>
<td>The permitted uses in the proposed specific plan are consistent with this designation</td>
</tr>
<tr>
<td>Smoky Hollow Specific Plan:</td>
<td></td>
</tr>
<tr>
<td>This designation is intended to permit a range of incubator businesses, small and medium size industrial uses, research and development, and creative office uses. The designation also permits public facilities, parking facilities, and limited restaurant and retail uses.</td>
<td></td>
</tr>
<tr>
<td><strong>Land Use Element</strong></td>
<td>One of the Specific Plan guiding principles is to preserve Smoky Hollow's Mid-Century Industrial Feel. The development standards and design guidelines in the Specific Plan are consistent with that principle in that they encourage the preservation of existing buildings and character of Smoky Hollow</td>
</tr>
<tr>
<td>Objective LU2-2:</td>
<td></td>
</tr>
<tr>
<td>To encourage the preservation of historical and cultural sites and monuments</td>
<td></td>
</tr>
<tr>
<td><strong>Goal LU4 (Provision of a Stable Tax Base for El Segundo):</strong></td>
<td>The Specific Plan lifts an existing cap on the floor area of office uses on individual building sites and continues to permit research and development uses</td>
</tr>
<tr>
<td>To provide for new office and research and development uses in Smoky Hollow</td>
<td></td>
</tr>
<tr>
<td><strong>Goal LU5 (Attraction of clean and beneficial industrial uses) and Objective LU5-3:</strong></td>
<td>The Specific Plan contains guidelines, standards and strategies to improve aesthetic and functional deficiencies in such as areas as landscaping, off-street parking, and loading areas</td>
</tr>
<tr>
<td>To encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Objective LU5-6: To encourage a mix of office and light industrial uses in industrial areas</td>
</tr>
<tr>
<td>F</td>
<td>Goal LU7 (Provision of Quality Infrastructure) and Objective LU7-1: To provide the highest and most efficient level of public services and public infrastructure financially possible</td>
</tr>
<tr>
<td>G</td>
<td>Economic Development Element Objective ED1-2: to center diversification efforts on targeted industries that meet the City’s criteria for job creation, growth potential, fiscal impact, and fit with local resources</td>
</tr>
<tr>
<td>H</td>
<td>Objective ED2-1: To strengthen partnerships between local government, the residential community, and El Segundo’s business community</td>
</tr>
<tr>
<td>I</td>
<td>Circulation Element Objective C2-1: To support and encourage walking as a safe and convenient travel mode within the City’s circulation system</td>
</tr>
<tr>
<td>J</td>
<td>Objective C2-2: To provide a bikeway system throughout the City to support and encourage the use of the bicycle as a safe and convenient travel mode within the City’s circulation system</td>
</tr>
<tr>
<td>K</td>
<td>Goal C3 and Objective C3-1: To ensure that potential circulation system impacts are considered when the City’s decision makers and staff are evaluating land use changes</td>
</tr>
</tbody>
</table>
Objective C3-2:
To ensure the consideration of the impacts of land use decisions on the City’s parking situation

Housing Element
Goal No. 3 and Program No. 5:
Provision of adequate sites

Open Space Element
Goal OS1:
To provide and maintain high quality open space and recreational facilities that meet the needs of the existing and future residents and employees within the City of El Segundo

Conservation Element
Goal CN 5:
To develop programs to protect, enhance, and increase the amount and quality of the urban landscape to maximize aesthetic and environmental benefits

Air Quality Element
Goal No. AQ4:
To promote non-motorized transportation

Goal No. AQ9:
To reduce the length of vehicle trips

Noise Element
Goal N1:
To provide a noise-safe environment and Objective No. N1-2 to ensure that City residents are not exposed to stationary noise levels in excess of El Segundo's Noise Ordinance standards

SECTION 4: Zone Change Findings.

A. Based on the factual findings of this Resolution, the proposed Zone Change is necessary to carry out the proposed project. The proposed General Plan Amendment would change the land use classification of the proposed Specific Plan area to Smoky Hollow Specific Plan and certain properties north of Grand Avenue to Multi-Family Residential as identified in Exhibit G.
Therefore, the proposed Zone Change is necessary to maintain consistency with the proposed General Plan land use designations.

B. The purpose of ESMC Title 15 (Zoning Code) and adopted specific plans is to implement the goals, objectives and policies of the El Segundo General Plan. The zone change is necessary to implement the proposed Smoky Hollow Specific Plan and is consistent with the General Plan goals, objectives and policies discussed in Section 3 of this resolution.

C. The proposed Zone Change will not adversely affect surrounding properties, in that the Specific Plan area is anticipated to transition to more office uses, which tend to have less impacts with regard to noise, odors, hazardous materials, and other impacts associated primarily with industrial uses.

D. The proposed Zone Change promotes the public health, safety and general welfare and serves the goals and purposes of the Zoning Code, in that the Zone Change, the Specific Plan vision and standards are consistent with General Plan goals, objectives, and policies as detailed in Section 3. The Specific Plan vision and guiding principles will benefit the surrounding area and community overall by generating new employment and tax revenues; providing new public infrastructure, including additional public parking, publicly available open space, street trees and other streetscape improvements, bicycle improvements; and creating connections to all modes of travel. In addition, the development standards and design guidelines in the Specific Plan will serve the public health, safety, and general welfare and provide economic and social advantages resulting from an orderly use of land resources.

SECTION 5: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), and based on the findings set forth in Section 2, together with the evidence in the administrative record as a whole, the Planning Commission finds as follows:

A. As detailed in Section 3, the proposed Zone Text Amendment ("ZTA") is consistent with the goals, policies and objectives of the General Plan and will not obstruct their attainment.

B. The ZTA is consistent with the purpose of the Zoning Code, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

C. The ZTA is necessary to facilitate the development process and ensure the orderly development of buildings and the location of uses in the City. The
intent of the ZTA is to update the vision, permitted uses and development standards in the Smoky Hollow Specific Plan area, which will encourage, facilitate, and expedite the development process and provide economic and social benefits resulting from the orderly planned use of land resources. The ZTA will not adversely affect properties surrounding the Smoky Hollow Specific Plan area.

SECTION 6: Environmental Assessment. The Planning Commission makes the following environmental findings based on the whole of the administrative record:

A. The City completed a Draft Environmental Impact Report (DEIR) for this project. A noticed Public Scoping meeting was held on April 21, 2017 pursuant to CEQA Guidelines §15083. A Notice of Preparation of the DEIR was circulated for public review from March 30, 2017 to May 1, 2017 pursuant to CEQA Guidelines §15082. A Notice of Completion for the DEIR was filed with the State Office of Planning and Research on March 8, 2018 pursuant to CEQA Guidelines §15085. The public comment and review period for the DEIR was open between March 8, 2018 and April 23, 2018 in compliance with CEQA Guidelines §15087. In response to comments received during the public review period, staff conducted additional analysis. The analysis found additional significant transportation and traffic impacts. As a result, the DEIR Transportation and Traffic section was revised and recirculated for public review pursuant to CEQA Guidelines §15088.5. The second public comment and review period for the DEIR was open between June 22, 2018 and August 6, 2018;

B. The revised DEIR, attached hereto as Exhibit A and incorporated by reference, was presented to the Planning Commission and each commissioner has independently reviewed and considered the DEIR and its appendices prior to making a recommendation on the Project. Furthermore, each commissioner has reviewed and considered the testimony and other additional evidence presented at or prior to the public hearing on June 28, 2018;

C. The DEIR is an accurate and complete statement of the potential environmental impacts of the project and is in compliance with CEQA and the CEQA Guidelines. The EIR was prepared under the City’s direction and reflects its independent judgment and good faith analysis of the potential environmental impacts and includes substantive and thorough responses to comments received during the public review period;

D. In response to comments from the public and other public agencies, some other minor changes have been made to the Draft EIR, which is attached as Exhibit A. In accordance with CEQA, the Planning Commission finds as follows:
1. Factual corrections and minor changes have been set forth as clarifications and modifications to the Draft EIR;

2. The factual corrections and minor changes to the Draft EIR are not substantial changes in the Draft EIR that would deprive the public of a meaningful opportunity to comment on a substantial adverse environmental effect of the project, a feasible way to mitigate or avoid such an effect, or a feasible project alternative;

3. The factual corrections and minor changes to the Draft EIR will not result in new significant environmental effects or substantially increase the severity of the previously identified significant effects disclosed in the Draft EIR;

4. The factual corrections and minor changes to the Draft EIR do not involve mitigation measures or alternatives that are considerably different from those analyzed in the Draft EIR that would substantially reduce one or more significant effect on the environment; and

5. The factual corrections and minor changes to the Draft EIR do not render the Draft EIR so fundamentally inadequate and conclusory in nature that meaningful public review and comment would be precluded.

Therefore, none of the conditions set forth in CEQA requiring recirculation of a Draft EIR have been met. Incorporation of the factual corrections and minor changes to the Draft EIR into the Final EIR does not require the EIR to be recirculated for public comment.

E. Pursuant to Public Resources Code section 21081(b) and Section 15093 of the CEQA Guidelines, the Planning Commission has weighed the benefits of the proposed Smoky Hollow Specific Plan against the unavoidable, unmitigatable adverse impacts associated therewith and has determined that the adoption and implementation of the Specific Plan would be the most desirable and appropriate action.

F. The project would result in the following unavoidable significant adverse impacts after mitigation:

1. Greenhouse gas emissions (GHG). Assembly Bill 32, Senate Bill 32, and Executive Order S-03-05 set State goals for GHG emissions reductions of 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Based on these goals, GHG emissions in Smoky Hollow should be 60 percent below 1990 levels by 2040, which is the anticipated build-out year. The analysis in the EIR anticipates
substantial reductions in the amount of GHG emissions in Smoky Hollow by 2040, however, those reductions will not meet the State goals. As a result, for the purposes of CEQA analysis, the proposed Specific Plan will have a significant and unavoidable impact with regard to GHG emissions.

2. Noise. Implementation of the proposed Specific Plan would result in short- and long-term changes to the ambient noise environment in the planning area. The short-term changes would result from intermittent construction activities as existing buildings are improved and new buildings erected in the area. Long term changes would result from changes in land uses and from changes in traffic volumes. The analysis in the EIR anticipates that the increased traffic volumes would result in significant unavoidable impact with respect to the exterior noise levels for commercial and industrial uses. The permitted level is 75 dBA and the EIR estimates those levels to be up to 75.4 dBA in two areas along Sepulveda Boulevard.

3. Traffic. The traffic analysis in the EIR evaluated the potential traffic impacts of the anticipated development over the next 20 years on 15 street intersections in and around the Specific Plan. The analysis concluded that in combination with ambient growth in traffic volumes, the proposed Specific Plan would result in significant impacts by the year 2040 at two of the intersections studied: Sepulveda Boulevard/Grand Avenue and Sepulveda Boulevard/El Segundo Boulevard. The traffic analysis proposes mitigation measures to reduce the impact levels at these intersections. With the incorporation of mitigation measures the impact levels would be reduced, however, the impact level at the Sepulveda Boulevard/El Segundo Boulevard intersection would still be considered significant and unavoidable based on the Los Angeles County's Congestion Management Program (CMP) thresholds. That impact would be significant and unavoidable both in the AM and PM peak traffic periods.

4. Additional Traffic Analysis. In response to comments received during the public review and comment period, additional traffic analysis was performed that identified significant impacts at three additional intersections: a) Sepulveda Boulevard and Imperial Highway, b) Nash Street and Imperial Highway, and c) Parkview Drive North and Atwood Way. A mitigation measure has been added to the EIR to reduce impacts to those intersections. However, the impacts would still be considered significant and unavoidable.

G. The Planning Commission has weighed and considered the project's benefits against its significant and unavoidable impacts. The Planning
Commission finds that the proposed project's benefits outweigh the significant and unavoidable impacts and, therefore, that those impacts are acceptable in light of the proposed project's benefits. The Planning Commission finds that each of the following benefits is an overriding consideration, independent of the other benefits, that warrants approval of the proposed project notwithstanding the proposed project's significant and unavoidable impacts related to greenhouse gas emissions, noise, and transportation and traffic. The proposed project would provide several public benefits, including, without limitation, the following:

1. Foster economic development through policies that stimulate and encourage the development of new and creative uses consistent with current trends that have proven successful in many communities across southern California.

2. Stimulate business retention, job creation, and a broadening tax base.

3. Promote healthy and active lifestyles through design regulations and transportation improvements that enhance pedestrian and bike safety access to the Smoky Hollow area.

4. Provides a comprehensive update to the Smoky Hollow Specific Plan, last adopted in 1986, to reflect the community's values and vision for this area of the City. The Plan includes creative new policy directives that will guide development and redevelopment over the next several years and revitalize an underused area of the City with great potential.

5. Promotes consistency with regional growth strategies, such as the SCAG 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy, by increasing density within the Plan area.

H. The proposed project represents a balance between several competing objectives in the City of El Segundo. After balancing the specific economic, legal, social, technological, and other benefits of the proposed project, the Planning Commission has determined that the unavoidable adverse environmental impacts identified may be considered acceptable due to the specific considerations listed above which outweigh the unavoidable, adverse environmental impacts that will be caused by implementation of the project.

I. Based on the foregoing, and on the evidence in the record as a whole, the Planning Commission hereby finds that:

1. All potentially significant environmental impacts resulting from the
project have been eliminated or substantially lessened where feasible, and

2. The remaining significant and unavoidable greenhouse gas, noise, and transportation and traffic impacts are acceptable due to the factors described above.

J. Based on the foregoing, and on the evidence in the administrative record as a whole, the Planning Commission recommends that the City Council adopt a Statement of Overriding Considerations and approve the project notwithstanding its significant, unavoidable impacts.

SECTION 7: Recommendations.

A. The Planning Commission recommends that the City Council certify a Final Environmental Impact Report for Environmental Assessment No. 1011 as set forth in Exhibit A; adopt findings of fact and a Statement of Overriding Considerations incorporating the facts set forth in Section 6 of this resolution; and approve General Plan Amendment No. GPA 13-01, Zone Change No. ZC 13-01, and Zone Text Amendment No. ZTA 13-01; and

B. The Planning Commission recommends that the City Council adopt the Ordinance attached as Exhibit “B” which would implement the Zone Change and Zone Text Amendment.

SECTION 8: Reliance on Record. Each and every one of the findings and determination in this Resolution 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 Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 9: Limitations. The Planning Commission’s analysis and evaluation of the project is based on information available at the time of the decision. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. In all instances, best efforts have been made to form accurate assumptions.

SECTION 10: This Resolution will remain effective unless and until superseded by a subsequent resolution.
SECTION 11: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.

PASSED AND ADOPTED this 28th day of June 2018.

Ryan Baldino, Chair
City of El Segundo Planning Commission

ATTEST:

Sam Lee, Secretary

Baldino - Aye
Newman - Aye
Hoeschler - Aye
Wingate - Aye
Keldorf - Aye

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

By:
David King, Assistant City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding City Council approval of Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 to establish a parking in-lieu fee program in the Smoky Hollow area and adopt a parking in-lieu fee.
(Applicant: City of El Segundo).
Address: Citywide
(Fiscal Impact: None with this action)

RECOMMENDED COUNCIL ACTION:
1. Conduct a public hearing;
2. Take testimony and other evidence as presented;
3. Introduce an Ordinance approving Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 amending the El Segundo Municipal Code to establish a parking in-lieu fee program for the Smoky Hollow Specific Plan area;
4. Schedule second reading and adoption of the Ordinance for September 4, 2018;
5. Adopt a Resolution establishing a parking in-lieu fee and procedures for payment of such a fee; and/or
6. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Ordinance No. _____
2. Draft Resolution No. _____
3. Draft Smoky Hollow parking in-lieu area map
4. Parking design study by KOA, dated September 20, 2016
5. Parking in-lieu fee study by TNDG, dated October 21, 2016
6. On-street parking construction cost estimates by KOA, dated June 12, 2018
7. Smoky Hollow street improvements map
8. Planning Commission Staff Report, dated June 14, 2018 (without attachments)
9. Planning Commission Resolution No. 2827

FISCAL IMPACT: None

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

STRATEGIC PLAN:
Goal: Champion Economic Development and Fiscal Sustainability

ORIGINATED BY: Gregg McClain, Planning Manager
REVIEWED BY: Sam Lee, Planning & Building Safety Director
APPROVED BY: Greg Carpenter, City Manager
INTRODUCTION

The proposed zone text amendment will accomplish the following: 1) It will amend El Segundo Municipal Code (ESMC) Chapter 15-15 (Off-street parking and loading) to allow the payment of parking in-lieu fees for the purpose of meeting the parking requirements for individual properties; 2) create a new ESMC Chapter 15-27B to establish a process for paying in-lieu fees, and 3) establish an area encompassing the Smoky Hollow Specific Plan where payment of in-lieu fees would be applicable. In addition, this report contains analysis and a recommendation on setting the specific in-lieu fee level and possible payment plans.

BACKGROUND AND DISCUSSION

In 2014, the City Council initiated a comprehensive update of the Smoky Hollow Specific Plan. During the public engagement process for the new specific plan, parking was identified as one of the primary problems in need of solutions. As a result, staff engaged in a parallel effort to study and implement a parking in-lieu fee program, as one potential solution to this problem.

Parking in-lieu fee definition and purpose
A parking in-lieu fee allows a property owner or developer to pay a fee rather than provide parking spaces to meet the minimum parking requirements for development of their property. The funds raised are typically used to build public parking spaces. Several cities have adopted parking in-lieu fees to shift the burden of required parking away from a potential development site without removing the responsibility for ensuring adequate parking in the vicinity. In-lieu parking programs free up redevelopment potential that can otherwise be hampered by the strict application of on-site parking requirements.

Downtown in-lieu fee and other cities’ programs
In 2003, the City implemented parking in-lieu fees in the Downtown Specific Plan area. The current parking in-lieu fee in the Downtown is $17,500 per space. To date, six property owners have taken advantage of the Downtown parking in-lieu fee program. Four paid an upfront lump sum, one is paying on a monthly basis for a period of 20 years, and one is paying the fee for temporary outdoor dining as needed each year. One more business owner is in the process of entering into an agreement with the City.

Parking in-lieu fee programs have been adopted in many cities and vary widely in the fee levels, methods of payment, and other aspects of their programs. A more detailed discussion and analysis of other cities’ programs can be found in Exhibit No. 7 to this report (Planning Commission report dated June 14, 2018).

Fee determination
An in-lieu fee is based on the City's cost of providing public parking. To determine the proposed in-lieu fee, staff considered the potential demand and supply for parking and the cost of providing public parking in Smoky Hollow:

Potential demand. Based on the draft Specific Plan regulations on private development and the development projections over the plan’s time horizon, the total area of all buildings in Smoky Hollow by 2040 is anticipated to be 2.97 million square feet. This is about 517,000 additional
square feet compared to the current area of all buildings in Smoky Hollow. Further, this additional area will demand an additional 1,293 parking spaces based on the proposed parking requirement of one space per 400 gross square feet of building area.

**Potential supply.** To determine the potential parking supply, KOA Corporation, a Planning and Engineering consulting firm, studied street improvements designed to provide additional street parking as contemplated in the draft Specific Plan. The improvements include reconfiguring 11 north-south streets into one-way streets, striping angled parking on one side of these streets (Exhibit No. 6), and reconfiguring El Segundo Boulevard by slightly narrowing the existing four travel lanes to add a parking lane on the north side. Today, the north-south streets are two-way and have parallel parking on both sides to accommodate approximately 310 total parking spaces. The KOA analysis estimates the proposed reconfiguration can produce up to 85 additional parking spaces throughout the specific plan area. El Segundo Boulevard has no parking today and the KOA analysis estimates that adding a parking lane can produce up to 74 new parking spaces.

If the City were to construct enough additional public parking to meet 100 percent of the potential demand, it would have to construct approximately 159 on-street spaces and 1,134 spaces in parking structures. However, this assumes no additional required parking would be provided on private property, which is not realistic. The role of the in-lieu fee is to facilitate private development, but not to assume the full responsibility of providing parking. As a result, for the purposes of the parking in-lieu fee program, the potential public parking supply is limited to 159 on-street parking spaces.

**Potential cost of additional on-street parking.** According to KOA’s study, the estimated cost of providing 159 additional street parking spaces as described above is approximately $4.4 million overall, or about $27,700 per space (See Exhibit No. 6). These estimates include both construction and maintenance costs over a 20-year period. For the purpose of this program, Staff also studied the potential cost of providing parking in public structures. However, the cost of doing so was estimated at $81,000 per space, which was determined to be too costly and risky to undertake (Exhibit No. 5 – TNDG parking in-lieu fee study). As such, Staff recommends a parking in-lieu fee of $28,000 per street parking space, which includes a small fee for the purpose of administering the program.

**Payment timing options**

In-lieu fee programs require payments to fund the cost of providing public parking. In order to quickly accumulate funds for public parking, full upfront payment of the in-lieu fee would be ideal. However, in order to make the upfront cost lower and ensure the fee is affordable to all property owners, Staff recommends two options for payment of the fee:

1) 100 percent of the fee “upfront” (i.e., before the City issues a Certificate of Occupancy or provides formal approval of a project that does not require a Certificate of Occupancy), or;

2) 50 percent of the fee upfront and up to 10 annual payments for the rest.

The larger upfront payment ensures that as new development takes place, the City secures more revenue and can provide the street parking sooner to serve the area. Furthermore, if the City provides street parking sooner, the new parking may act as a catalyst for more investment in Smoky Hollow. Notwithstanding the foregoing, Staff recommends requiring payment of the full in-lieu fee upfront when an applicant proposes using the in-lieu fee for more than 50 percent of the
required parking spaces. In other words, if a property owner desires to pay in-lieu fee for more than 50 percent of the required parking spaces, the only payment option available to that property owner would be 100 percent of the fee upfront.

**Proposed parking in-lieu fee area**
Staff proposes a parking in-lieu fee area that incorporates the Smoky Hollow Specific Plan and certain commercially zoned properties adjacent to Smoky Hollow and Downtown. The entire area is depicted in Figure No. 1 below.

![Proposed parking in-lieu fee area](image)

The additional properties are located along Grand Avenue between Standard Street and Sheldon Street and are zoned Commercial Downtown (C-RS) and Neighborhood Commercial (C-2), which permit an FAR of 1.0 and 0.5 respectively. All the parcels are currently developed with commercial and some with residential uses, although two of the larger CR-S properties are develop at an FAR of .26 (Chase Bank) and .41 (Rite Aid). The CR-S zoned properties are approximately 3.15 acres and the C-2 zoned properties are approximately 3.43 acres for a total area of 6.58 acres. This area is substantially smaller than the Smoky Hollow Specific Plan area of 95.5 acres.

Staff recommends including these areas in the parking in-lieu fee area for the following reasons:

a) These properties are immediately adjacent to the Downtown Specific Plan and the Smoky Hollow Specific Plan, two areas that will have parking in-lieu fees in place. As a result, these properties will be at a disadvantage when it comes to opportunities to improve/expand primarily due to parking constraints. The properties in the CR-S zone in particular cannot be developed near the permitted FAR, because of the parking requirements. Offering the in-lieu fee option there will give them the same opportunity
as the Downtown and Smoky Hollow areas where the FAR limits will be about the same.
b) The draft Specific Plan anticipates development of additional street parking in the Smoky Hollow area on Standard, Eucalyptus, and Sheldon Street. The commercial properties mentioned above will benefit from this additional parking. Therefore, it is fair to include them in the proposed parking in-lieu fee area, so they can contribute toward the development of public parking.
c) The parking in-lieu fee option may allow property owners in this area to improve and/or develop their properties, which has benefits for the City in terms of economic activity and tax revenue.

General Plan and Zoning Consistency

Consistency with the El Segundo General Plan. ESMC Section 15-1-1 (Purpose, Title) states that Title 15 is the primary tool for implementation of the goals, objectives, and policies of the El Segundo General Plan. Accordingly, the Planning Commission found that the Zone Text Amendment is consistent with those goals, objectives, and policies.

Consistency with the El Segundo Municipal Code. Pursuant to ESMC Title 15, Chapter 26 (Amendments), in order to recommend City Council approval of the proposed amendments, the Planning Commission found that the amendments are necessary to carry out the general purpose of ESMC Title 15. The purpose of this Title (ESMC Section 15-1-1) is to serve the public health, safety, and general welfare and to provide economic and social advantages resulting from an orderly planned use of land resources.

Environmental assessment

The zone text amendment and proposed fee is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code§§ 21000, et seq., "CEQA") and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.). Further, the adoption of the zone text amendment and fee is also exempt from review under CEQA pursuant to CEQA Guidelines § 15061(b)(3) because it is for general policies and procedure-making. It does not authorize any new development entitlements, but simply establishes policies and procedures for meeting the City's off-street parking regulations. Any proposed project that will utilize the changes set forth in this Resolution will be subject to CEQA review as part of the entitlement review of the project. The proposed zone text amendment and fee will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

Conclusion and Recommendation.

The parking in-lieu fee program will provide a solution to two important parking related constraints in Smoky Hollow—limited parking supply and the difficulty in improving properties while at the same time meeting the City's parking requirements. Accordingly, Staff recommends the City Council introduce the ordinance which would amend the ESMC to:

a) allow the payment of parking in-lieu fees for the purpose of meeting the ESMC off-street parking requirements;
b) designate a parking in-lieu fee area encompassing the Smoky Hollow Specific Plan and certain adjacent, commercially zoned, properties; and
c) allow for alternative timing of payment to be established by City Council resolution.
In addition, staff recommends that the City Council adopt the proposed resolution establishing a parking in-lieu fee of $28,000 per parking space and allowing a property owner to pay the in-lieu fees with a payment plan.
ORDINANCE NO. ___

AN ORDINANCE APPROVING ENVIRONMENTAL ASSESSMENT NO. EA-1198 AND AMENDING TITLE 15 OF THE EL SEGUNDO MUNICIPAL CODE TO ESTABLISH A PARKING IN-LIEU FEE PROGRAM FOR THE SMOKY HOLLOW SPECIFIC PLAN AREA

(Zone Text Amendment ZTA 17-06)

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

SECTION 1: The Council finds and declares as follows:

A. Under the California Constitution, the City of El Segundo has broad authority, under its general police power, to regulate the development and use of real property within its jurisdiction to promote the public welfare (Cal. Const. art. XI, § 7);

B. As part of its police power, the City may adopt development fees of general applicability, provided that the fee bears a reasonable relationship to the impacts of the development project (Cal. Building Industry Assoc. v. City of San Jose (2015) 61 Cal.4th 453; Gov. Code § 66001);

C. On July 13, 2017, the City initiated the process to amend the El Segundo Municipal Code (ESMC) to create a parking in-lieu fee program for the Smoky Hollow Specific Plan area. The program’s intent is to allow the payment of a fee as an alternative method of meeting the City’s parking requirements for private development, to encourage such development within the plan area;

D. The City reviewed the project’s environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., “CEQA”), and the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the “CEQA Guidelines”);

E. On June 14, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the application including information provided to the Planning Commission by city staff; and, continued the public hearing to its June 28, 2018 meeting;

F. On June 28, 2018, the Planning Commission completed the public hearing regarding the application and adopted Resolution No. 2827 recommending that the City Council approve the proposed project;

G. On August 21, 2018, the City Council held a public hearing and considered the information provided by City staff and public testimony regarding this ordinance; and
H. This ordinance and its findings are made based upon the entire administrative record including testimony and evidence presented to the City Council at its August 21, 2018, hearing and the staff report.

SECTION 2: General Plan Findings. As required under Government Code Section 65860, the ESMC amendments in this ordinance are consistent with the El Segundo General Plan as follows:

A. This ordinance is consistent with Objective LU1-3 of the General Plan Land Use Element in that it permits the continued operation and orderly conversion of existing uses, by providing an alternative method of meeting the City’s parking requirements.

B. This ordinance is consistent with Objective LU4-3 of the General Plan in that it facilitates development of new office and research and development (R&D) uses. The ordinance does so by allowing the conversion of older warehouses to office and R&D uses without having to provide additional parking spaces onsite.

C. This ordinance is consistent with Goal LU7 to provide the highest quality public facilities, service, and public infrastructure possible to the community. The parking in-lieu fee program will provide funding for public parking for the Smoky Hollow area of the City.

D. This ordinance is consistent with Goal ED2 of the Economic Development Element to provide a supportive and economically profitable environment as the foundation of a strong local business community. This ordinance does so by investing in shared parking infrastructure which encourages commercial and industrial development.

E. This ordinance is consistent with Objective C3-2 of the Circulation Element in that it considers the impacts of land use decisions on the City’s parking situation. The parking in-lieu fee program will help ensure adequate shared parking is provided for new development in the Smoky Hollow Specific Plan area. This ordinance takes into consideration the anticipated amount of new development in the draft Smoky Hollow Specific Plan, which is approximately 517,000 square feet. This ordinance also takes into account and will help address the shortage of parking in the Specific Plan area currently, which is estimated to be approximately 2,200 spaces.

F. Considering all of its aspects, this ordinance furthers the objectives and policies of the general plan and will not obstruct their attainment.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), this ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:
A. This ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. This ordinance is necessary to facilitate the development process and ensure the orderly development of buildings and the location of uses in the City. The intent of this ordinance is to establish a parking in-lieu fee program allowing the payment of a fee in order for new development to meet the City’s off-street parking requirements, and to develop shared public parking facilities to meet the parking demand for private development. This program will facilitate and expedite the development process and provide economic and social benefits resulting from the orderly planned use of land resources.

SECTION 4: Environmental Assessment. The zone text amendment and proposed fee is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because it is for general policies and procedure-making. It does not authorize any new development entitlements, but simply establishes policies and procedures for allowing the previously approved project to be constructed. Any proposed project that will utilize the changes set forth in this Resolution will be subject to CEQA review as part of the entitlement review of the project. The zone text amendment and fee will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

SECTION 5: ESMC Section 15-15-6 (Required Parking Spaces), Subsection D (Parking of Licensed Recreation Vehicles and Habitable Vehicles) is deleted and replaced as follows:

D. Parking Of Licensed Recreational Vehicles And Habitable Vehicles:

1. Parking of any mobile home, camper, house trailer or other habitable vehicle outside of an authorized mobile home park or licensed recreational vehicle parking facility is prohibited except that such vehicles may be parked on any public property or right of way subject to any applicable parking restrictions of this code, or on any developed residential lot as long as the vehicle, if parked in a front yard, is parked on a nonporous surface pad adequate to accommodate the parked vehicle.

2. A habitable vehicle parked on private property may be occupied for residential purposes for no longer than seventy-two (72) hours (outside of an authorized mobile home park) within any thirty (30) day period. No habitable vehicle may be occupied for commercial purposes except as otherwise provided by this code.

D. Parking in-lieu fees.

Notwithstanding any provision of this Code to the contrary, the City Council may designate certain areas within the City where, in lieu of providing the number of on-site parking spaces required by this
chapter or applicable specific plan, such requirement may be satisfied by paying a parking in-lieu fee in an amount set by City Council resolution. Designated parking in-lieu fee areas and the process for payment of parking in-lieu fees are described in Chapter 15-27B of this code.

SECTION 6: ESMC Chapter 15-15 is amended to add a new section (Section 15-15-8, Parking of Licensed Recreation Vehicles and Habitable Vehicles) as follows:

15-15-8 Parking of Licensed Recreational Vehicles and Habitable Vehicles:

1. Parking of any mobile home, camper, house trailer or other habitable vehicle outside of an authorized mobile home park or licensed recreational vehicle parking facility is prohibited except that such vehicles may be parked on any public property or right of way subject to any applicable parking restrictions of this code, or on any developed residential lot as long as the vehicle, if parked in a front yard, is parked on a nonporous surface pad adequate to accommodate the parked vehicle.

2. A habitable vehicle parked on private property may be occupied for residential purposes for no longer than 72 hours (outside of an authorized mobile home park) within any 30 day period. No habitable vehicle may be occupied for commercial purposes except as otherwise provided by this code.

SECTION 7: A new ESMC Chapter 15-29 is added to read as follows:

CHAPTER 29

PARKING IN-LIEU FEES

15-29-1: PURPOSE

This chapter establishes fees in lieu of providing on-site parking spaces within designated parking in-lieu fee areas.

15-29-2: PARKING IN-LIEU FEE AREAS.

Any property owner of a property located within the area enclosed by a bold dashed line on the parking in-lieu fee area map may pay parking in-lieu fees as established by the City Council, in lieu of providing required on-site parking spaces as outlined in Section 15-15-6 of this code or applicable Specific Plans.

Parking in-lieu fee area
15-29-3: PAYMENT.

A. Timing of payment.

The parking in-lieu fee must be paid before the City issues a Certificate of Occupancy for the project or formally approves the project when such project does not require a Certificate of Occupancy. In addition, the parking in-lieu fee may be paid over a period of time, as approved by City Council resolution.

B. Use of funds.

Funds collected by the City from such payments must be deposited in a separate fund and may not be commingled with any other City fund. Monies from the in-lieu fund may only be used for acquiring, developing and maintaining additional on-street and off-street parking and parking facilities within or adjacent to the area where they are collected. Funds paid to the City for in-lieu parking are non-refundable.

C. Written agreement/contract required.
Notwithstanding any other provision of this Chapter, payment of the parking in-lieu fee must be provided by means of a written contract with the City. The contract must meet requirements identified by City Council resolution and approved as to form by the City Attorney.

15-29-4. NO VESTED RIGHTS.

Payment of a parking in-lieu fee does not provide or vest any property owner with a special right, privilege or interest of any kind in any parking facility that may result from the payment of the fee. The City retains sole discretion to decide when and how the fees will be spent in accordance with this chapter. The City retains sole discretion to determine where and when it will build parking, and the City is under no obligation to, and makes no such representation that it will, build parking in a location near the fee payer's property or that is advantageous to the fee payer.

15-278-5 DIRECTOR APPROVAL REQUIRED.

Requests to pay parking in-lieu fees for more than 50% of the required parking spaces for a property or project as outlined in Section 15-15-6 of this code or applicable Specific Plans must be approved by the Director at his or her discretion. The Director must consider potential impacts to the surrounding area when deciding whether to approve such a request. The Director's decision may be appealed to the Planning Commission pursuant to Section 15-25-2 of this Code.

SECTION 8: CONSTRUCTION. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 9: ENFORCEABILITY. Repeal of any provision of the ESMC does 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 10: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 11: 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 12: 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 15 days after the passage and adoption of this Ordinance, cause a summary thereof to be published or posted in accordance with California law.

SECTION 13: This Ordinance will go into effect and be in full force and effect on the thirty-first day after its passage and adoption.

PASSED AND ADOPTED this ___ day of ____________, 2018.

____________________________
Drew Boyles, Mayor

APPROVED AS TO FORM:

____________________________
Mark D. Hensley, City Attorney

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. ____ was duly introduced by said City Council at a regular meeting held on the ___ day of ____________, 2018, 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 __ day of ____________, 2018, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____________________________
Tracy Weaver, City Clerk
RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO ESTABLISHING A PARKING IN-LIEU FEE AND PROCEDURES FOR PAYMENT OF SUCH FEE

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

SECTION 1: The City Council does hereby finds and declares that:

A. On July 13, 2017, the City initiated the process to amend the El Segundo Municipal Code (ESMC) to create a parking in-lieu fee program for the Smoky Hollow Specific Plan area. The program intent is to allow the payment of a fee as an alternative method of meeting the City's parking requirements for private development and to provide additional shared public parking on-street and off-street in public parking structures;

B. The proposed parking in-lieu fee program will generate funds to pay for construction of additional shared public parking spaces on-street or off-street in parking facilities to meet the parking demand of new private development;

C. A report prepared by KOA Corporation, dated September 20, 2016, studied the feasibility of providing additional street parking in Smoky Hollow. The report is attached as Exhibit A, and incorporated into this Resolution by reference;

D. A further study prepared by KOA Corporation, dated June 12, 2018, estimated the cost of providing up to 159 additional street parking spaces and determined that cost to be $27,642.64 per space. The estimated costs are attached as Exhibit B, and incorporated into this Resolution by reference;

E. 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);

F. The City Council of the City of El Segundo held a duly noticed public hearing on August 21, 2018, to review and consider the staff report prepared for the project, receive public testimony, and review all correspondence received on the project; and,

G. This Resolution, and its findings, are made, in part, based upon the evidence presented to the City Council at its August 21, 2018 public hearing including, the staff report submitted by the Planning and Building Safety Department.
SECTION 2: Parking In-lieu Fee Amount. The amount of parking in-lieu fee for the Parking In-lieu Fee Area established in ESMC Chapter 15-27B is $28,000 per parking space.

SECTION 3: Timing of Payment. Except as provided in paragraph C, the property owner may choose at the owner’s discretion between the following two options:

A. Parking in-lieu fee must be paid in full before the City issues a Certificate of Occupancy or provides formal approval of a project that does not require a Certificate of Occupancy.

B. Alternatively, a property owner may pay a down payment of at least 50% of the full amount before the City issues a Certificate of Occupancy or provides formal approval of a project that does not require a Certificate of Occupancy, provided the property owner enters into a written repayment agreement with the City to pay the remaining amount. The remaining balance must be paid over a period of time not to exceed 10 years from the date the City issues a Final Certificate of Occupancy, with annual payments of at least $1,400 per parking space. The property owner must execute and record: (i) a promissory note in favor of the City; (ii) a deed of trust in favor of the City to secure the promissory note; (iii) a covenant against the real property; and (iv) any other document required by the City Manager, upon recommendation by the City Attorney.

C. Notwithstanding the foregoing, when a property owner proposes to pay an in-lieu fee for more than 50% of the required parking for the property, then the in-lieu fee amount must be paid in full before the City issues a Certificate of Occupancy or provides formal approval of a project that does not require a Certificate of Occupancy.

SECTION 4: Authorization. The City Manager or designee is authorized to take any actions necessary to effectuate this resolution, including but not limited to, promulgation of administrative policies and procedures.

SECTION 5: Environmental Assessment. The proposed zone text amendment and establishment of the in-lieu fee program is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because it is for general policies and procedure-making. It does not authorize any new development entitlements, but simply establishes policies and procedures for allowing the previously approved project to be constructed. Any proposed project that will utilize the changes set forth in this Resolution will be subject to CEQA review as part of the entitlement review of the project. The proposed zone text amendment and fee will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

SECTION 6: Reliance On Record. Each and every one of the findings and determination in this Resolution 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 7: 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 lack of 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 8: 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 9: This Resolution will remain effective until superseded by a subsequent resolution.
SECTION 10: This Resolution is the City Council’s final decision and will become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED this ___ day of ________, 2018.

___________________________________
Drew Boyles, 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 Resolution No. _____ 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 ___ day of ________ 2018, 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
This document provides a summary of the conceptual parking design exercises conducted by KOA as part the overall traffic and parking analysis and design efforts for the Smoky Hollow Specific Plan in the City of El Segundo.

**Overview**

KOA provided engineering design services to the Specific Plan team, to find feasible methods to add public parking through potential roadway and on-street parking reconfigurations and through potential new off-street centralized parking structures.

During the early stages of the conceptual design process, it was determined that the use of one-way traffic flow on minor north-south roadways (leaving larger collector and arterial roadways to operate with traditional two-way traffic flow) could be applied with diagonal parking configurations on one side of the street to increase on-street parking capacity. It was also determined that back-in or reverse parking would be beneficial to the Specific Plan area, in that it provides drivers exiting parking spaces a better view of bicyclists and vehicles in the roadway.

A reconfiguration of El Segundo Boulevard was considered, to provide on-street parking along the north curb of that roadway. This reconfiguration was considered for the overall extents between Standard Street on the west and Kansas Street on the east.

The total estimated on-street increase in parking supply for north-south roadways was 85 spaces, and for El Segundo Boulevard was 101 spaces. In addition, KOA reviewed two potential locations, located at the northeast and northwest corners of the Maryland Street/Franklin Avenue intersection, to assess potential off-street parking spaces that could be provided. These locations could support parking structures with 548 spaces and 363 spaces, respectively.

**Design Efforts and Findings**

**On-Street Supply Increases – North-South Roadways**

Within the Specific Plan area, conceptual designs were created for north-south roadways to provide both one-way traffic flow and diagonal back-in on-street parking spaces. Locations of driveways were considered, but with potential land use changes within the Specific Plan area, it was assumed that approximately 15 percent of the driveways might be closed due to site redevelopment and reconfigurations of access that focused more on rear-
alley access. The one-way flow configuration for a northbound or southbound pattern on each analyzed segment was optimized based on the best increase in parking supply due to driveway locations on the west curb and the east curb. A concept for Arena Street was completed, but it was determined that no net increase in parking would result – this roadway was therefore excluded from the analysis.

Table 1 provides a summary of the estimated on-street parking capacity increases that could result if such reconfigurations were implemented within the Specific Plan area. The total estimated parking supply increase is 85 spaces, which is a total supply increase of 26 percent over existing general parallel space configurations.

The conceptual designs for these roadways are provided in Attachment A.

**TABLE I – ESTIMATED PARKING SUPPLY INCREASES ON NORTH-SOUTH ROADWAYS, WITH POTENTIAL RECONFIGURATIONS**

<table>
<thead>
<tr>
<th>Segment Location</th>
<th>Existing Parallel Parking Capacity</th>
<th>Potential Diagonal Parking Capacity</th>
<th>Increase in Parking Spaces</th>
<th>Percentage Increase in Parking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Street</td>
<td>22</td>
<td>23</td>
<td>1</td>
<td>5%</td>
</tr>
<tr>
<td>Eucalyptus Street</td>
<td>27</td>
<td>36</td>
<td>9</td>
<td>33%</td>
</tr>
<tr>
<td>Sheldon Street</td>
<td>16</td>
<td>20</td>
<td>4</td>
<td>25%</td>
</tr>
<tr>
<td>Penn Street</td>
<td>19</td>
<td>23</td>
<td>4</td>
<td>21%</td>
</tr>
<tr>
<td>Sierra Street</td>
<td>18</td>
<td>22</td>
<td>4</td>
<td>22%</td>
</tr>
<tr>
<td>Lomita Street</td>
<td>22</td>
<td>24</td>
<td>2</td>
<td>9%</td>
</tr>
<tr>
<td>Maryland Street</td>
<td>25</td>
<td>31</td>
<td>6</td>
<td>24%</td>
</tr>
<tr>
<td>Center St (north)</td>
<td>26</td>
<td>36</td>
<td>10</td>
<td>39%</td>
</tr>
<tr>
<td>Center St (south)</td>
<td>17</td>
<td>24</td>
<td>7</td>
<td>41%</td>
</tr>
<tr>
<td>Nevada St (north)</td>
<td>23</td>
<td>28</td>
<td>5</td>
<td>22%</td>
</tr>
<tr>
<td>Nevada St (south)</td>
<td>21</td>
<td>32</td>
<td>11</td>
<td>52%</td>
</tr>
<tr>
<td>Oregon St (north)</td>
<td>20</td>
<td>26</td>
<td>6</td>
<td>30%</td>
</tr>
<tr>
<td>Oregon St (south)</td>
<td>26</td>
<td>34</td>
<td>8</td>
<td>31%</td>
</tr>
<tr>
<td>California Street</td>
<td>28</td>
<td>36</td>
<td>8</td>
<td>29%</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>310</strong></td>
<td><strong>395</strong></td>
<td><strong>85</strong></td>
<td><strong>27%</strong></td>
</tr>
</tbody>
</table>

**On-Street Supply Increases – El Segundo Boulevard**

The four-lane roadway of El Segundo Boulevard would be restriped within specific extents in the Specific Plan area under this concept to provide two travel lanes, a center two-way left-turn lane, and a north-curb permitted parallel parking area. The concept of this reconfiguration was not considered for areas outside of these extents, in order to not affect intersection capacity at the Main Street/El Segundo Boulevard intersection and to also not affect intersection capacity at the Illinois Street/El Segundo Boulevard and Sepulveda Boulevard/El Segundo Boulevard intersections.

This potential roadway configuration with added permitted parking would add 101 parking spaces to the area supply.
The example conceptual design for one segment of this roadway is provided in Attachment B.

**Roadway Network Circulation Pattern**

With the potential reconfigurations of the north-south roadways within the Specific Plan area, and the optimization of the related parking supply increases based on the best configuration at each location, using either northbound or southbound traffic flow, the one-way traffic flow will not necessarily alternate for each subsequent roadway.

However, an analysis of the total traffic flow pattern indicated that there would not be a repeat of the same traffic flow direction for more than two consecutive north-south roadways. Reconfigured roadway designs would need to be in compliance with one-way and do-not-enter signage requirements.

The one-way roadway flow pattern for these north-south roadways is illustrated on the figure within Attachment C.

**Off-Street Supply Increases**

Two potential parking structure locations were examined by KOA, for potential parking supplies that could be provided within the potentially available footprints. The parking structure height, used to determine the potential number of parking levels that could be provided, was assumed not to exceed 35 to 40 feet. Bottom floor height was considered to be 10 feet, with each upper level at nine feet and a two-foot allowance for slab and equipment on each level. A four-story structure under these assumptions would potentially be approximately 34 feet in height, although tops of elevator shafts and lighting standards would be higher. Also with sloped parking levels, the height could be higher as well at one end of the structure.

The potential parking structure locations were determined by the project team to be potentially located on either side of Maryland Street, directly north of Franklin Street. For the northeasterly potential site, an oil derrick exists within the northern portion of the site, and therefore a surface lot with proper spacing from that element was provided. A parking structure was conceptually designed for the south side of that parcel.

The conceptual design exercise indicated that the northeast site could potentially provide 548 spaces, and the northwest site could potentially provide 363 spaces. These numbers have not been adjusted for existing private parking spaces on these parcels that would be provided, likely through covenants, to continue to provide those off-street supplies within the parking structures.

The northeast site does not appear to have any existing parking. There is an existing oil derrick on the site, however. A 50-foot buffer is provided around the derrick where no structures would be constructed. Surface parking would be located within the buffer area. On the northwest site, estimated parking spaces total 130, for a net gain of 233 spaces with the structure.

The conceptual design for the two potential alternate parking structure locations are provided in Attachment D.
ATTACHMENT A -
CONCEPTUAL PARKING DESIGNS, NORTH-SOUTH ROADWAYS
CONCEPTUAL LAYOUT
NO SCALE

TYPICAL 60° REVERSE PARKING STALL
NO SCALE

TYPICAL SECTION C [60'-0" ROW]
60° REVERSE PARKING ANGLE
36 PARKING SPACES / 27 PARALLEL PARKING SPACES
CONCEPTUAL LAYOUT
NO SCALE

TYPICAL 60° REVERSE PARKING STALL
NO SCALE

TYPICAL SECTION B [50'-0" ROW]
60° REVERSE PARKING ANGLE
22 PARKING SPACES / 18 PARALLEL PARKING SPACES
CONCEPTUAL LAYOUT
NO SCALE

TYPICAL 60° REVERSE PARKING STALL
NO SCALE

TYPICAL SECTION B (50'-0" ROW)
60° REVERSE PARKING ANGLE
52 PARKING SPACES / 21 PARALLEL PARKING SPACES
TYPICAL SECTION B 150'-0" ROW
PARALLEL PARKING
4 PARKING SPACES

CONCEPTUAL LAYOUT
NO SCALE
ATTACHMENT D -
CONCEPTUAL PARKING DESIGNS, PARKING STRUCTURES
PARKING STRUCTURE CONCEPTUAL LAYOUT
NORTH EAST CORNER OF FRANKLIN AVE AND MARYLAND ST.
## RESOLUTION NO. 2017-04 EXHIBIT B
ON-STREET PARKING CONSTRUCTION COST ESTIMATES BY KOA CORPORATION

### El Segundo Smoky Hollow - On-Street Parking Improvement Costs Breakdown by Scenario

#### DISTRICT WIDE STRIPED PARKING

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>CONSTRUCTION TYPE</th>
<th>IMPACT</th>
<th>COST ($)</th>
<th>TOTAL COST ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td></td>
<td></td>
<td></td>
<td>$1,391,540.00</td>
</tr>
</tbody>
</table>

Costs per Space: $12,276.35

Number of Spaces: 159

#### PER ROADWAY - STRIPED PARKING WITH STREET IMPROVEMENTS

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>CONSTRUCTION TYPE</th>
<th>IMPACT</th>
<th>COST ($)</th>
<th>TOTAL COST ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$207,509.00</td>
</tr>
</tbody>
</table>

Costs per Space: $27,642.64

Number of Spaces: 159

### PER ROADWAY - STRIPED PARKING ONLY

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>CONSTRUCTION TYPE</th>
<th>IMPACT</th>
<th>COST ($)</th>
<th>TOTAL COST ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$27,642.64</td>
</tr>
</tbody>
</table>

Costs per Space: $27,642.64

Number of Spaces: 159

---

6/12/18
SUMMARY REPORT: SMOKY HOLLOW DEMAND/PRICING FOR ADDITIONAL PARKING

Prepared for:
City of El Segundo, California

October 21, 2016

SUBMITTED BY:
THE NATELSON DALE GROUP, INC.
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O: 714.692.9596 • F: 714.692.9597 • www.natelsondale.com
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Introduction

In conjunction with a current planning study for Smoky Hollow, The Natelson Dale Group, Inc. (TNDG) reviewed a previous study, by RSG, addressing various aspects of the economics of parking in the area.¹ The intent of TNDG’s review was to update development conditions in this dynamic market area and consider the potential for decreasing the cost of in-lieu parking fees that the City might apply to new projects, including those with increasing intensity of commercial use. For this assignment TNDG also referred to the Smoky Hollow Specific Plan Update: Background Report prepared by MIG and others, along with other material supplied by MIG, and a draft memorandum on parking prepared by KOA Corporation.²

Executive Summary

Future parking demand. There are two components that primarily drive the demand for increased parking spaces for employment-generating uses:

1. Conversion of existing space from less to more employment-intensive uses
2. Redevelopment of properties in a manner that adds to the square footage

Based on four alternative future development patterns prepared by MIG, total parking required at buildout could range from 5,875 to 10,812 units. The study prepared by RSG stated that City staff had estimated that there were approximately 1,950 on-site parking spaces in Smoky Hollow (as of October 2013). If this number is accurate (and neither TNDG nor MIG have independently confirmed this figure), the net required parking under the MIG alternatives would range from approximately 3,900 to 8,900.

Based on both recent development activity in the City and emerging trends in office and creative space markets throughout the Los Angeles area, demand for property in Smoky Hollow, and consequently the need for new parking, could remain strong for the foreseeable future.

Additions to the supply of parking spaces. The KOA parking analysis identified means by which on-street parking spaces could be expanded based on the reconfiguration of angled parking along one-way streets running both North and South, as well as the addition of a parking lane along El Segundo Boulevard. KOA identified the potential for an additional 186 on-street parking spaces, based on these roadway reconfigurations.

If development proceeds at the average rate for 2007 to 2015, these 186 additional spaces identified by KOA would forestall the need to generate additional parking for approximately 3 years. If development proceeds at 2013 levels, the additional street parking would supply demand for less than one year.

¹ October 31, 2013 memo to the City of El Segundo from RSG, Subject: Draft Smoky Hollow Parking Opportunities.
These estimates assume that the additional on-street parking would be appropriately located for expanding businesses.

**Cost of parking spaces.** TNDG reviewed current land price and property lease rates data, construction estimates prepared by RSG, operational cost data for parking garages, and parking space lease rates to analyze the cost of providing parking. **TNDG’s analysis shows that an upfront cash payment of $37,090 per space, or an annual payment of $2,277 per space, would fully compensate the City for building and operating a garage space,** based on a 30-year amortization period, provided that revenues for the space are obtainable as estimated. At the end of the 30-year period, factors such as building depreciation, operating costs, and available rents would need to be reviewed to reassess appropriate ongoing costs for any particular space.

TNDG also reviewed the effects of incurring these parking costs on building rents, and found that rents for industrial properties in El Segundo are such that increased rents available with more intensive uses, such as office space, would more than make up for the cost of providing the required parking at the estimated cost levels.

**Other considerations.** TNDG reviewed literature related to alternative models for accommodating building owners’/developers’ added parking needs, and future conditions that could materially affect the need for parking, such as autonomous vehicles and various alternative modes of transportation. TNDG recommends that these alternatives be considered in the light of rapidly developing trends in transportation and lifestyles, as a way of mitigating the risk of oversupplying parking in the future.

**Future parking demand**

Focusing solely on employment-generating uses, two components primarily drive the demand for increased parking spaces:

1. Conversion of existing space from less to more employment-intensive uses
2. Redevelopment of properties in a manner that adds to the square footage

Both of these components can be in effect on any one property.

The City, working with MIG, is exploring multiple development scenarios for the Smoky Hollow district. **Concept A focuses on the inherent economic value and benefit in refining an image associated with adaptive reuse of existing buildings. To that end, no changes to allowable FAR are proposed. The result is that no new building square footage beyond what is currently permitted would be built, but the ongoing shift in uses to more office-oriented uses as the majority use would be allowed. Concept B removes the FAR limit throughout the district. Existing building height limits would apply. Concept C combines elements of both Concept A and Concept B. FARs would be removed on the east side of the district (in the existing Medium Manufacturing zone), and would remain at 0.6 on the west side (Small Business Zone). Concept D increases the FAR throughout the district, from the existing 0.6 to 1.0.**
Incorporating projections of building area associated with each concept and supplied by MIG, Table 1 explores the parking-demand implications of theoretical patterns of development under which building area and parking demand could increase.

Table 1 shows the four concepts, Concepts A, B, C, and D, noting the total square footage resulting from these development patterns. Parking ratios are then applied to land use categories to obtain the total number of accumulated parking spaces that would be required based upon the land use allocation and overall development activity within the four conceptual development scenarios. The following parking ratios have been applied to this analysis:

- General Office, new – 1 Space per 350 Square Feet of Building Area
- Industrial, new – 1 Space per 500 Square Feet of Building Area
- Retail, new – 1 space per 300 Square Feet of Building Area

The study prepared by RSG stated that City staff had estimated that there were approximately 1,950 on-site parking spaces in Smoky Hollow (as of October 2013). This number (which neither TNDG nor MIG have independently confirmed) is applied to the parking demand total to derive an estimate of net new parking required under each Concept.

These numbers reflect estimates of new parking demand based on MIG’s projected changes in land use. They are not intended to address any existing parking deficiencies, for which we do not have sufficient data.

**TABLE 1: PARKING REQUIRED UNDER MIG ALTERNATIVE BUILD-OUT CONCEPTS**

<table>
<thead>
<tr>
<th>Projected Land Use Distribution (Square Feet)</th>
<th>Concept A</th>
<th>Concept B</th>
<th>Concept C</th>
<th>Concept D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>1,085,625</td>
<td>3,005,460</td>
<td>2,659,089</td>
<td>2,387,610</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,348,461</td>
<td>839,730</td>
<td>851,994</td>
<td>767,042</td>
</tr>
<tr>
<td>Commercial</td>
<td>22,855</td>
<td>163,885</td>
<td>142,103</td>
<td>127,541</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,456,942</td>
<td>4,009,075</td>
<td>3,653,186</td>
<td>3,282,193</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Parking Required</th>
<th>Required Parking (Building SF/Parking Space)</th>
<th>Concept A</th>
<th>Concept B</th>
<th>Concept C</th>
<th>Concept D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td></td>
<td>350</td>
<td>3,102</td>
<td>8,587</td>
<td>7,597</td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td>500</td>
<td>2,697</td>
<td>1,679</td>
<td>1,704</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td>300</td>
<td>76</td>
<td>546</td>
<td>474</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>5,875</td>
<td>10,812</td>
<td>9,775</td>
<td>8,781</td>
</tr>
<tr>
<td>Assumed Existing Supply</td>
<td></td>
<td>1,950</td>
<td>1,950</td>
<td>1,950</td>
<td>1,950</td>
</tr>
<tr>
<td>Net New Parking Required</td>
<td></td>
<td>3,925</td>
<td>8,862</td>
<td>7,825</td>
<td>6,831</td>
</tr>
</tbody>
</table>

1. Parking ratios reflect a blended rate based on the City of El Segundo’s current (2016) requirements.

The table shows that demand for new parking could range from 3,925 to 8,862 net new spaces, for the three different concepts. There are reasons to believe that the demand for property in Smoky Hollow could remain strong for the foreseeable future. Table 2 summarizes development activity for Smoky Hollow since 2007, from data provided by the City of El Segundo. According to the table, 198,070 square
feet (SF) of projects were built, or converted from (mostly) industrial space to office or creative use, from 2007 through 2015, or an average of 22,008 SF per year. However, 41% of this activity occurred in 2013 (81,963 SF), so a 20-year period of development at that rate would equate to 1.64 million SF, and a requirement for an estimated 4,684 parking spaces (using a weighted average square foot per parking space figure based on the historic mix of new creative and office space from the table). If development occurred at the average rate for the 2007-2015 period, an additional 1,258 parking spaces would be required over 20 years.

### Table 2. Summary of Recent Smoky Hollow Project Activity

<table>
<thead>
<tr>
<th>Period/Space Type</th>
<th>Creative</th>
<th>Office (net of exist.)</th>
<th>R &amp; D or other</th>
<th>Sum of hi-parking demand space</th>
<th>Estimated parking required, @:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum of years 2007-2015</td>
<td>73,428</td>
<td>100,620</td>
<td>24,022</td>
<td>198,070</td>
<td>350</td>
</tr>
<tr>
<td>Avg. per year 2007-2015</td>
<td>22,008</td>
<td></td>
<td></td>
<td></td>
<td>63</td>
</tr>
<tr>
<td>Peak year (2013) figures</td>
<td>81,963</td>
<td></td>
<td></td>
<td></td>
<td>234</td>
</tr>
<tr>
<td>Peak year x 20 years</td>
<td>1,639,260</td>
<td></td>
<td></td>
<td></td>
<td>4,684</td>
</tr>
<tr>
<td>Average of 2007-2015 x 20 years</td>
<td>440,156</td>
<td></td>
<td></td>
<td></td>
<td>1,258</td>
</tr>
</tbody>
</table>

Another trend complicates the challenge of estimating future demand for creative space in Smoky Hollow. According to CBRE, preferences are changing for the types of space desired by office tenants, in which “creative” space is becoming increasingly desired by many office users, not just those in traditional creative industries. A 2016 report by CBRE, *Los Angeles Creative Space*, stated that, “in the next five years, creative space will be synonymous with office space.” This observation is relevant to Smoky Hollow in at least two ways:

1. Office space in the Los Angeles area (and for the most part throughout the country as well) has been in a state of excess supply and relatively low rents for many years. If existing traditional office space cannot be reconfigured to what tenants perceive as “creative space,” it could remain unused, which means that current excess capacity in office space may remain unabsorbed, and consequently exert little influence on the office market.

2. This preference shift for creative space, especially within a market area as large as Los Angeles, has the potential to greatly accelerate demand for property in Smoky Hollow that possesses the characteristics for adaptation to unique work environments.

Of course, demand for space within any particular geographic area can be tempered by increasing land prices that tend to occur along with evidence of increasing desirability.
Additions to existing parking supply

The KOA parking analysis identified two means by which on-street parking spaces could be expanded:

1. A gain of 85 parking spaces from reconfigured angled parking and one-way streets running North and South.
2. A gain of 101 parking spaces by adding a parking lane to El Segundo Boulevard.

If development proceeds at the average rate for 2007 to 2015, these 186 additional spaces would forestall the need to generate additional parking for approximately 3 years. If development proceeds at 2013 levels, the additional street parking would supply demand for less than one year. These estimates assume that the additional on-street parking would be appropriately located for expanding businesses.

Cost of parking

The cost of parking spaces is affected by land cost, surface or structure development costs, and long-term maintenance costs, and the extent to which such costs can be offset by collecting rental fees for use of the spaces. The RSG study demonstrated that unit costs for a surface parking lot in El Segundo are higher than the cost for structured parking, which is a result of land costs being greater than the cost to, in effect, "build" additional land by means of a parking structure.

For this report, TNDG reviewed current land price and property lease rates data, construction estimates prepared by RSG, operational cost data for parking garages, and parking space lease rates. The results of this review are shown below:

- **Land prices.** Obtaining information about commercial land sales in El Segundo and the surrounding region is particularly challenging because of the limited supply of vacant land, which means that many property transactions involve property with some improvements, even though the buyer’s intent is to secure the land underneath. TNDG compiled what we believe to be usable data on 11 property listings and three recent sales in the El Segundo area, only three of which (one listing and two sales) are actually in El Segundo. Weighted average land prices for El Segundo and communities in the surrounding area (including Redondo Beach, Culver City, Redondo Beach, Playa Del Ray, Venice, Westchester and Torrance) were $231 and $331 per square foot, respectively. Based on these figures, land prices in El Segundo were approximately 70% of those of the surrounding communities from which land price information was obtained. Because of the general scarcity of data, and the limitations of the scope of work for this project, these figures should be understood to be useful for providing general guidance, but fall well short of true appraisal-level figures. For purposes of this analysis, the figure of $250 per square foot was used as part of the estimate of developing a parking garage, up from $119.79 in the RSG study.

- **Property lease rates.** TNDG compiled lease rate information for 19 properties in El Segundo and eight properties in the surrounding area, including Venice, Marina del Rey, and Mar Vista. According to these figures, the weighted average leasing rate in El Segundo was $4.00 per
square foot, higher than the weighted average figure of $3.53 in the surrounding communities. Again, these figures should be recognized as guidelines only, given the variations in lease terms that make direct comparisons of properties challenging. In general, research into both land prices and leasing rates for property in El Segundo suggest that market conditions in the community are changing relatively rapidly.

- **Construction cost estimates.** Construction cost estimates were left unchanged from the RSG report (except for the land cost portion as described above), along with estimates of financing variables except that long-term inflation is assumed to be 2.0%.

- **Annual operation and maintenance costs for parking structures.** Based on a review of figures in the RSG study and additional investigations, the figure of $725 per space is used in our analyses.

- **Parking space lease rates.** Based on limited data, primarily from studies elsewhere in the Los Angeles Metro area, the rate applied for analysis purposes is $185 per space per month.

Considerations applied in the analysis of parking space costs are summarized below:

- The cost that a property owner or developer would be charged for a parking garage space would fully cover property and development costs along with operation and maintenance costs for 30 years, and be reduced by revenues obtainable for that space over 30 years. Parking revenues would reflect a vacancy rate of 15%. (Note that from the standpoint of the analysis it does not matter whether the City or the developer/owner collects the rent from the parking space.)

- Assuming that the municipality develops the parking garage, an owner/developer would theoretically have two options to participate in the project:

  1. On an upfront cash basis, an owner/developer would pay an amount to cover the actual cost of property and development, plus an amount that annuitizes the long-term operation and maintenance (O&M) cost, less the present value of the stream of revenues from the parking space (at a discount rate equal to the city's assumed cost of borrowing).

  2. If the owner/developer pays an annual assessment for the parking garage in lieu of upfront cash, that amount would be based on the conditions applicable to option one above, except that the land and development cost (as discounted to reflect the stream of revenues) would be subject to financing charges on the same basis that the city borrowed money to build the project.

- An owner/developer buying into the parking garage project subsequent to its initial development would have to cover any financing costs up to that point in time.

The cost model is summarized on Table 3. The table shows that an upfront cash payment of $37,090 per space, or an annual payment of $2,277 per space, would fully compensate the City for a garage space, with a loan amortizing over 30 years, provided that the following conditions are met:
• Property acquisition, project development costs, and 30-year O&M costs do not exceed the amounts assumed in the model.

• Revenues for the space are obtainable over the 30-year term, at levels at least as high as shown in the model.

**TABLE 3. ESTIMATES OF PARKING SPACE COSTS AND OWNER/DEVELOPER BUY-IN**

<table>
<thead>
<tr>
<th>Financing Assumptions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Term of project/loan</td>
<td>30 Years</td>
</tr>
<tr>
<td>Loan interest rate</td>
<td>4.5%</td>
</tr>
<tr>
<td>Long-term inflation</td>
<td>2.0%</td>
</tr>
<tr>
<td>Annuity deposit earning rate</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

**Aboveground parking garage**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition and development cost per space</td>
<td>$61,090</td>
</tr>
<tr>
<td>Annual maintenance cost/pace</td>
<td>$725.00</td>
</tr>
<tr>
<td>Amount required to annuitize the annual maintenance Cost (with cost inflation)</td>
<td>$19,740</td>
</tr>
<tr>
<td>Total gross buy-in price, no deduction for space rent proceeds</td>
<td>$80,831</td>
</tr>
<tr>
<td>Monthly parking space rent</td>
<td>$185.00</td>
</tr>
<tr>
<td>Space occupancy rate</td>
<td>85%</td>
</tr>
<tr>
<td>Annual gross proceeds from space leasing</td>
<td>$1,887</td>
</tr>
<tr>
<td>Present Value of annual proceeds from space leasing, net of O&amp;M cost deductions</td>
<td>$24,001</td>
</tr>
<tr>
<td>Cash-up-front buy-in for owner/developer (deducting net proceeds)</td>
<td>$37,090</td>
</tr>
<tr>
<td>Annual payment, if cash amount financed</td>
<td>$2,277</td>
</tr>
</tbody>
</table>

Source: TNDG; see text.

**Other cities’ programs and charges**

**Review of other cities’ parking programs**

A survey of recent studies and interviews with city staff provided the findings shown on Table 4, with respect to a selected group of cities included in the RSG study:

**TABLE 4. OTHER CITIES’ PARKING PROGRAMS (UPDATED USING SELECTED CITIES FROM PREVIOUS PARKING STUDY)**

<table>
<thead>
<tr>
<th>City</th>
<th>Program Type</th>
<th>New Construction One-Time Fee</th>
<th>Change of Use Annual Fee</th>
<th>Most Recent Year Current Program Fees/Credits Were Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mountain View</td>
<td>In-Lieu</td>
<td>$48,000&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>West Hollywood</td>
<td>Credit</td>
<td>N/A</td>
<td>$397.51&lt;sup&gt;2&lt;/sup&gt;</td>
<td>2016 (Adjusted)</td>
</tr>
<tr>
<td>Glendale</td>
<td>In-Lieu</td>
<td>$25,768.81&lt;sup&gt;3&lt;/sup&gt;</td>
<td>$644.38&lt;sup&gt;3&lt;/sup&gt;</td>
<td>2016 (Adjusted)</td>
</tr>
</tbody>
</table>

Source: TNDG

1. Fee was just increased this year to $48,000 by City Council based on staff response.
2. There is an application fee of $650 and the annual fee paid each year is adjusted using the CPI index. The current annual fee is $397.51.
3. Fee is based on FY 16-17 Fee Schedule approved by City Council.
Notes on Mountain View program:

- In-lieu fees collected by Planning at the development entitlement phase are intended to cover the cost of construction (net new spaces). Operations and maintenance are covered by a parking district fee that is collected from property owners on an annual basis.

- In-Lieu Parking fees for new construction were updated this year. The one-time fee is now $48,000 per required parking space. Note that no spaces are "obtained," as all the parking is public for everybody. In addition, the Precise Plan allows a 50% discount on the fee when tenant spaces are changing use (i.e., no new construction).

Effects on building rents

Using the assumptions applied in the preceding tables (along with those shown in Table 5), Table 5 shows that the cost to produce required parking spaces (the table figures show a per-space analysis) would be equivalent to $0.54 per square foot in space rent per month for the office space and $0.38 per square foot for an industrial use (for purposes of this analysis assumed to be a small-scale research and development (R&D) activity). A review of rents for existing, low-intensity industrial properties (for example manufacturing and warehousing uses) in El Segundo indicates they are most likely to be under $2.00 per square foot per month. The market rate for office properties is approximately $4.00 per square foot per month, and while we do not have sufficient data to estimate rents for industrial space under more-intensive uses such as R&D, and the range of actual use and rents could vary considerably within this category, we are using a figure of $3.00 per square foot for this analysis.

<table>
<thead>
<tr>
<th>Analysis Conditions</th>
<th>Converted/new uses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Office</td>
</tr>
<tr>
<td>One parking space represents square feet (SF) of building</td>
<td>350</td>
</tr>
<tr>
<td>Annual net parking cost/SF of building</td>
<td>$6.51</td>
</tr>
<tr>
<td>Assumed building rental net income factor, @:</td>
<td>90%</td>
</tr>
<tr>
<td>Per SF building annual rental amount to cover net ann. parking cost</td>
<td>$7.23</td>
</tr>
<tr>
<td>Per SF building monthly rental amount to cover net ann. parking cost</td>
<td>$0.54</td>
</tr>
<tr>
<td>Assumed monthly base rent/SF for low-intensity industrial use</td>
<td>$2.00</td>
</tr>
<tr>
<td>Monthly achievable space rents/SF in Smoky Hollow, with adequate parking for uses listed, =</td>
<td>$4.00</td>
</tr>
<tr>
<td>Difference between &quot;starting&quot; rents &amp; full market rents under new use</td>
<td>$2.00</td>
</tr>
<tr>
<td>Difference between &quot;starting&quot; monthly rents and full market rents under new use, after parking costs:</td>
<td>$1.46</td>
</tr>
<tr>
<td>Rent differential on annual basis:</td>
<td>$17.49</td>
</tr>
<tr>
<td>Capitalized value of rent difference (ignoring operational cost factors) at a discount rate of 7%, which represents the dollars/SF available to upgrade space or profit from value enhancement</td>
<td>$250</td>
</tr>
</tbody>
</table>

Source: TNDG.
Using the above assumptions, an owner/developer converting or building space for office or some form of intensified industrial use would, after paying for parking (assuming the monthly payment approach), still realize a substantial value enhancement, as shown in the table bottom line. We estimate that a building owner could invest up to $250 per square foot for office uses and up to $106 per square foot for new industrial uses and fully justify this investment on the basis of the increased rent potential. Since these value enhancements ($250/square foot for office and $106/square foot for industrial) would likely exceed construction costs for these types of building upgrades, TNDG believes that potential parking fees established in this analysis would not impact the financial feasibility of the targeted land uses.

**Alternative models for accommodating building owners/developers’ added parking needs**

Some alternatives to traditional approaches to providing parking include the following:

- Valet parking, used extensively in the Los Angeles area, including for example Santa Monica,\(^3\) but may not be practical in Smoky Hollow due to costs and the targeted users (employees).
- Shuttles to satellite parking, used in Santa Monica and Culver City.\(^4\)
- Dedicated land for parking in exchange for higher densities, which would tend to require fairly large properties, but density increases might be more palatable on such properties (which would also be more practical for mixed-use projects).
- When land supply is highly restricted, stacking systems or automated garages where cars are mechanically parked.
- City partner in, or coordinate, building parking facilities in locations where shared parking is practical (or could be made to be, with planning coordination applied to a future project), thereby spreading the costs among more entities. See following section for an alternative to this approach.

**Future conditions that could materially affect the need for parking**

**Autonomous vehicles and implications for parking**

This is a topic that by its nature is rife with speculation and a wide range of opinions. To add some perspective within the limited scope of this assignment, TNDG has extracted a few observations from selected authorities on this topic. A spokesperson at Walker Parking Consultants, a leading parking garage programming and design firm, laid out a number of considerations that could apply to parking in

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\(^3\) CDM Smith, Venice In-Lieu Fee Report, part of the Westside Mobility Plan. 2012.

\(^4\) Ibid.
the age of autonomous vehicles. The types of topics addressed in this article include (among other topics):\textsuperscript{5}

- The potential for decreased need for parking close to travelers' destinations.
- Should parking structures be designed for future conversion to other uses?
- With no living occupants, how can parking garage design requirements be altered?
- The time to consider these and other questions about the implications of autonomous parking is now.

In the publication, \textit{Self-driving cars: The next revolution} (undated, apparently 2012), KPMG, in cooperation with The Center for Automotive Research (CAR), based in Ann Arbor, Michigan, takes the position that the benefits of autonomous vehicles are so great that economic expediency will force the relatively rapid adoption of this technology. The implications for parking really depend on a number of factors but, as one example, the convenience of autonomous vehicles that can be "summoned at will" could eclipse the desire to own, and hence park, one's own vehicle. In short, effects on parking demand could be profound.

\textbf{Alternative transportation}

According to a fact sheet for the \textit{Westside Mobility Plan}, this Plan is a City of Los Angeles study "to create a transportation blueprint for the Westside that will offer strategies for multiple transportation choices, north-south rail connections, and parking solutions over the next 25 years." The study area for this plan extends roughly from Westwood to LAX, incorporating Brentwood, Century City, and West Los Angeles, along with the area west of I-405 south of West LA. Certain elements of this Plan are substantially complete. To the extent the Plan provides solutions to the matters that it is addressing, the study area could be made more attractive, which on the one hand could make it more competitive to El Segundo; but on the other hand the increased attractiveness of the region could generate spillover activity in El Segundo.

\textbf{Custom transport, which may be linked to customized affordable housing}

Some firms have sought to accommodate their workforce by providing transportation to work from neighborhoods or residential developments where workers are likely to locate. While this concept is generally associated with large firms, it could also be applied by consortiums of smaller firms. To the extent residential choices for workers are constrained, by high costs or other limitations, firms can also generate or otherwise support creation of such housing, which then becomes a contributing factor in the feasibility of providing worker transit.

Alternative travel modes such as bicycles and supporting infrastructure

Data on bicycling commuters are difficult to obtain. However, there are indications that use of bicycles by Millennials has increased along with their reduced interest in automobile ownership and operation. If the Westside Mobility Plan (see above) increases the potential for bicycle travel in the general region, this could increase the likelihood of bicycle commuting in El Segundo.

Considering the risks of investing in parking

Creating a parking garage for the future demand of public parking could include the design consideration of reusable/adaptive space as part of the space planning and programming of this structure. As traditionally designed and built, parking garages tend to be special-purpose structures, not readily adaptable to other uses. An example of overcoming this limitation is documented in an article in the Urban Land Institute Publication Urban Land. In the Long Island city of Rockville Centre, a design competition resulted in the design and construction of a parking garage intended to accommodate other uses. Features of the building include a 20-foot ceiling height on the grade level (a height sufficient to accommodate public events when parking spaces are not needed, and also truck deliveries) and 11-foot ceilings on upper floors, instead of the usual 8-foot heights of traditional garages. Structural bays are set at 30 feet, which works for both parking and office space. The article notes that this type of project makes the most economic sense when it is placed where shared parking is practical because of the mix of uses served by the garage.

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### El Segundo Smoky Hollow - On-Street Parking Improvement Costs Breakdown by Scenario

#### DISTRICT WIDE STRIPED PARKING

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>CONSTRUCTION</th>
<th>MAINTENANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>$351,900.00</td>
<td>$1,684,500.00</td>
</tr>
</tbody>
</table>

Costs per Space: $12,276.35  
Number of Spaces: 159

#### PER ROADWAY - STRIPED PARKING WITH STREET IMPROVEMENTS

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>1st Cycle</th>
<th>2nd Cycle</th>
<th>3rd Cycle</th>
<th>4th Cycle</th>
<th>Total</th>
<th>20-Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$130,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$13,000.00</td>
<td>$1,300,000.00</td>
</tr>
<tr>
<td>2</td>
<td>$100,000.00</td>
<td>$1,500,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$11,000.00</td>
<td>$1,100,000.00</td>
</tr>
<tr>
<td>3</td>
<td>$120,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
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<tr>
<td>4</td>
<td>$120,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
</tr>
<tr>
<td>5</td>
<td>$120,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
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<tr>
<td>6</td>
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<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
</tr>
<tr>
<td>7</td>
<td>$120,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
</tr>
<tr>
<td>8</td>
<td>$120,000.00</td>
<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
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<tr>
<td>9</td>
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<td>$1,650,000.00</td>
<td>$11,500.00</td>
<td>$78,500.00</td>
<td>$12,000.00</td>
<td>$1,200,000.00</td>
</tr>
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Costs per Space: $27,612.64  
Number of Spaces: 159

#### PER ROADWAY - STRIPED PARKING ONLY

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>20-Year Total</th>
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<tr>
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<tr>
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</table>

Costs per Space: $19,052.15  
Number of Spaces: 159
EL SEGUNDO PLANNING COMMISSION
AGENDA STATEMENT

MEETING DATE: June 14, 2018
AGENDA HEADING: Public Hearing

AGENDA DESCRIPTION:
Consideration and possible action regarding recommending City Council approval of Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 to establish a parking in-lieu fee program in Smoky Hollow and adopt a parking in-lieu fee. (Applicant: City of El Segundo).

RECOMMENDED PLANNING COMMISSION ACTION: Staff recommends that the Planning Commission open the public hearing and take public testimony on the proposed project, close the public hearing and consider the evidence, and adopt Resolution No. 2827 recommending that the City Council approve Environmental Assessment No. EA-1198 and Zone Text Amendment No. ZTA 17-06 to: establish a Parking in-lieu fee program for Smoky Hollow.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Planning Commission Resolution No. 2827
2. Draft Ordinance
3. Proposed Smoky Hollow Specific Plan map
4. Downtown parking in-lieu applicants chart
5. Parking design study by KOA, dated September 20, 2016
6. Parking in-lieu fee study by TNDG, dated October 21, 2016
7. On-street parking construction cost estimates by KOA, dated June 5, 2018
8. Smoky Hollow street improvements map
9. Proposed Smoky Hollow parking in-lieu area map

ORIGINATED BY: Paul Samaras, Principal Planner
REVIEWED BY: Gregg McClain, Planning Manager
APPROVED BY: Sam Lee, Director of Planning and Building Safety

The proposed zone text amendment would 1) amend El Segundo Municipal Code (ESMC) Chapter 15-15 (Off-street parking and loading) to allow the payment of parking in-lieu fees for the purpose of meeting the parking requirements for a property, 2) create a new ESMC Chapter 15-29 to establish a process for paying in-lieu fees, and 3) establish an area encompassing the Smoky Hollow Specific Plan where payment of in-lieu fees would be applicable. In addition, this report contains analysis and a recommendation on setting the specific in-lieu fee level and payment method.

BACKGROUND

Smoky Hollow is a predominantly light industrial district that was developed about 50 years ago, intended primarily to serve the aerospace and refinery businesses. In response to shrinking manufacturing demand, declining investments, and parking issues, the City adopted the Smoky Hollow Specific Plan (SHSP) in 1986. The intent of the Plan was to: 1) preserve the existing uses;
2) provide opportunities for both small business and medium-sized manufacturing uses; 3) provide a transition from the high-density uses on the east side of Sepulveda Boulevard to the lower density commercial and residential uses on the west; and, 4) resolve issues related to parking, circulation, and development standards.

Within the last 10 years there has been regional growth in creative, technology, and new media companies, and the City experienced an increased demand for small to medium size office space in Smoky Hollow. In response, the City initiated a comprehensive update of the SHSP, and on August 5, 2014, the City Council awarded a contract to MIG, Inc. to lead the SHSP update effort. As of the preparation of this report, a draft Specific Plan document and an associated Environmental Impact Report (EIR) have been prepared and are tentatively scheduled for consideration by the Planning Commission and City Council in the coming months.

One of the major goals associated with the new Specific Plan is to develop parking solutions for the district. The draft Specific Plan identifies several short-term and long term solutions to parking. In the short term, the Specific Plan intends to simplify the on-site parking development standards and provide additional on-street parking. The City already prohibited overnight on-street parking and restricts curbside parking for recreational and oversized vehicles. In the long term, the plan intends to support development of shared and public parking facilities and establish a parking permit district and/or a parking management program to better manage public parking.

Staff is bringing this item to the Planning Commission for its review and consideration at this time to put a potential parking solution in place before an updated Specific Plan is adopted. Staff believes that this is advantageous, because (1) there is a parking problem today that an in-lieu fee program can begin to address, and (2) an in-lieu fee program can act as a catalyst for development in conjunction with the updated Specific Plan and its new regulations.

**ANALYSIS**

1. **Parking in-lieu fee definition and purpose**
A parking in-lieu fee allows a property owner or developer to pay a fee rather than provide parking spaces to meet the minimum parking requirements for development of their property. The funds raised are typically used to build public parking spaces. Several cities have adopted parking in-lieu fees to shift the burden of required parking away from a potential development site without removing the responsibility for ensuring adequate parking in the vicinity. In-lieu parking programs free up redevelopment potential that can otherwise be hampered by the strict application of on-site parking requirements.

2. **Description of existing in-lieu fee programs**

   **Downtown In-Lieu Fee**

The City of El Segundo has implemented parking in-lieu fees before as an approach to parking management in the Downtown Specific Plan. In November 2003, the City Council established the Downtown parking in-lieu program (Resolution No. 4338). The program was based on a study performed by Rosenow Spevacek Group, Inc. (RSG). The study calculated the cost of providing spaces in the parking structure at the corner of Grand Avenue and Richmond Street, and determined that cost to be $37,693 per parking space. In addition, the study considered the pro-
forma cost for a private developer to acquire vacant land and build parking for a development project. That cost was estimated to be $18,915 per stall. The pro-forma also considered rental rates in the area and concluded that an in-lieu fee of $10,000 would be more feasible financially for private property owners and developers and would allow for development in Downtown. The City Council adopted an initial in-lieu parking fee of $17,500 per space in order to recover more of the cost of the Richmond Street parking structure while maintaining the fee at an affordable level. The City Council amended the program in June 2009 to accommodate development by allowing payments over a 20-year period.

To-date six property owners have taken advantage of the Downtown parking in-lieu fee program. Four paid the in-lieu fee upfront (lump sum), one is paying on a monthly basis for a period of 20 years, and one is paying the fee for temporary outdoor dining as needed each year. One more business owner is in the process of entering into an agreement with the City. A chart of parking in-lieu applicants is attached to this report (Exhibit No. 4).

**Other Cities’ Programs**

Other cities have adopted parking in-lieu fee programs with different fee levels, payment methods and uses for in-lieu fee revenues. The following table includes examples of other cities’ programs.

<table>
<thead>
<tr>
<th>City</th>
<th>Fee</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hermosa Beach</td>
<td>$28,900</td>
<td>Lump sum</td>
</tr>
<tr>
<td>Huntington Beach</td>
<td>$26,383</td>
<td>Annual payments</td>
</tr>
<tr>
<td>Glendale</td>
<td>$26,309</td>
<td>Lump sum</td>
</tr>
<tr>
<td>Beverly Hills</td>
<td>$21,422 - $35,704</td>
<td>Lump sum, annual payments, or lease</td>
</tr>
<tr>
<td>Palo Alto</td>
<td>$58,423</td>
<td>Lump sum</td>
</tr>
<tr>
<td>Mountain View</td>
<td>New construction—$48,000</td>
<td>Lump sum</td>
</tr>
<tr>
<td></td>
<td>Use conversion—$24,000</td>
<td></td>
</tr>
<tr>
<td>San Clemente</td>
<td>$13,467</td>
<td>Down payment + installments</td>
</tr>
</tbody>
</table>

The fee levels in the above table vary primarily due to the differences in property acquisition and construction costs at the times and locations where the fees were implemented.
Special Cases.

The City of Beverly Hills allows the payment of in-lieu fees for retail, food, and service uses only and it has three separate parking districts with different fee rates. In addition, food and service uses pay a discounted rate. Generally, the intent of the program is to encourage uses that promote a more pedestrian friendly and retail environment (Beverly Hills City Code Title 10, Chapter 3, Article 33).

The City of Mountain View discounts the rate by 50% for conversions of retail space into restaurant or office, in order to promote those uses. In addition, Mountain View limits the maximum percentage of required parking that can be met by paying in-lieu fees.

The City of Pasadena pursued a different approach by first investing in public structures in the Old Pasadena area and subsequently establishing a parking credit program. This program allows property owners to pay a fee for parking credits in a public parking structure which count toward meeting the parking requirements in the Pasadena’s Zoning Code. Program participants do not pay for rights to specific parking spaces in a public parking structure and have to pay the same user fees as the general public for parking there. In addition, the parking credit fee is not based on the cost of constructing public parking. Instead, it is based on market demand for the parking credits and the available supply of parking and it is updated periodically.

3. **Determination of in-lieu fee level**

An in-lieu fee is based on the City’s cost to a city of providing public parking. To determine the proposed in-lieu fee, staff considered the following criteria which are discussed in detail below:

- a) The potential parking demand and supply
- b) The cost of providing public parking in structures
- c) The cost of providing public parking on-street

a) **The potential parking demand and supply**

The City engaged the Nadelson Dale Group (TNDG) to study the potential parking demand and cost/feasibility of constructing a public parking structures in Smoky Hollow.

**Potential Demand**

With regard to the potential parking demand, the TNDG study (Exhibit 6) estimated the future demand assuming that existing light industrial space will convert to more employment-intensive uses, and redevelopment of some properties will result in additional square footage. The tables below reflect the existing and the draft specific plan build-out potential and parking requirements.
Table 2
Smoky Hollow Projected Build-Out

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Existing (s.f.)</th>
<th>Draft Specific Plan (s.f.)</th>
<th>Difference (s.f.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>440,809</td>
<td>2,059,144</td>
<td>+1,618,335</td>
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<tr>
<td>Industrial</td>
<td>1,901,602</td>
<td>777,900</td>
<td>-1,123,702</td>
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<tr>
<td>Commercial</td>
<td>113,505</td>
<td>135,966</td>
<td>+22,461</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,455,916</td>
<td>2,973,010</td>
<td>+517,094</td>
</tr>
</tbody>
</table>

Table 3
Smoky Hollow Parking Requirement

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Current Rate (s/f-space)</th>
<th>Proposed Rate (s/f-space)</th>
<th>Currently Required</th>
<th>Draft Specific Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>350</td>
<td>400</td>
<td>1,259</td>
<td>5,148</td>
</tr>
<tr>
<td>Industrial</td>
<td>500</td>
<td>400</td>
<td>3,803</td>
<td>1,945</td>
</tr>
<tr>
<td>Commercial</td>
<td>300</td>
<td>400</td>
<td>378</td>
<td>340</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>5,440</td>
<td>7,433</td>
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</tbody>
</table>

Table 4
Smoky Hollow Parking Supply

<table>
<thead>
<tr>
<th>Existing Spaces</th>
<th>Draft Specific Plan</th>
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</thead>
<tbody>
<tr>
<td>Existing off-street parking supply</td>
<td>1,950</td>
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<tr>
<td>Existing street parking supply</td>
<td>310</td>
</tr>
<tr>
<td>TOTAL supply</td>
<td>2,260</td>
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<tr>
<td>Shortfall (required less existing)</td>
<td>3,180</td>
</tr>
<tr>
<td></td>
<td>5,173</td>
</tr>
</tbody>
</table>

Based on the TNDG study, full build-out is projected to occur by year 2040, resulting in 2,973,010 total square feet of all buildings, and a net parking requirement of 5,173 spaces. This reflects the parking required for the total area of all buildings minus the private property and on-street parking currently provided. Putting aside existing buildings and parking, and based solely on an additional 517,094 square feet of new development, the additional required parking would be 1,293 spaces. The build-out estimate in the draft Specific Plan is a realistic estimate of the potential amount of development in the Plan area and does not assume that every building will be expanded or redeveloped to the maximum floor area ratio (FAR).
Potential Supply

KOA Corporation, a Planning and Engineering consulting firm, studied potential designs for two parking structures and for City street reconfigurations to provide more public parking (Exhibit No. 5).

Structure Parking. The draft Smoky Hollow Specific Plan designates two properties as Parking zones, located at the northeast and northwest corners of Franklin Avenue and Maryland Street (See Exhibit No. 3). If the SHSP is approved, parking lots or structures would be allowed on these properties by right, and allowed elsewhere in the specific plan with approval of an administrative use permit (AUP). KOA analyzed these two properties in particular and determined that each property can accommodate a 2 to 3-level parking structure that would provide up to a combined 911 parking spaces. One of these properties is currently a parking lot containing 130 parking spaces, so the net new parking spaces on these specific properties would be 781. It should be noted that these two sites are privately owned and they were selected solely for the purpose of determining the potential feasibility of adding structured parking in the area, not as the ultimate sites of City-owned public parking facilities.

Street Parking. The KOA parking study and the draft specific plan studied street improvements designed to provide additional street parking. The improvements include: 1) reconfiguring 11 north-south streets into one-way streets and striping angled parking on one side (Exhibit No. 6), and; 2) reconfiguring El Segundo Boulevard by slightly narrowing the existing four travel lanes to add a parking lane on the north side. Today, the north-south streets are two-way and have parallel parking on both sides to accommodate approximately 310 total parking spaces. The KOA analysis estimates the proposed reconfiguration can produce up to 85 additional parking spaces through the specific plan area. El Segundo Boulevard has no parking today and the KOA analysis estimates that adding a parking lane can produce up to 74 new parking spaces1.

Thus, the parking supply could be increased by 940 spaces, including 781 spaces in two potential parking structure sites and 159 spaces on streets. The 940 potential public parking spaces could meet over 70 percent of the potential demand of 1,293 spaces based on the Specific Plan build-out projections.

b) The cost of providing public parking in structures

The TNDG study also looked at the potential costs of developing parking structures. The main factors considered in the study were:
- property acquisition costs,
- development costs,
- operation and maintenance for 30 years, and
- revenue from parking fees at public structures.

1 The parking design study by KOA, dated September 20, 2016 estimated that approximately 101 parking spaces could be added along El Segundo Boulevard. That estimate was updated in KOA’s more recent on-street parking construction cost estimate, dated June 2018 (Exhibit 5). The most recent effort involved a more detailed design, which resulted in a more precise estimate of 74 parking spaces.
Taking the above factors into account, TNDG calculated the cost of a parking structure—and possible in-lieu fee—at $80,831 per parking space, or an annual payment of $4,962 over 30 years. This amount does not take into consideration any fees that the City could charge users of a public structure. However, the TNDG study determined that an in-lieu fee level this high would be cost prohibitive for property owners or developers and it recommended against charging this amount. Alternatively, accounting for parking structure revenues, the study concluded that the upfront parking in-lieu fee would be $37,090 per space or an annual payment of $2,277 per space for 30 years. TNDG concluded that this price per space, particularly the annual payment option, would not significantly impact the financial feasibility of the targeted land uses.

Due to the costs involved, construction of public parking structures is considered a long term goal (10-20 years), while construction of on-street parking is considered a short-term goal of 0-5 years. Furthermore, construction estimates for parking structures that may be built 10 or more years in the future may not be as accurate as estimates for short term projects. Some additional concerns about the long term parking structure option are discussed later in this report.

c) The cost of providing public parking on-street

According to the KOA study, the estimated cost of providing 159 additional street parking spaces as contemplated in the draft SHSP is approximately $3.3 million overall, or about $20,700 per space (See Exhibit No. 7). This cost is substantially lower than the cost to build spaces in parking structures because there are no property acquisition costs and street parking can be accomplished with little more than new signs, striping, and minor curb and sidewalk construction.

The parking costs per space for all three options are summarized in Table 5 below.

<table>
<thead>
<tr>
<th>Cost/fee (per space)</th>
<th>Public Structure (free)</th>
<th>Public Structure (user fees)</th>
<th>Public Street Parking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full amount</td>
<td>$81K</td>
<td>$37K</td>
<td>$21K</td>
</tr>
<tr>
<td>Annual fee</td>
<td>$5K¹</td>
<td>$2.3K¹</td>
<td>$700</td>
</tr>
</tbody>
</table>

¹ Assumes a 4.5% financing cost

Recommended in-lieu fee level

Table 2 and the discussion on future parking demand indicate that approximately 1,293 additional parking spaces will be required in the Specific Plan area at full build out. If the City were to construct enough additional public parking to meet 100 percent of that demand, it would have to construct approximately 159 on-street spaces and 1,134 spaces in parking structures. However, this assumes no additional required parking would be provided on private property, which is not realistic. The role of the in-lieu fee is to facilitate private development, but not to assume the full responsibility of providing parking. As mentioned previously, the
cost of building parking structures is substantially higher than the cost of building on-street parking. In addition, it is harder to estimate the actual cost of parking structures 10 or more years in the future. Furthermore, recent technological and mobility trends, such as autonomous driving, riding sharing services, bike-sharing, etc. make it harder to predict the future demand for parking with certainty. As a result, committing to construct public parking structures in the Smoky Hollow area could entail the risk of higher construction costs, lower parking demand, and underutilized public parking structures. Therefore, staff proposes focusing on the construction of on-street parking and related improvements initially, setting a fee level of approximately $20,700, and evaluating the in-lieu fee program and parking demand in a few years when approximately 159 in-lieu spaces have been “sold.”

4. Payment method recommendation

The in-lieu fee program requires payments to fund the cost of providing public parking. Table 1 illustrated the various payment methods used in several other cities, which include paying the full amount upfront, making monthly or annual payments, and a combination of the two. Each payment method has advantages and disadvantages, which are briefly presented in Table 6 below.

<table>
<thead>
<tr>
<th></th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upfront</strong></td>
<td>• Simple administration</td>
<td>• High upfront cost</td>
</tr>
<tr>
<td></td>
<td>• Easy to budget in development costs</td>
<td>• Easy enforcement</td>
</tr>
<tr>
<td></td>
<td>• Rapid accumulation of funds</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Simple ownership changes</td>
<td></td>
</tr>
<tr>
<td><strong>Installments</strong></td>
<td>• Low upfront cost for developer.</td>
<td>• Very complicated and costly to administer.</td>
</tr>
<tr>
<td>(10 - 30 years)</td>
<td>• Reliable revenue stream.</td>
<td>• Very difficult to enforce.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Slow revenue stream.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complicates ownership changes.</td>
</tr>
<tr>
<td><strong>Hybrid</strong></td>
<td>• Moderate upfront cost.</td>
<td>• Very complicated and costly to administer.</td>
</tr>
<tr>
<td></td>
<td>• Moderate payments and contract period.</td>
<td>• Very difficult to enforce.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Moderate revenue stream.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complicates ownership changes.</td>
</tr>
</tbody>
</table>

In order to quickly accumulate funds for public parking, full upfront payment of the in-lieu fee would be ideal. However, in order to make the upfront cost lower and ensure the fee is more affordable to property owners, staff’s recommendation includes an annual payment option. Therefore, staff recommends two methods of payment: 1) payment of the full in-lieu fee upfront, and; 2) payment of 50 percent of the in-lieu fee upfront and not more than 10 annual payments to recover the rest of the fee. The larger upfront payment ensures that as new development takes place, the City secures more revenue and can provide the street parking sooner to serve the area. Additionally, if the City provides street parking sooner, the new parking will act as a catalyst for more investment in Smoky Hollow. At the same time, the hybrid payment option will make the program affordable for more property owners. Those owners taking advantage of the annual payment option would be subject to a small fee to cover administrative costs of a payment plan.

In addition to the two payment methods, staff recommends requiring payment of the full in-lieu fee upfront when an applicant proposes using the in-lieu fee for more than 50 percent of the required parking spaces. This requirement is discussed further in the following section.
5. Additional Considerations

a) Overall limits on the number of in-lieu spaces.

There is an important reason to limit the overall number of parking spaces for which an in-lieu fee should be accepted. The City cannot charge a fee that is higher than the cost of providing the associated service (constructing and ongoing maintenance of public parking). If it costs the City $3.3 million to provide and maintain 159 parking spaces, it cannot continue to collect parking in-lieu fees above that amount.

Therefore, staff recommends that the City regularly review the number of in-lieu spaces “sold” and the revenue generated, evaluate the overall program effectiveness, and determine when to make changes to the program.

b) Limits on individual projects and properties.

As mentioned above, there is an overall limit on the number of additional parking spaces the City can provide and, consequently, the number of in-lieu spaces that can be “sold.” For reasons of fairness and making the program available to all property owners, staff recommends regulating the number/percentage of required parking spaces for which individual projects/property owners can pay in-lieu fees. Some cities, such as Mountain View, have opted to impose specific limits to regulate the demand for parking in-lieu fees. Several of those options are described below, followed by staff’s recommendation:

- A maximum number, such as no more than 20 spaces per building site.
- A maximum percentage, such as no more than 20 percent of the required parking spaces.
- A graduated scale based on the size of the building site. (e.g.: 20 percent of the required parking for sites up to 11,200 square feet and 10 percent for larger sites).
- Increasing the fee amount based on the number of in-lieu spaces requested. (e.g.: a fee of $24,500 per space (discounted cost) for up to 10 spaces and a fee of $29,809 per space (full cost) for more than 10 spaces, etc.).

Staff believes that setting a specific number or percentage limit may unintentionally restrain development and/or improvements in Smoky Hollow, which is not consistent with the draft Specific Plan goal to facilitate development. Instead, staff recommends two non-prescriptive ways to regulate the demand for the in-lieu fee program. The first is a more market-based approach of allowing the payment of in-lieu fees for up to 100% of the required parking spaces for a property, while requiring payment of the full fee upfront when paying for more than 50%. This will regulate the demand for the in-lieu fee in a less prescriptive way, giving property owners the flexibility to pay for up to 100% of the required spaces, and at the same time generate more in-lieu fee revenue to fund construction of public parking sooner. Staff believes that this market-based approach will not discourage owners of small lots from improving their properties. The second way is to require a discretionary process before allowing payment of in-lieu fees for more than 50% of the required spaces. A discretionary process at the Director level would help ensure that there are not significant detrimental impacts to other properties in
the immediate area. One potential detrimental impact would be a severe shortage of parking resulting from a large development that provides no off-street parking. Discretionary review by the Director would help staff evaluate the availability of parking in the area, the timing of construction of additional on-street public parking, and other such factors prior to allowing payment of in-lieu fees for large numbers of spaces.

If the full upfront payment is too high for certain property owners, or the Director denies a request for payment of in-lieu fees, property owners would still have viable options. They could make an initial 50% down payment and annual installments for up to 50% of the required parking spaces and provide the remainder on their site or off-site through a parking covenant agreement. Most small property owners would still be able to develop or improve their property up to the maximum allowable FAR as shown in Figure 1 below.

**Figure 1**

**Sample small lot site plan**

Figure 1 shows a typical small lot in the west portion of Smoky Hollow developed at the maximum FAR of .75 as proposed in the draft Specific Plan. The lot is 5,600 square feet and developed with a 4,200 square-foot, 2-story office building. Based on the draft Specific Plan, the building would have to provide a total of 11 parking spaces. In the figure above, the lot can provide six code-complying parking spaces onsite. The property owner could then pay in-lieu fees (including the annual payment option) for another five parking spaces, which is 45% of the required parking. This figure shows that it is feasible to develop a small lot at the maximum FAR, provide at least 50% of the parking onsite, and pay an in-lieu fee for the rest.

c) **Legal implications of reducing cost of spaces**

Because an in-lieu fee is intended to cover the City’s cost of building parking spaces, if the City were to decide to reduce the cost of such a space, then that decision would likely trigger other legal issues, such as prevailing wage requirements and environmental analysis. Such issues would need to be evaluated if the Planning Commission or the City Council desire to set an in-lieu fee that is less than the City’s cost to provide the on-street spaces.
6. **Proposed parking in-lieu fee area**

Staff proposes a parking in-lieu fee area that incorporates the proposed Smoky Hollow Specific Plan and certain commercially zoned properties adjacent to Smoky Hollow and Downtown. The entire area is depicted in Figure No. 2 below.

![Proposed parking in-lieu fee area](image)

The additional properties are located along Grand Avenue between Standard Street and Sheldon Street and are zoned Commercial Downtown (C-RS) and Neighborhood Commercial (C-2), which permit an FAR of 1.0 and 0.5 respectively. All the parcels are currently developed with commercial and some with residential uses, although two of the larger CR-S properties are developed at .26 (Chase Bank) and .41 (Rite Aid) FAR. The CR-S zoned properties are approximately 3.15 acres and the C-2 zoned properties are approximately 3.43 acres for a total area of 6.58 acres. This area substantially smaller than the proposed Smoky Hollow Specific Plan area of 95.5 acres.

Staff recommends including these areas in the parking in-lieu fee area for the following reasons:

a) These properties are immediately adjacent to the Downtown Specific Plan and the Smoky Hollow Specific Plan, two areas that will have parking in-lieu fees in place. As a result, these properties will be at a disadvantage when it comes to opportunities to improve/expand primarily due to parking constraints. The properties in the CR-S zone in particular, are unable to develop near the permitted FAR, because of the parking requirements. So,
offering the in-lieu fee there would give them the same opportunity as the Downtown and Smoky Hollow areas where the FAR limits will be about the same.

b) The draft Specific Plan anticipates development of additional street parking in the Smoky Hollow area on streets such as Standard, Eucalyptus, and Sheldon. The commercial properties mentioned above will benefit from this additional parking. Therefore, it would be fair to include them in the proposed parking in-lieu fee area, so they can contribute toward the development of public parking.

c) These properties would contribute additional in-lieu fee revenue to fund more shared public parking in the area sooner.

d) The parking in-lieu fee option may allow property owners in this area to improve and/or develop their properties, which has benefits for the City in terms of economic activity and tax revenue.

7. General Plan and Zoning Consistency

Consistency with the El Segundo General Plan

ESMC Section 15-1-1 (Purpose, Title) states that Title 15 is the primary tool for implementation of the goals, objectives, and policies of the El Segundo General Plan. Accordingly, the Planning Commission must find that the proposed Zone Text Amendment is consistent with those goals, objectives, and policies. Planning staff believes there is substantial evidence in the record to support the findings required for the Planning Commission to recommend City Council approval of the proposed amendment. The findings are discussed in the proposed resolution.

Consistency with the El Segundo Municipal Code.

Pursuant to ESMC Title 15, Chapter 26 (Amendments), in order to recommend City Council approval of the proposed amendments, the Planning Commission must find that the amendments are necessary to carry out the general purpose of ESMC Title 15. The purpose of this Title (ESMC Section 15-1-1) is to serve the public health, safety, and general welfare and to provide economic and social advantages resulting from an orderly planned use of land resources. Planning staff believes there is substantial evidence in the record to support the findings required for the Planning Commission to recommend City Council approval of the proposed amendment. The findings are discussed in the proposed resolution.

8. Environmental assessment

The proposed zone text amendment and proposed fee is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures for operation of existing facilities; minor temporary use of land; minor alterations in land use; new construction of small structures; and minor structures accessory to existing commercial facilities. The proposed zone text amendment and fee, therefore, is categorically exempt from further CEQA review under CEQA Guidelines §§ 15301; 15303; 15304(e); 15305; and 15311. Further, the adoption of the proposed zone text amendment
and fee is also exempt from review under CEQA pursuant to CEQA Guidelines § 15061(b)(3) because it is for general policies and procedure-making. It does not authorize any new development entitlements, but simply establishes policies and procedures for meeting the City’s off-street parking regulations. Any proposed project that will utilize the changes set forth in this Resolution will be subject to CEQA review as part of the entitlement review of the project. The proposed zone text amendment and fee will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

9. Conclusion and Recommendation.

The discussion is this report covers two major parking-related constraints in the Smoky Hollow area and the proposed parking in-lieu fee program offers an effective solution. Those constraints are the limited parking supply and the difficulty in improving properties while at the same time meeting the City’s parking requirements.

1) The limited supply of parking.
   Over the next 3-5 years, staff anticipates an increased demand for parking in the area. The proposed in-lieu fee will fund approximately 160 new street parking spaces in the near term to help address that demand. The potential demand for parking and construction costs for parking structures in the long term are less certain. Therefore, focusing on street parking in the short term is the more prudent approach and limits risk while providing immediate benefit to the community. In addition, the City can evaluate the in-lieu fee program after a few years and adapt it depending on the actual parking needs and circumstances at that time.

2) The difficulty in meeting the City’s parking requirements.
   Today, property owners can meet parking requirements in several ways. They can provide the required parking spaces on-site, provide the required parking spaces off-site through a covenant agreement, or request a reduction in the number of required spaces by up to 10 percent. The proposed in-lieu fee program will provide an additional option to meet the City’s parking requirements to complement the existing options. Staff believes that, in conjunction with the draft Smoky Hollow Specific Plan, the proposed parking in-lieu fee program will provide: a) an affordable option for meeting the City’s parking requirements, b) efficient, shared public parking, and c) an incentive for new businesses and new development in Smoky Hollow and adjoining areas.

Accordingly, Staff recommends an amendment to the ESMC to:

- allow the payment of parking in-lieu fees for the purpose of meeting the ESMC off-street parking requirements
- designate a parking in-lieu fee area encompassing the Smoky Hollow Specific Plan and certain adjacent, commercially zoned, properties
- allow for alternative methods of payment including payment in full upfront or a 50% payment upfront and up to 10 annual payments

In addition, staff recommends that the City Council establish a parking in-lieu fee of $20,700 per parking space.
RESOLUTION NO. 2827

A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE ENVIRONMENTAL ASSESSMENT NO. EA-1198 AND ZONE TEXT AMENDMENT NO. ZTA 17-06 TO ESTABLISH A PARKING IN-LIEU FEE PROGRAM FOR THE SMOKY HOLLOW SPECIFIC PLAN AREA

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. On July 13, 2017, the City initiated the process to amend the El Segundo Municipal Code (ESMC) to create a parking in-lieu fee program for the Smoky Hollow Specific Plan area. The program intent is to allow the payment of a fee as an alternative method of meeting the City’s parking requirements for private development and to provide additional shared public parking on-street and off-street in public parking structures;

B. The proposed parking in-lieu fee program will generate funds to pay for construction of additional public parking spaces to address the parking demand of new private development;

C. The proposed parking in-lieu fee ordinance will establish a parking district in the Smoky Hollow area and adjacent commercially zoned properties where the parking in-lieu fee program would apply;

D. On June 14, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the application including information provided to the Planning Commission by city staff, and;

E. This Resolution and its findings are made based upon the evidence presented to the Commission at its June 14, 2018, hearing.

SECTION 2: General Plan Findings. As required under Government Code Section 65860, the ESMC amendments proposed by the ordinance are consistent with the El Segundo General Plan as follows:

A. The proposed ordinance is consistent with General Plan Objective LU1-3 in that it will permit for the continued operation and orderly conversion of existing uses, by providing an alternative method of meeting the City’s parking requirements.

B. The ordinance is consistent with General Plan Objective LU4-3 in that it will facilitate development of new office and research and development (R&D) uses. The ordinance will do so by allowing the conversion of older warehouses to office and R&D uses without having to provide additional parking spaces onsite.
C. The ordinance is consistent with Goal LU7 to provide the highest quality public facilities, service, and public infrastructure possible to the community. The parking in-lieu fee program will provide funding for public parking for the Smoky Hollow area of the City.

D. The ordinance is consistent with Goal ED2 of the Economic Development Element to provide a supportive and economically profitable environment as the foundation of a strong local business community. The ordinance will do so by investing in shared vehicle parking infrastructure which encourages commercial and industrial development.

E. The ordinance is consistent with Objective C3-2 of the Circulation Element in that it considers the impacts of land use decisions on the City's parking situation. The parking in-lieu fee program will ensure adequate shared parking is provided for new development in the Smoky Hollow Specific Plan area. The ordinance takes into consideration the anticipated amount of new development in the draft specific plan, which is approximately 517,000 square feet. The ordinance also takes into account, and will help address, the shortage of parking in the area currently, which is estimated to be approximately 2,200 spaces.

F. Considering all of its aspects, the proposed ordinance will further the objectives and policies of the general plan and will not obstruct their attainment.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), the proposed ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:

A. The ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. The ordinance is necessary to facilitate the development process and ensure the orderly development of buildings and the location of uses in the City. The intent of the ordinance is to establish a parking in-lieu fee program allowing the payment of a fee in order for new development to meet the City's off-street parking requirements, and to develop shared public parking facilities to meet the parking demand for private development. This program will facilitate and expedite the development process and provide economic and social benefits resulting from the orderly planned use of land resources.

SECTION 4: Environmental Assessment. The proposed zone text amendment and proposed fee is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA")
and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures for operation of existing facilities; minor temporary use of land; minor alterations in land use; new construction of small structures; and minor structures accessory to existing commercial facilities. The proposed zone text amendment and fee, therefore, is categorically exempt from further CEQA review under CEQA Guidelines §§ 15301; 15303; 15304(e); 15305; and 15311. Further, the adoption of the proposed zone text amendment and fee is also exempt from review under CEQA pursuant to CEQA Guidelines § 15061(b)(3) because it is for general policies and procedure-making. It does not authorize any new development entitlements, but simply establishes policies and procedures for allowing the previously-approved project to be constructed. Any proposed project that will utilize the changes set forth in this Resolution will be subject to CEQA review as part of the entitlement review of the project. The proposed zone text amendment and fee will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

SECTION 5: Recommendations. The Planning Commission recommends that the City Council adopt the proposed ordinance attached as Exhibit A which would implement the Zone Text Amendment and establish a parking in-lieu fee program in the Smoky Hollow Specific Plan area.

SECTION 6: Reliance On Record. Each and every one of the findings and determination in this Resolution 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 Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 7: Limitations. The Planning Commission’s analysis and evaluation of the project is based on information available at the time of the decision. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. In all instances, best efforts have been made to form accurate assumptions.

SECTION 8: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 9: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.
SECTION 10: This Resolution may be appealed within 10 calendar days after its adoption. All appeals must be in writing and filed with the City Clerk within this time period. Failure to file a timely written appeal will constitute a waiver of any right of appeal.

PASSED AND ADOPTED this 28th day of June 2018.

Ryan Baldino, Chair
City of El Segundo Planning Commission

ATTEST:

Sam Lee, Secretary

Baldino    - Aye
Newman     - Aye
Hoeschler  - Aye
Wingate    - Aye
Keldorf    - Aye

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

By:
David King, Assistant City Attorney
AGENDA DESCRIPTION:

Consideration and possible action to amend various sections of the El Segundo Municipal Code (ESMC) Title 15 (Zoning Code) to: (1) update and introduce new definitions related to measuring building height, (2) establish new zoning code standards for measuring the maximum height of buildings, and (3) allow the Director to approve an adjustment to the maximum building height by up to 5 feet, pursuant to ESMC Chapter 15-24.

Adopting this Ordinance is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), § 15304 as a Class 4 (minor alteration to land), and does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and provisions for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA. (Fiscal Impact: None) (Applicant: City of El Segundo).

RECOMMENDED COUNCIL ACTION:

1. Introduce an Ordinance (Zone Text Amendment No. ZTA 17-08) regarding amendments to various sections of the Zoning Code;
2. Schedule second reading and adoption of the Ordinance for September 4, 2018;
3. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Proposed Ordinance (strike-out/underline version)
2. Planning Commission Staff Report Dated June 28, 2018
3. Planning Commission Resolution No. 2840

FISCAL IMPACT: None.

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STRATEGIC PLAN:

Goal: 1(a). Provide unparalleled service to internal and external customers

Objective: City services are convenient, efficient and user-friendly for all residents, businesses, and visitors

Activity: Amend zoning code in response to emerging issues discovered by staff and customers

PREPARED BY: Maria Baldenegro, Assistant Planner

REVIEWED BY: Gregg McClain, Planning Manager
Sam Lee, Planning and Building Safety Director

APPROVED BY: Greg Carpenter, City Manager
INTRODUCTION:

On October 9, 2017, the City initiated the proposed zone text amendment to amend various sections of the El Segundo Municipal Code (ESMC) to: (1) update and introduce new definitions related to measuring building height, (2) establish new zoning code standards for measuring the maximum height of buildings, and (3) allow the Director to approve an adjustment to the maximum building height by up to 5 feet, pursuant to ESMC Chapter 15-24.

This item was originally scheduled for Planning Commission consideration on June 14, 2018. However, staff requested to continue the item to the next Planning Commission meeting date on June 28, 2018.

BACKGROUND & DISCUSSION:

The Zoning Code was last updated in a comprehensive manner in 1993, and the City Council last considered an interpretation which established policies for measuring the height of buildings and grade in 1998.

Staff has often received requests throughout the years for assistance in determining where the “natural grade” existed on sloping lots before it was cleared, cut, filled or developed. Multiple “grade” terms are currently included in the Code but are often confusing to the public. Requests for minor exceptions to building height for the purpose of adding insulation or equipment screening on the roof are very common. Residents and business owners who seek to improve and expand buildings located on sloping lots also require exceptions due to the peculiar way building height is measured. The current development standards do not facilitate new development on sloping lots and penalize the removal of dirt when lowering the grade, even when that dirt is deposited elsewhere on the site (balanced cut and fill), which is standard practice in grading.

Building Height is currently defined as:

> The vertical distance measured from all points of the highest point of a flat roof, the deck line of a mansard roof or to the average height between the plate and the ridge of gable, pitched, or hip roofs to grade directly below. The ridge of a gable, pitched, or hipped roof may extend a maximum of six feet (6') above the maximum height limit permitted in the zone in which the building is located.

This definition has several problems. It is unclear what “from all points of the highest point” is intended to mean. It is interpreted to mean the highest vertical points of the building measured at all horizontal points of the same building. In other words, every square inch of the building is subject to the height limit at that point. Although this sounds reasonable, it is almost impossible to build a significant structure on a sloped lot using this method.

The problem lies with our desire to live and work on level surfaces. To make a level surface on a hill requires the floor to be built above the natural slope by means of retaining walls or pillars, the floor to be cut into the slope, or a combination of the two. Under the current definition, any portion of dead space below the lowest floor that is built above the ground is counted toward building height. Also, since “grade” is defined as the lower of the original ground level or a finished ground surface, any portion of a building that is underground is also counted toward building height.

The proposed zone text amendment introduces a new method of measuring buildings which contain sloped roofs. The current regulations measure building height from the Existing Natural
Grade to the midpoint of a sloped roof and allows 6 additional feet to the top peak of the ridge beam. The proposed provisions introduces Building Height be measured from a horizontal Grade Plane, representing the average elevation between the highest and lowest point of the natural grade, to the highest point of a sloped roof. A much simpler method in measuring Building Height. The proposed method of measuring Building Height is in line with what other City’s with hillside districts are adopting for their codes.

On a flat lot, the Grade Plane will effectively be the natural ground level. However, the proposed provisions will allow a Sloped Lot a sensible combination of cut and fill to create workable floor area, providing more flexibility for developing or adding new buildings without compromising the established zoning height limits. The provisions will allow Sloped Lots, a minor increase in height defined as a Grade Differential. The provisions will allow a maximum Grade Differential of 6 feet in Residential zones and 8 feet in non-residential zones. This minor increase in height will provide the flexibility needed to develop Sloping Lots in the City when the slope is greater than 20%.

Planning Commission consideration

On June 28, 2018, the Planning Commission held a public hearing and considered the proposed ordinance. At the conclusion of the public hearing, the Planning Commission voted 5-0 to adopt Resolution No. 2840 recommending approval of the ordinance as presented.

ENVIRONMENTAL REVIEW:

This Ordinance is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.), because it involves minor revisions and clarifications to existing zoning regulations related to building height. The proposed zone text amendment is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), and § 15304 as a Class 4 (minor alteration to land). Accordingly, the proposed Ordinance does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and policies for measuring building
height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA.

RECOMMENDATION:

Planning staff recommends that the Council:
1. Introduce an Ordinance (Zone Text Amendment No. ZTA 17-08) regarding amendments to various sections of the Zoning Code;
2. Schedule second reading and adoption of the Ordinance for September 4, 2018;
3. Alternatively, discuss and take other possible action related to this item.
ORDINANCE NO. ____

AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE EL SEGUNDO MUNICIPAL CODE (ESMC) IN TITLE 15 TO REDEFINE HOW BUILDING HEIGHT IS MEASURED, AND TO ALLOW THE DIRECTOR TO APPROVE ADJUSTMENTS TO THE ALLOWABLE BUILDING HEIGHT.

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

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

A. On October 9, 2017, staff initiated an application for Environmental Assessment No. EA-1210 and Zone Text Amendment No. ZTA 17-08 to amend the City's regulations affecting building height;

B. The City reviewed the project's environmental impacts under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., CEQA) and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, et seq., CEQA Guidelines);

C. On June 28, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the proposed amendment, including information provided by City staff and public testimony;

D. On June 28, 2018, the Planning Commission adopted Resolution No. 2840 recommending the City Council approve Environmental Assessment No. EA-1210 and Zone Text Amendment No. ZTA 17-08;

E. On August 21, 2018, the City Council held a public hearing, considered the Planning Commission's recommendation, and information provided by City staff and public testimony regarding this Ordinance; and

F. The Ordinance and its findings are made based upon the administrative record including, without limitation, testimony and evidence presented to the City Council at its August 21, 2018, hearing, and the staff report submitted by the Planning and Building Safety Department.

SECTION 2: General Plan Findings. As required under Government Code Section 65860, the ESMC amendments proposed by the Ordinance are consistent with the El Segundo General Plan as follows:

A. The proposed zone text amendment is in conformity with the Land Use Element goals, objectives and policies. Specifically, the zone text amendment is consistent with Land Use Element Goal LU3 and Objectives
LU3-1 and LU3-2 in that the amendment will facilitate the construction, remodel, and expansion of residential land uses in the City;

B. The proposed amendments are also consistent with Land Use Element Goal LU4, Objective LU4-1, Policy LU4-1.2, in that they will promote the maintenance of commercial buildings to meet environmental regulations;

C. The proposed amendments are consistent with Land Use Element Goal LU4, Objective LU4-2, and Policy LU4-2.1, in that they will help revitalize and upgrade commercial areas in the City. The proposed amendments will accomplish this by providing clarity concerning building height regulations;

D. The proposed amendments are consistent with Economic Development Element Goal ED1, Objective ED1-1, and Policy ED1-1.1, in that it will help to development and maintain businesses for its residents throughout the City.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 and based on the findings set forth in Section 2, the proposed zone text amendment is consistent with and necessary to carry out the general purpose of ESMC Title 15 because it serves the public health, safety, and general welfare and provides the economic and social advantages resulting from an orderly planned use of land resources.

SECTION 4: Environmental Assessment. This Ordinance is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.), because it involves minor revisions and clarifications to existing zoning regulations related to building height. The proposed zone text amendment is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), and § 15304 as a Class 4 (minor alteration to land). Accordingly, the proposed Ordinance does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and policies for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA.

SECTION 5: The following definitions are amended or added to ESMC Section 15-1-6 (Title; Interpretation; Definitions: Definitions) as follows (strikethrough is language to be deleted, and underlined is language to be added):

BASEMENT: Any floor level below the first story in a building that is more than four feet (4') 4 feet below "grade" Grade for more than fifty percent (50%) 50 percent of the total perimeter, or is more than eight feet (8') 8 feet below "grade" at any point.
BUILDING HEIGHT OR STRUCTURE HEIGHT: is the vertical distance measured from the Grade Plane to the highest point of the roof or parapet. See features listed in ESMC Section 15-2-3 for exceptions to Building Height, all points of the highest point of a flat roof, the deck line of a mansard roof or to the average height between the plate and the ridge of gable, pitched, or hip roofs to grade directly below. The ridge of a gable, pitched, or hipped roof may extend a maximum of six feet (6') above the maximum height limit permitted in the zone in which the building is located.

FLAT ROOF: A roof surface which slopes 10 percent or less.

GRADE: The elevation of the surface of the ground of a property, premises, preexisting or finished, whichever is lower in elevation.

GRADE DIFFERENTIAL: The difference in ground elevation between the Grade Plane and the lowest point of the Finished Grade adjacent to the exterior walls of the building. A Grade Differential is exempt when measuring the height of a building or structure. Any portion below the Grade Plane which exceeds the maximum permitted Grade Differential for the zoning district is included in calculating the vertical height of the building. See Section 15-2-3 for exceptions to building height.

GRADE, EXISTING: The surface of the ground or pavement at a stated location as it exists prior to disturbance in preparation for a project at the site.

GRADE, FINISHED: The elevation after the land is cleared, that will exist when all cut, filled, graded, or associated with construction improvements are completed, including but not limited to, pathways, pavements, hardscape or landscaping are complete.

GRADE, PREEXISTING NATURAL: The ground elevation of a premises which existed prior to excavation, cut, fill, or landscaping improvements the original construction of the building or structure. Reference to grade on adjacent properties may be utilized to assist
in establishing preexisting grade when the presence of said grade is not readily apparent on the subject premises. The Director may assist in establishing the existing Natural Grade, based on the surrounding undisturbed Existing Grade on other portions of the site, or based on adjacent properties to the site, or the level of the finished sidewalk.

**GRADE PLANE:** is a horizontal reference plane representing the average elevation between the highest and lowest point of the Natural Grade prior to excavation, fill or construction, measured immediately below or adjacent to the exterior perimeter walls of a building or structure.

**HIGH POINT OF NATURAL GRADE:** is the highest point of the Natural Grade adjacent to the exterior walls of a building, planned or built, where it is situated on a sloping lot.

**LOW POINT OF NATURAL GRADE:** is the lowest point of the Natural Grade adjacent to the exterior walls of a building, planned or built, where it is situated on a sloping lot.

**SEGMENTED GRADE PLANE:** is multiple horizontal Grade Planes adjacent to different portions of the exterior walls of a single building. Segmented Grade Planes are used for measuring the height of structures on sites with significant a Natural Grade slope.
TOP OF BUILDING: is the highest point of a pitched roof or the parapet on a building.

SECTION 6: ESMC Section 15-2-3 (General Provisions: Exceptions to Building Height) is amended as follows:

15-2-3: EXCEPTIONS TO BUILDING HEIGHT:

Penthouses or roof structures for the housing of elevators, stairways, solar panels and related equipment, or mechanical and similar equipment required to operate and maintain a building, fire escapes, fire or parapet walls, open-work guardrails, skylights, clock towers, church steeples and other similar architectural elements, flagpoles, chimneys, smokestacks, radio antennas, television masts, radar and other similar structures may be erected above the height limits prescribed in this title. Light standards or other light fixtures may be mounted on the roof of a parking structure and must be designed to control glare. Non-permanent accessories, such as furniture, barbeques, or umbrellas placed on a roof deck may be erected up to a maximum eight feet (8') 8 feet above the height limits prescribed in this title. No such penthouse, structure or accessory is allowed for the purpose of providing additional floor space. Any such structures in residential zones shall be for noncommercial purposes only.

An increase in the maximum allowable Building Height, up to 5 feet, may be granted by the Director, subject to the approval of an Adjustment pursuant to Chapter 15-24.

SECTION 7: ESMC Chapter 15-4, Article A (Single Family Residential (R-1) Zone), Section 6 (Site Development Standards for Lots Wider than Twenty Five Feet), Subsection B (Height) is amended as follows:
B. Height: The height of all buildings must not exceed twenty-six feet (26') and two (2) stories.

Height shall be measured from the finish grade or natural grade adjacent to the building or structure, whichever is lower.

1. The height of all buildings or structures with a pitched roof must not exceed 32 feet and two stories. Buildings or structures with a Flat Roof must not exceed 26 feet and two stories.

2. A maximum Grade Differential of 6 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 8: ESMC Chapter 15-4, Article A (Single-Family residential (R-1) Zone), Section 6-1 (Site Development Standards for Lots Twenty Five Feet or Less), Subsection B (Height) is amended as follows:

B. Height: The height of all buildings must not exceed twenty-six feet (26') and two (2) stories. The height of other buildings and detached accessory structures, including detached garages, may not exceed fourteen feet (14').

Height shall be measured from the finish grade or natural grade adjacent to the building or structure, whichever is lower.

1. The height of all buildings or structures with a pitched roof must not exceed 32 feet and two stories. Buildings or structures with a Flat Roof must not exceed 26 feet and two stories.

2. A maximum Grade Differential of 6 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential is included in measuring the maximum...
Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 9: ESMC Chapter 15-4, Article B (Two-Family Residential Zone (R-2)), Section 6 (Site Development Standards), Subsection B (Height) is amended as follows:

B. Height: The height of all dwelling units shall not exceed twenty-six feet (26') and two stories. The height of all other buildings and detached accessory structures, including detached garages, shall not exceed fourteen feet (14').

1. The height of all buildings or structures with a pitched roof shall not exceed 32 feet and two stories. Buildings or structures with a Flat Roof must not exceed 26 feet and two stories.

2. A maximum Grade Differential of 6 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 10: ESMC Chapter 15-4, Article C (Multi-Family Residential (R-3) Zone), Section 5 (Site Development Standards), Subsection C (Height) is amended as follows:
C. Height: The height of all buildings and structures shall not exceed twenty-six feet (26').

1. The height of all buildings or structures with a pitched roof shall not exceed 32 feet and two stories. Buildings or structures with a Flat Roof must not exceed 26 feet and two stories.

2. A maximum Grade Differential of 6 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 11: ESMC Chapter 15-5, Article A (Downtown Commercial (C-RS) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height:
1. Buildings and structures shall not exceed the height of forty-five feet (45' 45 feet).

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 12: ESMC Chapter 15-5, Article B (Neighborhood Commercial (C-2) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height:

1. Buildings and structures shall not exceed a height of twenty-eight feet (28' 28 feet).

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See ESMC 15-2-3 for exceptions to Building Height.

SECTION 13: ESMC Chapter 15-5, Article C (General Commercial (C-3) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height:
1. East of Sepulveda Boulevard: No building or structure shall exceed two-hundred-feet (200') 200 feet.

2. West of Sepulveda Boulevard: No building or structure shall exceed forty-five-feet (45') 45 feet.

3. If the subject property abuts residentially zoned property, no building or structure shall exceed forty-feet (40') 40 feet.

4. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

5. See Section 15-2-3 for exceptions to Building Height.

SECTION 14: ESMC Chapter 15-5, Article D (Corporate Office (CO) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height:

1. East of Sepulveda Boulevard: No building or structure shall exceed two-hundred-feet (200') 200 feet.

2. West of Sepulveda Boulevard: No building or structure shall exceed forty-five-feet (45') 45 feet.

3. If the subject property abuts residentially zoned property, no building or structure shall exceed forty-feet (40') 40 feet.

4. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.
5. See Section 15-2-3 for exceptions to Building Height.

SECTION 15: ESMC Chapter 15-5, Article E (Urban Mixed Use North (MU-N) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height: Buildings and structures shall not exceed a height of one-hundred-seventy five feet (175').

1. Buildings and structures shall not exceed a height of 175 feet.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.
SECTION 16: ESMC Chapter 15-5, Article F (Urban Mixed Use South (MU-S) Zone), Section 8 (Site Development Standards), Subsection C (Height) is amended as follows:

15-5F-8: SITE DEVELOPMENT STANDARDS:

C. Height: Buildings and structures shall not exceed a height of one-hundred-seventy five feet (175').

1. Buildings and structures shall not exceed a height of 175 feet.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum building height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 17: ESMC Chapter 15-5, Article G (Commercial Center (C-4) Zone), Section 6 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height:

1. No building or structure may exceed sixty-five feet (65') 65 feet.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum building height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.
SECTION 18: ESMC Chapter 15-6, Article A (Light Industrial (M-1) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height: Buildings and structures shall not exceed a height of two-hundred feet (200').

1. Buildings and structures shall not exceed a height of 200 feet.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 19: ESMC Chapter 15-6, Article B (Heavy Industrial (M-2) Zone), Section 7 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height: Buildings and structures shall not exceed a height of two-hundred feet (200').

1. Buildings and structures shall not exceed a height of 200 feet.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.
3. See Section 15-2-3 for exceptions to Building Height.

SECTION 20: ESMC Chapter 15-8 (Open Space (O-S) Zone), Section 5 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height: Buildings and structures shall not exceed a height of twenty-six feet (26').


2. A maximum Grade Differential of 8 feet is permitted in sloping lots, measuring from the Grade Plane to the lowest Finished Grade immediately adjacent to the exterior walls of the building. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 21: ESMC Chapter 15-9 (Automobile Parking (P) Zone), Section 5 (Site Development Standards), Subsection C (Height) is amended as follows:

C. Height: Buildings and structures shall not exceed a height of twenty-six feet (26').


2. A maximum Grade Differential of 8 feet is permitted in sloping lots, measuring from the Grade Plane to the lowest Finished Grade immediately adjacent to the exterior walls of the building. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.
3. See Section 15-2-3 for exceptions to Building Height.

SECTION 22: ESMC Chapter 15-10 (Public Facilities (P-F) Zone), Section 5 (Site Development Standards), Subsection B (Height) is amended as follows:

B. Height: The permissible height limit shall be the average height of all zones which abut the property.

1. The permissible height limit shall be the average height of all zones which abut the property.

2. A maximum Grade Differential of 8 feet is permitted on sloping lots. The vertical height which exceeds the maximum Grade Differential limit is included in measuring the maximum Building Height. On sloped lots, a Segmented Grade Plane may be applied to different portions of a building.

3. See Section 15-2-3 for exceptions to Building Height.

SECTION 23: ESMC Chapter 15-24 (Adjustments), Section 1 (Granting) is amended by adding the following:

I. Building Height to exceed the maximum allowable height by not more than 5 feet.

SECTION 24: CONSTRUCTION. This ordinance must be broadly construed in order to achieve the purposes stated in this ordinance. It is the City Council's intent that the provisions of this ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this ordinance.

SECTION 25: ENFORCEABILITY. Repeal of any provision of the El Segundo Municipal Code does 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 26: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this ordinance will be rendered void.
and cause such previous ESMC provision or other ordinance to remain in full force and effect for all purposes.

SECTION 27: 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 28: 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 15 days after the passage and adoption of this ordinance, cause it to be published or posted in accordance with California law.
SECTION 29: This Ordinance will become effective on the thirty-first day following its passage and adoption.

PASSED AND ADOPTED this 4th day of September, 2018.

Drew Boyles, Mayor

TEST:

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. ____ was duly introduced by said City Council at a regular meeting held on the 21st day of August, 2018, 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 4th day of September, 2018, 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
EL SEGUNDO PLANNING COMMISSION
MEETING DATE: June 28, 2018
AGENDA STATEMENT
AGENDA HEADING: Public Hearing

AGENDA DESCRIPTION:

Consideration and possible action to amend various sections of the El Segundo Municipal Code (ESMC) Title 15 (Zoning Code) to: (1) update and introduce new definitions related to measuring building height, (2) establish new zoning code standards for measuring the maximum height of buildings, and (3) allow the Director to approve an adjustment to the maximum building height by up to 5 feet, pursuant to ESMC Chapter 15-24.

Adopting this Ordinance is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), § 15304 as a Class 4 (minor alteration to land), and does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and provisions for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA. (Applicant: City of El Segundo).

RECOMMENDED PLANNING COMMISSION ACTION: It is recommended that the Planning Commission open the public hearing and take public testimony on the proposed ordinance; close the public hearing and consider the evidence; and adopt Resolution No. 2840.

ATTACHED SUPPORTING DOCUMENTS:

1. Planning Commission Resolution No. 2840
2. Proposed Draft Ordinance

ORIGINATED BY: Maria Baldenegro, Assistant Planner
REVIEWED BY: Gregg McClain, Planning Manager
APPROVED BY: Sam Lee, Director of Planning and Building Safety

I. INTRODUCTION

On October 9, 2017, the City initiated the proposed zone text amendment to amend various sections of the El Segundo Municipal Code (ESMC) to: (1) update and introduce new definitions related to measuring building height, (2) establish new zoning code standards for measuring the maximum height of buildings, and (3) allow the Director to approve an adjustment to the maximum building height by up to 5 feet, pursuant to ESMC Chapter 15-24.

This item was originally scheduled for Planning Commission consideration on June 14, 2018. However, staff requested to continue the item to the next Planning Commission meeting date on June 28, 2018.
II. BACKGROUND AND PROJECT DESCRIPTION

Background and Discussion

The Zoning Code was last updated in a comprehensive manner in 1993, and the City Council last considered an interpretation which established policies for measuring the height of buildings and grade in 1998.

Staff has often received requests throughout the years for assistance in determining where the “natural grade” existed on sloping lots before it was cleared, cut, filled or developed. Multiple “grade” terms are currently included in the Code but are often confusing to the public. Requests for minor exceptions to building height for the purpose of adding insulation or equipment screening on the roof are very common. Residents and business owners who seek to improve and expand buildings located on sloping lots also require exceptions due to the peculiar way building height is measured. The current development standards do not facilitate new development on sloping lots and penalize the removal of dirt when lowering the grade, even when that dirt is deposited elsewhere on the site (balanced cut and fill), which is standard practice in grading.

Building Height is currently defined as:

The vertical distance measured from all points of the highest point of a flat roof; the deck line of a mansard roof or to the average height between the plate and the ridge of gable, pitched, or hip roofs to grade directly below. The ridge of a gable, pitched, or hipped roof may extend a maximum of six feet (6') above the maximum height limit permitted in the zone in which the building is located.

This definition has several problems. It is unclear what “from all points of the highest point” is intended to mean. It is interpreted to mean the highest vertical points of the building measured at all horizontal points of the same building. In other words, every square inch of the building is subject to the height limit at that point. Although this sounds reasonable, it is almost impossible to build a significant structure on a sloped lot using this method.

The problem lies with our desire to live and work on level surfaces. To make a level surface on a hill requires the floor to be built above the natural slope by means of retaining walls or pillars, the floor to be cut into the slope, or a combination of the two. Under the current definition, any portion of dead space below the lowest floor that is built above the ground is counted toward building height. Also, since “grade” is defined as the lower of the original ground level or a finished ground surface, any portion of a building that is underground is also counted toward building height.

The proposed zone text amendment introduces a new method of measuring buildings which contain sloped roofs. The current regulations measure building height from the Existing Natural Grade to the midpoint of a sloped roof and allows 6 additional feet to the top peak of the ridge beam. The proposed provisions introduces Building Height be measured from a horizontal Grade Plane, representing the average elevation between the highest and
lowest point of the natural grade, to the highest point of a sloped roof. A much simpler method in measuring Building Height. The proposed method of measuring Building Height is in line with what other City’s with hillside districts are adopting for their codes.

On a flat lot, the Grade Plane will effectively be the natural ground level. However, the proposed provisions will allow a Sloped Lot a sensible combination of cut and fill to create workable floor area, providing more flexibility for developing or adding new buildings without compromising the established zoning height limits. The provisions will allow Sloped Lots, a minor increase in height defined as a Grade Differential. The provisions will allow a maximum Grade Differential of 6 feet in Residential zones and 8 feet in non-residential zones. This minor increase in height will provide the flexibility needed to develop Sloping Lots in the City when the slope is greater than 20%.

III. ENVIRONMENTAL REVIEW

This Ordinance is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.), because it involves minor revisions and clarifications to existing zoning regulations related to building height. The proposed zone text amendment is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), and § 15304 as a Class 4 (minor alteration to land). Accordingly, the proposed Ordinance does not constitute a “project” that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and policies for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA.
IV. RECOMMENDATION

Staff recommends that the Planning Commission adopt Resolution No. 2840 recommending that the City Council adopt the proposed Ordinance.
RESOLUTION NO. 2840

A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE EL SEGUNDO MUNICIPAL CODE (ESMC) IN TITLE 15 TO REDEFINE HOW BUILDING HEIGHT IS MEASURED, AND TO ALLOW THE DIRECTOR TO APPROVE ADJUSTMENTS TO THE ALLOWABLE BUILDING HEIGHT.

(Environmental Assessment No. 1210 and Zone Text Amendment No. 17-08)

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. On October 9, 2017, the City initiated the process to amend various sections of ESMC Title 15 (Zoning Code) regulating building height;

B. The City reviewed the project’s environmental impacts under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., CEQA) and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, et seq., CEQA Guidelines).

C. On June 14, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the proposed amendment. However, staff recommended to continue Environmental Assessment No. EA-1210 and Zone Text Amendment No. ZTA 17-08 to the next meeting date on June 28, 2018;

D. On June 28, 2018, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the proposed amendment, including information provided by City staff and public testimony;

E. This Resolution and its findings are made based upon the evidence presented to the Commission at its June 28, 2018, hearing including the staff report submitted by the Planning and Building Safety Department.

SECTION 2: General Plan Findings. As required under Government Code Section 65860, the ESMC amendments proposed by the Ordinance are consistent with the El Segundo General Plan as follows:

A. The proposed zone text amendment is in conformity with the Land Use Element goals, objectives and policies. Specifically, the zone text amendment is consistent with Land Use Element Goal LU3 and Objectives LU3-1 and LU3-2 in that the amendment will facilitate the construction, remodel, and expansion of residential land uses in the City;
A. The proposed amendments are also consistent with Land Use Element Goal LU4, Objective LU4-1, Policy LU4-1.2, in that they will promote the maintenance of commercial buildings to meet environmental regulations;

B. The proposed amendments are consistent with Land Use Element Goal LU4, Objective LU4-2, and Policy LU4-2.1, in that they will help revitalize and upgrade commercial areas in the City. The proposed amendments will accomplish this by providing clarify concerning building height regulations;

C. The proposed amendments are consistent with Economic Development Element Goal ED1, Objective ED1-1, and Policy ED1-1.1, in that it will help to development and maintain businesses for its residents throughout the City.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Section 15-26-4 and based on the findings set forth in Section 2, the proposed zone text amendment is consistent with and necessary to carry out the general purpose of ESMC Title 15 because it serves the public health, safety, and general welfare and provides the economic and social advantages resulting from an orderly planned use of land resources.

SECTION 4: Environmental Assessment. This Ordinance is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.), because it involves minor revisions and clarifications to existing zoning regulations related to building height. The proposed zone text amendment is categorically exempt from further CEQA review under CEQA Guidelines § 15303 as a Class 3 (new construction or conversion of small structures), and § 15304 as a Class 4 (minor alteration to land). Accordingly, the proposed Ordinance does not constitute a "project" that requires environmental review in accordance with CEQA Guidelines § 15061(b)(3), because the proposed zone text amendment establishes new definitions and policies for measuring building height. The proposed Ordinance constitutes an action that does not have the potential to cause significant effects on the environment and is therefore exempt from the provisions of CEQA.

SECTION 5: Recommendation. The Planning Commission recommends that the City Council adopt the Ordinance in a form substantially similar to the draft attached as Exhibit A, which is incorporated into this resolution by reference.

SECTION 6: Reliance on Record. Each and every one of the findings and determination in this Resolution 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 Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.
SECTION 7: Limitations. The Planning Commission's analysis and evaluation of the project is based on information available at the time of the decision. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. In all instances, best efforts have been made to form accurate assumptions.

SECTION 8: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 9: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.

SECTION 10: This Resolution may be appealed within 10 calendar days after its adoption. All appeals must be in writing and filed with the City Clerk within this time period. Failure to file a timely written appeal will constitute a waiver of any right of appeal.

PASSED AND ADOPTED this 28th day of June 2018.

______________________________
Ryan Baldino, Chair
City of El Segundo Planning Commission

ATTEST:

______________________________
Sam Lee, Secretary

Baldino -
Newman -
Wingate -
Hoeschler -
Keldorf -

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

By: ____________________________
David King, Assistant City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding Environmental Assessment No. EA-1228, Zone Text Amendment No. ZTA 18-03 to add Chapter 30 to Title 15 (Zoning Regulations) of the Municipal Code to require a discretionary Site Plan Review Permit for specified types of development (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Conduct a public hearing;
2. Take testimony and other evidence as presented;
3. Introduce an ordinance approving Environmental Assessment EA-1228 and amend the El Segundo Municipal Code to relate to discretionary Site Plan Review (ZTA 18-03);
4. Schedule second reading and adoption of the ordinance for September 4, 2018;
5. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Proposed Ordinance No. _____
2. Planning Commission Resolution No. 2844

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

STRATEGIC PLAN: N/A

ORIGINATED BY: Gregg McClain, Planning Manager
REVIEWED BY: Sam Lee, Planning & Building Safety Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND
With the exception of a site plan review requirement in the C-4 Zone, the El Segundo Municipal Code currently does not require a discretionary land use permit for the development of uses permitted by right in the City’s various zoning districts. A discretionary permit requirement provides a number of advantages for the City including the following:
- It allows the City to ensure that proposed development is consistent with the overall goals, policies and objectives of the General Plan and Zoning Code;
- It allows the City to ensure that new development is functionally and visually compatible with neighboring properties and the area in which it is located;
• It ensures that the subject development is reviewed in accordance with the California Environmental Quality Act (unless otherwise exempt by law), thereby providing the City with a mechanism to require the mitigation of environmental impacts caused by a project;

• It allows the City to place conditions on new development necessary to ensure the preservation of the public health, safety and general welfare.

It is in the best interest of the City to subject all significant new development to a site plan review process that will provide the City with a mechanism to ensure that each developer bears the cost of mitigating impacts directly caused by their proposed development, and allow the City to ensure the preservation of the public health, safety and general welfare.

The following criteria will be used to determine the need for a Site Plan Review:

A. Single-family residential development of more than 10 residential units;
B. Multi-family residential development of more than 10 units;
C. New commercial, institutional or industrial development with a combined gross floor area of more than 50,000 square feet, not including parking structures;
D. Additions to existing structures if the combined total additions exceeds 50,000 square feet of gross floor area, not including parking structures;
E. For projects with a mix of residential and commercial, institutional or industrial uses, if any criteria above applies, the entire project is subject to site plan review.

The Planning Commission will be the hearing body for Site Plan Review applications. The Commission may approve or approve with conditions a project for which the following finding can be made:

1. The proposed development is consistent with the goals, policies and objectives of the General Plan, any applicable specific plan, and the zoning code;
2. The project is functionally compatible with the area in which it is located;
3. The proposed development will not adversely affect the general welfare of the City.

Site Plan Review approvals will be valid for 2 years, with one year extensions possible. Site Plan Reviews can also be revoked by the Planning Commission in certain circumstances. As with all Planning Commission decisions, appeals will be before the City Council.

ENVIRONMENTAL REVIEW:

The ordinance does not have the potential to cause significant effects on the environment and, therefore, is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. § 15061(b)(3). The Ordinance amends the El Segundo Municipal Code to require a discretionary land use permit for specified types of development which, in some cases, do not currently require a discretionary land use permit. The addition of the discretionary permit requirement will trigger the application of CEQA and allow the City to analyze the potential environmental consequences of a proposed development project before making a decision on the merits of an application. The Ordinance does not portend any development or changes to the physical environment. Following an evaluation of possible adverse impacts, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment. Rather, the primary purpose of the proposed Ordinance is to provide a mechanism that will allow the City to require a CEQA evaluation of future development proposals meeting specified thresholds.
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO APPROVING ZONE TEXT AMENDMENT NO. ZTA 18-03 ADDING CHAPTER 30 TO TITLE 15 (ZONING REGULATIONS) OF THE MUNICIPAL CODE TO REQUIRE A DISCRETIONARY SITE PLAN REVIEW PERMIT FOR SPECIFIED TYPES OF DEVELOPMENT

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

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

A. With the exception of a site plan review requirement in the C-4 Zone and in the Smoky Hollow Specific Plan Area, the El Segundo Municipal Code currently does not require a discretionary land use permit for the development of uses permitted by right in the City's various zoning districts.

B. A discretionary land use permit requirement provides a number of advantages for the City including, without limitation, the following:

1. It allows the City to ensure that proposed development is consistent with the overall goals, policies and objectives of the General Plan and Zoning Code;

2. It allows the City to ensure that new development is functionally and visually compatible with neighboring properties and the area in which it is located;

3. It ensures that the subject development is reviewed in accordance with the California Environmental Quality Act (unless otherwise exempt by law), thereby providing the City with a mechanism to require the mitigation of environmental impacts caused by a project;

4. It allows the City to place conditions on new development necessary to ensure the preservation of the public health, safety and general welfare.

C. It is in the best interest of the City to subject all significant new development to a site plan review process that will provide the City with a mechanism to ensure that each developer bears the cost of mitigating impacts directly caused by his/her/its proposed development, and allow the City to ensure the preservation of the public health, safety and general welfare.

D. On July 26, 2018, the Planning Commission held a duly-noticed hearing on the proposed Ordinance, received and considered a staff report and
oral and written testimony from the public, and adopted Planning Commission Resolution No. 2844 recommending that the City Council adopt the proposed Ordinance as set forth herein.

E. On August 21, 2018, the City Council held a duly-noticed hearing where it received and considered a staff report, the Planning Commission’s recommendation, and oral and written testimony from the public.

SECTION 2: General Plan Findings. As required pursuant to Government Code section 65860, the City Council finds that the proposed amendments to the El Segundo Municipal Code are consistent with the General Plan as follows:

A. This ordinance does not make any changes to zoning or development standards in the city; rather, it adds a discretionary land use permit requirement that allows the city to ensure development projects are (1) consistent with the overall goals, policies and objectives of the General Plan and the Zoning Code, (2) consistent with the development standards set forth in the Zoning Code, (3) functionally and visually compatible with neighboring properties and the area in which they are located, and (4) conditioned, whenever necessary, to guarantee that the public health, safety and welfare are maintained.

B. Considering all its aspects, the proposed ordinance will further the objectives and policies of the General Plan and will not obstruct their attainment.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), and based on the findings set forth in Sections 1 and 2, the City Council finds that the proposed ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:

A. The ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. The ordinance requires a discretionary land use permit for new development projects that meet specified thresholds. This discretionary review will trigger application of the California Environmental Quality Act (unless the proposed project is otherwise exempt by law) and allow the city to analyze the potential environmental impacts of a project before reaching a decision on the merits. When necessary and appropriate, this will allow the City to impose mitigation measures and conditions on projects to ensure that the developers bear the burden of mitigating impacts directly caused by their projects.
C. The discretionary site plan review contemplated by this ordinance will provide a mechanism for the city to ensure that proposed developments are compatible with properties in the area in which they are located.

D. The discretionary site plan review contemplated by this ordinance will allow the City to place conditions on new development to ensure that the public health, safety and welfare are maintained.

SECTION 4: Chapter 30 is added to Title 15 of the ESMC to read as follows:

Chapter 30
SITE PLAN REVIEW

15-30-1: PURPOSE
15-30-2: APPLICABILITY
15-30-3: APPLICATION REQUIREMENTS
15-30-4: REVIEW PROCESS
15-30-5: EXPIRATION
15-30-6: REVOCATION

15-30-1: PURPOSE:

A site plan review is a discretionary land use permit that is required for any proposed project that meets the criteria set forth in section 15-29-2. The purpose of the site plan review process is to:

A. Ensure that the project is functionally compatible with the area in which it is located;

B. Allow all city departments the opportunity to review development proposals and place reasonable conditions to ensure that the public health, safety and welfare are maintained.

15-30-2: APPLICABILITY:

Except in the C-4 Zone, which has its own site plan review requirements, a site plan review pursuant to this chapter is required for development that meets any of the following criteria:

A. Single-family residential development of more than 10 residential units;

B. Multi-family residential development of more than 10 units;

C. New commercial, institutional or industrial development that includes structures which have a combined gross floor area of more than 50,000 square feet (not including parking structures);
D. Additions to existing structures if the combined total additions exceed 50,000 square feet of gross floor area, but not including parking structures;

E. For projects with a mix of residential and commercial, institutional or industrial uses, if any criteria above applies, the entire project is subject to site plan review.

15-30-3: APPLICATION REQUIREMENTS:

An application for a site plan review must be made on a form supplied by the Planning and Building Safety Department, and must be accompanied by the following:

A. A site plan showing the location of all structures, landscape and hardscape areas, parking areas, walks, internal circulation, access, adjacent streets, signs, and fence or wall type and placement;

B. Dimensioned and scaled building elevations for each proposed structure. The building elevations must show all sides of the building and call out exterior building materials, window and door types, and roof materials;

C. A radius map showing the project site and all lots lying in whole or in part within a 300-foot radius of the project site, address labels for the owners of all properties within the 300-foot radius together with any other individuals that have requested notice (this information is available from the City), and a Certified Property Owners List Affidavit;

D. Application fees in the amount established by resolution of the City Council;

E. Any other pertinent information, exhibits or materials deemed necessary by the Director or designee. With the exception of the application fee, the Director may waive or modify any of the application requirements deemed unnecessary for a particular application.

15-30-4: REVIEW PROCESS:

A. The Director or designee will determine whether the application is complete. An application is complete when it complies with the requirements of section 15-30-3. If an application is found to be incomplete, the applicant will be notified by mail as to why the application is incomplete and how the application can be made complete.

B. After an application is determined to be complete, it will be reviewed in accordance with the California Environmental Quality Act and an appropriate determination will be made. While the CEQA process is underway, the application will be distributed to the appropriate city
departments, and to professional consultants if necessary, for review, comment and recommendations regarding appropriate conditions. The applicant is responsible for the actual and reasonable costs incurred in preparing the appropriate CEQA document and all associated studies and reports. The city may require the applicant to deposit funds in a designated project-related account which the city can draw upon as costs are incurred.

C. Following the environmental determination, the application will be scheduled for a public hearing before the Planning Commission. The Director or designee will give public notice of the hearing as provided in Chapter 27 of this Title and consistent with applicable law.

D. The Planning Commission may approve or conditionally approve a site plan review if it makes the following findings:

1. The proposed development is consistent with the goals, policies and objectives of the general plan, any applicable specific plan, and the zoning code;

2. The project is functionally compatible with the area in which it is located;

3. The proposed development will not adversely affect the general welfare of the City.

E. If the Planning Commission approves or conditionally approves a site plan review, the approval will become effective upon expiration of the appeal period in section 15-25-3. If an appeal is perfected with the prescribed time period, the Planning Commission's decision shall be stayed pending final action of the City Council.

F. Appeals. An aggrieved party may appeal the decision of the Planning Commission pursuant to the procedures set forth in Chapter 25 of this Title.

G. Scope of Hearing on Appeal. Appeals shall be reviewed de novo. The City Council is not bound by the decision that has been appealed or limited to the issues raised on appeal.

15-30-5: EXPIRATION AND EXTENSIONS:

A site plan review will lapse and become null and void 2 years following the effective date of the site plan review approval unless, prior to the expiration date (a) a building permit is issued and construction is being diligently pursued toward completion, or (b) a certificate of occupancy is issued for the construction that was the subject of the application. One-year extensions may be granted by the Director for good cause upon written request of the applicant received prior to expiration of the site plan review approval, provided there are no changes
proposed to the previously-approved project. An application for extension involving any significant change from the original plan or the conditions of approval, as determined by the Director, shall be subject to all of the provisions of this Title and shall require a new application. Additional conditions may be imposed as deemed necessary to ensure that the development plan will be in compliance with city standards in effect at the time the extension is granted.

15-30-6: REVOCATION:

A. Grounds for revocation. A site plan review may be revoked for any of the following reasons:

1. The approval was obtained by fraud;

2. The application included inaccurate, erroneous, or incomplete information and the City finds that accurate and complete information would have caused additional or different conditions on the site plan review or denial of the application;

3. The project is being constructed contrary to the approved plans, conditions of approval, or in violation of any statute, ordinance, law or regulation.

B. If the Director finds that grounds for revocation exist, he or she may suspend a site plan review pending a hearing before the Planning Commission, which must be held within 30 days of the suspension. The hearing before the Planning Commission must be noticed in the manner required by Chapter 27 of this Title and consistent with applicable law. The decision of the Planning Commission is subject to appeal to the City Council pursuant to the procedures set forth in Chapter 25 of this Title.

SECTION 5. California Environmental Quality Act. The City Council finds that this Ordinance does not have the potential to cause significant effects on the environment and, therefore, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. § 15061(b)(3). The Ordinance amends the El Segundo Municipal Code to require a discretionary land use permit for specified types of development which, in some cases, do not currently require a discretionary land use permit. The addition of the discretionary permit requirement will trigger the application of CEQA and allow the City to analyze the potential environmental consequences of a proposed development project before making a decision on the merits of an application. The Ordinance does not portend any development or changes to the physical environment. Following an evaluation of possible adverse impacts, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment. Rather, the primary purpose of the proposed Ordinance is to provide a mechanism that will allow the City to require a CEQA evaluation of future development proposals meeting specified thresholds.
SECTION 6.  **Construction.**  This Ordinance must be broadly construed in order to achieve the purposes stated herein.  It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth herein.

SECTION 7.  **Severability.**  If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intended 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 8.  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 15 days after the passage and adoption of this Ordinance, cause a summary thereof to be published or posted in accordance with California law.
SECTION 9. This Ordinance will go into effect thirty days after its passage and adoption.

PASSED AND ADOPTED this ________ day of __________________, 2018.

Drew Boyles, Mayor

APPROVED AS TO FORM:

By: ____________________________
   Mark D. Hensley, City Attorney

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. ________ was duly introduced by said City Council at a regular meeting held on the ___ day of __________ 2018, 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 ___ day of __________, 2018, and the same was so passed and adopted by the following vote:

AYES: ____________________________
NOES: ____________________________
ABSENT: ____________________________
ABSTAIN: ____________________________

Tracy Weaver, City Clerk
RESOLUTION NO. 2844

A RESOLUTION OF THE EL SEGUNDO PLANNING COMMISSION RECOMMENDING THAT THE CITY COUNCIL APPROVE ENVIRONMENTAL ASSESSMENT NO. EA-1228 AND ADOPT AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE ADDING CHAPTER 29 TO TITLE 15 (ZONING REGULATIONS) TO REQUIRE A DISCRETIONARY SITE PLAN REVIEW PERMIT FOR SPECIFIED TYPES OF DEVELOPMENT

(Environmental Assessment 1228 and Zone Text Amendment 18-03)

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. With the exception of a site plan review requirement in the C-4 Zone and in the Smoky Hollow Specific Plan Area, the El Segundo Municipal Code currently does not require a discretionary land use permit for the development of uses permitted by right in the City's various zoning districts.

B. A discretionary land use permit requirement provides a number of advantages for the City including, without limitation, the following:

1. It allows the City to ensure that proposed development is consistent with the overall goals, policies and objectives of the General Plan and Zoning Code;

2. It allows the City to ensure that new development is functionally and visually compatible with neighboring properties and the area in which it is located;

3. It ensures that the subject development is reviewed in accordance with the California Environmental Quality Act (unless otherwise exempt by law), thereby providing the City with a mechanism to require the mitigation of environmental impacts caused by a project;

4. It allows the City to place conditions on new development necessary to ensure the preservation of the public health, safety and general welfare.

C. It is in the best interest of the City to subject all significant new development to a site plan review process that will provide the City with a mechanism to ensure that each developer bears the cost of mitigating impacts directly caused by his/her/its proposed development, and allow the City to ensure the preservation of the public health, safety and general welfare.
D. On July 26, 2018, the Planning Commission held a duly-noticed hearing on the proposed Ordinance, received and considered a staff report and oral and written testimony from the public, and adopted Planning Commission Resolution No. 2844 recommending that the City Council adopt the proposed Ordinance as set forth herein.

SECTION 2: General Plan Findings. As required pursuant to Government Code section 65860, the City Council finds that the proposed amendments to the El Segundo Municipal Code are consistent with the General Plan as follows:

A. The proposed ordinance does not make any changes to zoning or development standards in the city; rather, it adds a discretionary land use permit requirement that will allow the city to ensure development projects are (1) consistent with the overall goals, policies and objectives of the General Plan and the Zoning Code, (2) consistent with the development standards set forth in the Zoning Code, (3) functionally and visually compatible with neighboring properties and the area in which they are located, and (4) conditioned, whenever necessary, to guarantee that the public health, safety and welfare are maintained.

B. Considering all its aspects, the proposed ordinance will further the objectives and policies of the General Plan and will not obstruct their attainment.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), and based on the findings set forth in Sections 1 and 2, the City Council finds that the proposed ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:

A. The ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. The ordinance would require a discretionary land use permit for development projects that meet specified thresholds. This discretionary review will trigger application of the California Environmental Quality Act (unless the proposed project is otherwise exempt by law) and allow the city to analyze the potential environmental impacts of a project before reaching a decision on the merits. When necessary and appropriate, this will allow the City to impose mitigation measures and conditions on projects to ensure that the developers bear the burden of mitigating impacts directly caused by their projects.

C. The discretionary site plan review contemplated by this ordinance will provide a mechanism for the city to ensure that proposed developments are compatible with properties in the area in which they are located.
D. The discretionary site plan review contemplated by this ordinance will allow the City to place conditions on new development to ensure that the public health, safety and welfare are maintained.

SECTION 4: California Environmental Quality Act. The City Council finds that this Ordinance does not have the potential to cause significant effects on the environment and, therefore, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. § 15061(b)(3). The Ordinance amends the El Segundo Municipal Code to require a discretionary land use permit for specified types of development which, in some cases, do not currently require a discretionary land use permit. The addition of the discretionary permit requirement will trigger the application of CEQA and allow the City to analyze the potential environmental consequences of a proposed development project before making a decision on the merits of an application. The Ordinance does not portend any development or changes to the physical environment. Following an evaluation of possible adverse impacts, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment. Rather, the primary purpose of the proposed Ordinance is to provide a mechanism that will allow the City to require a CEQA evaluation of future development proposals meeting specified thresholds.

SECTION 5: Recommendation. For the foregoing reasons and based on the information and findings included in the Staff Report, Resolutions, Minutes and the whole of the administrative record, the Planning Commission of the City of El Segundo hereby recommends that the City Council adopt the ordinance set forth in the attached Exhibit A (Draft Ordinance) of this Resolution, and incorporated into this resolution by reference.

SECTION 6: Reliance on Record. Each and every one of the findings and determination in this Resolution 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 Planning Commission in all respects; and

SECTION 7: Limitations. The Planning Commission’s analysis and evaluation of the project is based on information available at the time of the decision. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. In all instances, best efforts have been made to form accurate assumptions.

SECTION 8: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 9: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.

SECTION 10: This resolution shall take effect immediately.
PASSED, APPROVED AND ADOPTED this 26th day of July 2018.

Ryan Baldino, Chairperson
City of El Segundo Planning Commission

ATTEST:
Sam Lee, Secretary

Baldino    - Absent
Newman    - Aye
Wingate    - Aye
Hoeschler    - Aye
Keldorf    - Aye

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

By:    
David King, Assistant City Attorney
P.C. Resolution No. 2844  
Exhibit A

DRAFT ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO APPROVING ZONE TEXT AMENDMENT NO. ZTA 18-03 ADDING CHAPTER 29 TO TITLE 15 (ZONING REGULATIONS) OF THE MUNICIPAL CODE TO REQUIRE A DISCRETIONARY SITE PLAN REVIEW PERMIT FOR SPECIFIED TYPES OF DEVELOPMENT

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

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

A. With the exception of a site plan review requirement in the C-4 Zone and in the Smoky Hollow Specific Plan Area, the El Segundo Municipal Code currently does not require a discretionary land use permit for the development of uses permitted by right in the City’s various zoning districts.

B. A discretionary land use permit requirement provides a number of advantages for the City including, without limitation, the following:

1. It allows the City to ensure that proposed development is consistent with the overall goals, policies and objectives of the General Plan and Zoning Code;

2. It allows the City to ensure that new development is functionally and visually compatible with neighboring properties and the area in which it is located;

3. It ensures that the subject development is reviewed in accordance with the California Environmental Quality Act (unless otherwise exempt by law), thereby providing the City with a mechanism to require the mitigation of environmental impacts caused by a project;

4. It allows the City to place conditions on new development necessary to ensure the preservation of the public health, safety and general welfare.

C. It is in the best interest of the City to subject all significant new development to a site plan review process that will provide the City with a mechanism to ensure that each developer bears the cost of mitigating impacts directly caused by his/her/its proposed development, and allow the City to ensure the preservation of the public health, safety and general welfare.
D. On July 26, 2018, the Planning Commission held a duly-noticed hearing on the proposed Ordinance, received and considered a staff report and oral and written testimony from the public, and adopted Planning Commission Resolution No. 2844 recommending that the City Council adopt the proposed Ordinance as set forth herein.

E. On August 21, 2018, the City Council held a duly-noticed hearing where it received and considered a staff report, the Planning Commission’s recommendation, and oral and written testimony from the public.

SECTION 2: General Plan Findings. As required pursuant to Government Code section 65860, the City Council finds that the proposed amendments to the El Segundo Municipal Code are consistent with the General Plan as follows:

A. The proposed ordinance does not make any changes to zoning or development standards in the city; rather, it adds a discretionary land use permit requirement that will allow the city to ensure development projects are (1) consistent with the overall goals, policies and objectives of the General Plan and the Zoning Code, (2) consistent with the development standards set forth in the Zoning Code, (3) functionally and visually compatible with neighboring properties and the area in which they are located, and (4) conditioned, whenever necessary, to guarantee that the public health, safety and welfare are maintained.

B. Considering all its aspects, the proposed ordinance will further the objectives and policies of the General Plan and will not obstruct their attainment.

SECTION 3: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 (Amendments), and based on the findings set forth in Sections 1 and 2, the City Council finds that the proposed ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:

A. The ordinance is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.

B. The ordinance would require a discretionary land use permit for development projects that meet specified thresholds. This discretionary review will trigger application of the California Environmental Quality Act (unless the proposed project is otherwise exempt by law) and allow the city to analyze the potential environmental impacts of a project before reaching a decision on the merits. When necessary and appropriate, this will allow the City to impose mitigation measures and conditions on projects to ensure that the developers bear the burden of mitigating impacts directly caused by their projects.
C. The discretionary site plan review contemplated by this ordinance will provide a mechanism for the city to ensure that proposed developments are compatible with properties in the area in which they are located.

D. The discretionary site plan review contemplated by this ordinance will allow the City to place conditions on new development to ensure that the public health, safety and welfare are maintained.

SECTION 4: Chapter 29 is added to Title 15 of the ESMC to read as follows:

Chapter 29
SITE PLAN REVIEW

15-29-1: PURPOSE
15-29-2: APPLICABILITY
15-29-3: APPLICATION REQUIREMENTS
15-29-4: REVIEW PROCESS
15-29-5: EXPIRATION
15-29-6: REVOCATION

15-29-1: PURPOSE:

A site plan review is a discretionary land use permit that is required for any proposed project that meets the criteria set forth in section 15-29-2. The purpose of the site plan review process is to:

A. Ensure that the project is functionally compatible with the area in which it is located;

B. Allow all city departments the opportunity to review development proposals and place reasonable conditions to ensure that the public health, safety and welfare are maintained.

15-29-2: APPLICABILITY:

Except in the C-4 Zone, which has its own site plan review requirements, a site plan review pursuant to this chapter is required for development that meets any of the following criteria:

A. Single-family residential development of more than 10 residential units;

B. Multi-family residential development of more than 10 units;

C. New commercial, institutional or industrial development that includes structures which have a combined gross floor area of more than 50,000 square feet, but not including parking structures;
D. Additions to existing structures if the combined total additions exceeds 50,000 square feet of gross floor area;

E. Parking structures with 250 or more parking spaces;

EE. For projects with a mix of residential and commercial, institutional or industrial uses, if any criteria above applies, the entire project is subject to site plan review.

15-29-3: APPLICATION REQUIREMENTS:

An application for a site plan review must be made on a form supplied by the Planning and Building Safety Department, and must be accompanied by the following:

A. A site plan showing the location of all structures, landscape and hardscape areas, parking areas, walks, internal circulation, access, adjacent streets, signs, and fence or wall type and placement;

B. Dimensioned and scaled building elevations for each proposed structure. The building elevations must show all sides of the building and call out exterior building materials, window and door types, and roof materials;

C. A radius map showing the project site and all lots lying in whole or in part within a 300-foot radius of the project site, address labels for the owners of all properties within the 300-foot radius together with any other individuals that have requested notice (this information is available from the City), and a Certified Property Owners List Affidavit;

D. Application fees in the amount established by resolution of the City Council;

E. Any other pertinent information, exhibits or materials deemed necessary by the Director or designee. With the exception of the application fee, the Director may waive or modify any of the application requirements deemed unnecessary for a particular application.

15-29-4: REVIEW PROCESS:

A. The Director or designee will determine whether the application is complete. An application is complete when it complies with the requirements of section 15-29-3. If an application is found to be incomplete, the applicant will be notified by mail as to why the application is incomplete and how the application can be made complete.

B. After an application is determined to be complete, it will be reviewed in accordance with the California Environmental Quality Act and an appropriate determination will be made. While the CEQA process is
underway, the application will be distributed to the appropriate city departments, and to professional consultants if necessary, for review, comment and recommendations regarding appropriate conditions. The applicant is responsible for the actual and reasonable costs incurred in preparing the appropriate CEQA document and all associated studies and reports. The city may require the applicant to deposit funds in a designated project-related account which the city can draw upon as costs are incurred.

C. Following the environmental determination, the application will be scheduled for a public hearing before the Planning Commission. The Director or designee will give public notice of the hearing as provided in Chapter 27 of this Title and consistent with applicable law.

D. The Planning Commission may approve or conditionally approve a site plan review if it makes the following findings:

1. The proposed development is consistent with the goals, policies and objectives of the general plan, any applicable specific plan, and the zoning code;

2. The project is functionally compatible with the area in which it is located;

3. The proposed development will not adversely affect the general welfare of the City.

E. If the Planning Commission approves or conditionally approves a site plan review, the approval will become effective upon expiration of the appeal period in section 15-25-3. If an appeal is perfected with the prescribed time period, the Planning Commission’s decision shall be stayed pending final action of the City Council.

F. Appeals. An aggrieved party may appeal the decision of the Planning Commission pursuant to the procedures set forth in Chapter 25 of this Title.

15-29-5: EXPIRATION AND EXTENSIONS:

A site plan review will lapse and become null and void 2 years following the effective date of the site plan review approval unless, prior to the expiration date (a) a building permit is issued and construction is being diligently pursued toward completion, or (b) a certificate of occupancy is issued for the construction that was the subject of the application. One-year extensions may be granted by the Director for good cause upon written request of the applicant received prior to expiration of the site plan review approval, provided there are no changes proposed to the previously-approved project. An application for extension involving any significant change from the original plan or the conditions of approval, as determined by the Director, shall be subject to all of the provisions
of this Title and shall require a new application. Additional conditions may be imposed as deemed necessary to ensure that the development plan will be in compliance with city standards in effect at the time the extension is granted.

15-29-6: REVOCATION:

A. Grounds for revocation. A site plan review may be revoked for any of the following reasons:

1. The approval was obtained by fraud;

2. The application included inaccurate, erroneous, or incomplete information and the City finds that accurate and complete information would have caused additional or different conditions on the site plan review or denial of the application;

3. The project is being constructed contrary to the approved plans, conditions of approval, or in violation of any statute, ordinance, law or regulation.

B. If the Director finds that grounds for revocation exist, he or she may suspend a site plan review pending a hearing before the Planning Commission, which must be held within 30 days of the suspension. The hearing before the Planning Commission must be noticed in the manner required by Chapter 27 of this Title and consistent with applicable law. The decision of the Planning Commission is subject to appeal to the City Council pursuant to the procedures set forth in Chapter 25 of this Title.

SECTION 5. California Environmental Quality Act. The City Council finds that this Ordinance does not have the potential to cause significant effects on the environment and, therefore, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. § 15061(b)(3). The Ordinance amends the El Segundo Municipal Code to require a discretionary land use permit for specified types of development which, in some cases, do not currently require a discretionary land use permit. The addition of the discretionary permit requirement will trigger the application of CEQA and allow the City to analyze the potential environmental consequences of a proposed development project before making a decision on the merits of an application. The Ordinance does not portend any development or changes to the physical environment. Following an evaluation of possible adverse impacts, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment. Rather, the primary purpose of the proposed Ordinance is to provide a mechanism that will allow the City to require a CEQA evaluation of future development proposals meeting specified thresholds.

SECTION 6. Construction. This Ordinance must be broadly construed in order to achieve the purposes stated herein. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth herein.
SECTION 7. *Severability.* If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intended 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 8. 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 15 days after the passage and adoption of this Ordinance, cause a summary thereof to be published or posted in accordance with California law.
SECTION 9. This Ordinance will go into effect thirty days after its passage and adoption.

PASSED AND ADOPTED this _________ day of __________________, 2018.

Drew Boyles, Mayor

APPROVED AS TO FORM:

By: ________________________________
    Mark D. Hensley, City Attorney

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. _________ was duly introduced by said City Council at a regular meeting held on the ____ day of ____________ 2018, 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 ____ day of ____________, 2018, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

______________________________
Tracy Weaver, City Clerk
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT
MEETING DATE: August 21, 2018
AGENDA HEADING: Unfinished Business

AGENDA DESCRIPTION:
Consideration and possible action to introduce Ordinance No. 1567 to prohibit gatherings where underage drinking or illegal drug use occurs. Fiscal impact: None

RECOMMENDED COUNCIL ACTION:
1. Introduce Ordinance No. 1567;
2. Schedule second reading of Ordinance No. 1567, for September 4, 2018;
3. Approve Resolution No. _____, or provide direction;
4. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Ordinance No. 1567; and
2. Resolution No. ___.

FISCAL IMPACT: None.

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

STRATEGIC PLAN:
Goal: El Segundo is a safe and prepared city.
Objective: The City has a proactive approach to risk and crime.

PREPARED BY: Bill Whalen, Chief of Police
              Natalie C. Karpeles, Deputy City Attorney

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On June 5, 2018, the City Council introduced the first reading of Ordinance No. 1567 to prohibit gatherings where underage drinking or illegal drug use occurs. At a special meeting held on June 13, 2018, the City Council considered Ordinance No. 1567 on second reading. Following due consideration of the Ordinance, the City Council directed staff to engage the community regarding the specifics of the Social Host Ordinance (SHO).

Pursuant to Council’s direction, City staff met with members of the community on June 29, 2018 and July 31, 2018, to review the language of the originally proposed Social Host Ordinance and discuss any related questions, comments and concerns. The draft Ordinance attached to this staff report reflects the changes proposed as a result of these community meetings; these changes are discussed in further detail in Section I, below. Due to these substantive amendments, staff recommends the City Council introduce the Ordinance for first reading.
Lastly, violations of the Social Host Ordinance will be subject to administrative fines. At its meeting on June 5, 2018, the City Council provided staff with direction regarding the appropriate administrative citations for a violation of the Ordinance. However, the Ordinance has been modified to include a community service component. Both the fine amounts and any community-service-equivalent hours must be established by Resolution – a draft of which is presented to the City Council for adoption or direction.

I. Social Host Liability Ordinance ("Chapter 7-13").

The prohibitions proposed by Chapter 7-13 are expected to deter consumption of alcoholic beverages and marijuana use by minors by holding persons responsible who encourage, are aware of or should be aware of this illegal conduct by minors but fail to take reasonable steps to prevent it. Penalties for a violation of Chapter 7-13 would subject the violator to an administrative citation, which would obligate the citee to pay civil penalties or complete community service hours established by City Council resolution.

The concerns raised during the community outreach meetings regarding the Ordinance generally relate to (1) the ability of the Ordinance to attach culpability to parents/property owners who are not present at the premises when minors obtain/consume alcohol; and (2) the amount of the fines imposed.

A. Summary of Changes related to Culpability.

The language of the prior Ordinance created the ability to hold both the property owner (e.g., parent) and the minor responsible for a violation of the Social Host Ordinance if the property owner and minor either: (1) intentionally provided alcohol or marijuana to a minor; (2) knew or reasonably should have known that minors would be using alcohol/marijuana at the premises; or (3) were present at the premises during the gathering. Pursuant to the comments and concerns raised at the community outreach meetings, the new draft ordinance has been amended as follows:

- Explain the only a Responsible Person or Responsible Adult may be held accountable for a violation of the ordinance, but not both.
  - A “Responsible Adult” means a person who is 21 years of age or older who owns, rents, leases or otherwise has control over the premises where the gathering occurs.
  - A “Responsible Person” means either (1) the person in charge of the premises when the gathering occurs, or (2) the person who organized the gathering.

- A “Responsible Person” will be culpable when:
  - Minors are consuming alcoholic beverages or using marijuana and there is a minor present on the premises who is obviously under the influence of alcohol and/or marijuana; and/or
  - A warning has been issued to the location within the last 12 months regarding alcohol/marijuana use by minors at the premises.

- A “Responsible Adult” will be culpable when:
  - A responsible adult is present at the premises during a gathering where minors are consuming alcoholic beverages or using marijuana;
  - Minors are consuming alcoholic beverages or using marijuana and there is a minor present on the premises who is obviously under the influence of alcohol and/or marijuana; and/or
  - A warning has been issued to the location within the last 12 months regarding alcohol/marijuana use by minors at the premises.
B. Summary of Changes related to Fines.

The new draft ordinance would:

- Provide that a warning may be issued to a “Responsible Adult” only when, (1) the adult was not present at the premises during the gathering; and (2) there is no evidence that a minor is present on the premises who is under the influence of either alcohol or marijuana;
- Explain that violations of Chapter 7-13 will not be subject to the response costs reimbursement provisions outlined in Sections 1-2A-28, et seq. by deleting former section 7-13-6 (“Response Cost Reimbursement”) from the proposed Ordinance; and
- Create a community service component to the Ordinance which would allow responsible persons and responsible adults to perform community service for the first citation issued within a one-year period. In order to account for the staff time involved in implementing community service (i.e., determining program compliance; tracking hours completed; etc.), the Ordinance provides for the inclusion of administrative costs.) Lastly, the proposed fine for first-time violation of Chapter 7-13 is $1,000 – in order to account for a community service program, staff seeks direction from Council regarding the number of hours equivalent to satisfaction of the monetary fine.

II. Proposed Resolution Regarding Fine Amounts.

With regard to the Ordinance, the attached proposed Resolution No. ___ establishes the schedule of fines for administrative citations when there are violations of Chapter 7-13. The proposed fines for a violation of Chapter 7-13 are $1,000 for a first offense, $2,000 for a second offense, and $5,000 for each additional offense within a 12-month period. The schedule represents the City Council’s direction at its June 5, 2018 meeting. Pursuant to the fines allotted, staff recommends that the community-service equivalent for a $1,000 fine be 75 hours (or 9 eight-hour days); however, staff requests the Council’s direction as to the appropriate community-service equivalent for the proposed fine. A draft of the Resolution is attached for adoption or direction and is meant to correspond with the date the Ordinance would go into effect, if enacted.

RECOMMENDATION:

Staff recommends that the Council:

1. Introduce Ordinance No. 1567;
2. Schedule second reading of Ordinance No. 1567, for September 4, 2018;
3. Approve Resolution No. _____, or provide direction;
4. Alternatively, discuss and take other possible action related to this item.
ORDINANCE NO. 1576

AN ORDINANCE ADDING CHAPTER 13 TO TITLE 7 OF THE EL SEGUNDO MUNICIPAL CODE PROHIBITING THE HOSTING, PERMITTING OR ALLOWING OF GATHERINGS AT WHICH PERSONS UNDER 21 YEARS OF AGE ARE CONSUMING ALCOHOLIC BEVERAGES OR USING MARIJUANA ILLEGALLY

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

SECTION 1: Findings.

A. Minors often obtain or possess marijuana or consume alcoholic beverages at parties held on private property and under the control of a person who knows or should know of this conduct but fails to prevent it.

B. Underage use of marijuana or consumption of alcoholic beverages poses an immediate threat to the public health, safety and welfare in that it increases alcohol abuse by minors, physical altercations, violent crimes (including rape and other sexual offenses), accidental injury, neighborhood vandalism and excessive noise disturbance, all of which may require intervention by the Police or Fire Departments.

C. The City's municipal code prohibits the consumption or possession of alcohol in certain public places, including public streets, parking lots, City parks and the beach, but does not have any rules to address underage drinking on private property (ESMC §§ 7-6-8, 10-1-4, 10-3-11).

D. State law prohibits the possession of marijuana by a minor under certain circumstances. (Health & Safety Code §§ 11357, et seq.) State law also prohibits persons 21 years or older from possessing, processing, transporting, purchasing, obtaining, or giving away recreational marijuana to persons 21 years or older under certain circumstances. (Health & Safety Code §§ 11357, et seq.) There are no rules in state law or the ESMC which address underage marijuana use on private property (ESMC Chapters 13B and 4-14).

E. The prohibitions proposed by this ordinance are reasonable and intended to deter use of marijuana or consumption of alcoholic beverages by minors by holding responsible those persons who encourage, are aware of or should be aware of this illegal conduct by minors but fail to take reasonable steps to prevent it.

SECTION 2: Chapter 13 (Social Host Regulations) is added to Title 7 (Nuisances and Offenses) of the El Segundo Municipal Code to read, in its entirety, as follows:

"CHAPTER 13
SOCIAL HOST REGULATIONS

207
7-13-1: PURPOSE:
7-13-2: DEFINITIONS:
7-13-3: GATHERING AT WHICH MINORS USE MARIJUANA OR CONSUME ALCOHOLIC BEVERAGES PROHIBITED:
7-13-4: EXEMPTIONS:
7-13-5: VIOLATION; PENALTY:

7-13-1: PURPOSE:

A. The purpose and intent of this chapter is:

1. To facilitate the enforcement of laws prohibiting the use of marijuana by minors and the service and consumption of alcoholic beverages by minors, in an effort to deter, and to promote the reduction of, underage drinking and drug use;

2. To protect public health, safety and welfare and quiet enjoyment of property and properties neighboring the location of gatherings at which minors use marijuana or are served and consume alcoholic beverages; and

3. To establish a duty of persons 21 years of age or older having control over any premises, who knowingly host, permit or allow a gathering at the premises to take reasonable steps to prevent the service and consumption of alcoholic beverages or use of marijuana by minors. Reasonable steps include, but are not limited to, controlling the access to and provision of marijuana and alcoholic beverages to minors, and monitoring the responsible, safe and lawful conduct of minors on the premises.

B. This chapter should not be construed as adding any additional authority for any law enforcement officer or government official to either enter private property or subject any property or person to search or seizure that does not otherwise exist independent of the provisions of this chapter.

C. It is not the intent of this chapter to impose strict liability against a parent or legal guardian whose best intentions and reasonable efforts to prevent the service and consumption of alcoholic beverages or use of marijuana by minors at a gathering are circumvented by the actions of any person to obtain alcoholic beverages or marijuana at the premises or to bring concealed alcoholic beverages or marijuana to the premises.

7-13-2: DEFINITIONS:

Unless the contrary is stated or clearly appears from the context, the following definitions will govern the construction of words and phrases used in this chapter:
ALCOHOL: Means ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, from whatever source or by whatever process produced.

ALCOHOLIC BEVERAGE: Includes alcohol, spirits, liquor, wine, beer, and every other liquid or solid containing alcohol, spirits, wine or beer, and which contains one-half of one percent or more of alcohol by volume and which is fit or beverage purposes either alone or when diluted, mixed, or combined with other substances.

GATHERING: Means a party, gathering, or event where three or more persons have assembled or are assembling for a social occasion or social activity.

MARIJUANA: Means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.

MINOR: Means any person under 21 years of age.

PREMISES: Means a home, yard, apartment, condominium, hotel or motel room, or other dwelling unit, or any commercial, business or industrial site, hall or meeting room, whether occupied on a temporary or permanent basis, and whether owned, leased, rented or used with or without compensation.

RESPONSIBLE ADULT: Means a person 21 years of age or older who owns, rents, leases or otherwise has control of the premises where the gathering occurs.

RESPONSIBLE PERSON: Means:

A. The person in charge of the premises when the gathering occurs; or

B. The person who organized the gathering.

7-13-3: GATHERING AT WHICH MINORS USE MARIJUANA OR CONSUME ALCOHOLIC BEVERAGES PROHIBITED:

It is unlawful and a public nuisance for either a responsible person or responsible adult to cause or allow a gathering to take place at the premises whenever the responsible person or responsible adult knows or reasonably should have known alcoholic beverages or marijuana are being unlawfully consumed or used by minors. Liability for a violation of this section will be imputed to either a responsible person or responsible adult, but not both.

A. Prima facie evidence that a responsible person had the knowledge, or should have had the knowledge, necessary to establish a violation of this chapter include those situations where:

1. Minors are consuming alcoholic beverages or using marijuana and there is a minor present on the premises who is obviously under the influence of alcohol or marijuana; or

2. A warning has been issued to the location within the last 12 months regarding alcohol or marijuana use by minors at the premises.
B. Prima facie evidence that a responsible adult had the knowledge, or should have had the knowledge, necessary to establish a violation of this chapter include those situations where:

1. A responsible adult is present at the premises during a gathering where minors are consuming alcoholic beverages or using marijuana; or

2. A warning has been issued to the location within the last 12 months regarding alcohol or marijuana use by minors at the premises.

C. A warning for a violation of this section will only be issued where the responsible adult was not present at the premises during a gathering where minors are consuming alcohol or using marijuana and there is no evidence that a minor is present on the premises who is obviously under the influence of alcohol or marijuana.

7-13-4: EXEMPTIONS:

This chapter does not apply to:

A. Any California Department of Alcoholic Beverage Control licensee at any premises licensed and regulated by the Department of Alcoholic Beverage Control.

B. Conduct involving the use of alcoholic beverages which occurs exclusively between a minor child and his or her parent or legal guardian, including the possession or consumption of an alcoholic beverage in connection with a cultural or religious activity. This exemption does not include any conduct that would contribute to the delinquency of a minor (a violation of Penal Code section 272).

C. Conduct which the city is expressly preempted from prohibiting under state law, specifically, the Medicinal and Adult use Cannabis Regulation and Safety Act.

D. A responsible person or responsible adult who called 911 and reported that a minor was in need of medical attention due to alcohol consumption or marijuana use, was the first person to make the 911 call, and when reporting that a minor was in need of medical assistance, remained on the scene with the minor until that medical assistance arrived and cooperated with medical assistance and law enforcement personnel on the scene.

E. A responsible person or responsible adult who requests immediate assistance from the police department to remove any person who refuses to abide by the requesting person’s performance of duties imposed by this chapter, or to terminate the gathering because of the requesting person’s ability to prevent minors from consuming alcoholic beverages or using marijuana despite having taken reasonable steps to do so, as long as such request is made before any other person makes a complaint about the gathering.
7-13-5: VIOLATION; PENALTY:

A. The City Council may adopt a resolution establishing a schedule of administrative fines and community service hours for a violation of this chapter.

B. In addition to the administrative fines described in this chapter, the responding law enforcement officer may issue an order requiring the gathering to be disbanded and may cite and arrest any violators under any other applicable ordinances and statutes.

C. For any responsible person who is a juvenile, each parent or legal guardian of the juvenile will be considered a responsible person liable for any fines, penalties and fees imposed pursuant to this chapter. The parents or guardians of a juvenile found to have violated this chapter may request to have that juvenile serve community service as described in subsection (E), below, and pay City administrative fees, if any, as an alternative penalty to paying the applicable civil penalty.

D. Nothing in this chapter is deemed to prevent the city from commencing a civil or criminal proceeding to abate a public nuisance or from pursuing any other means available under any other statute, ordinance or law (civil or criminal), to correct conduct regulated by this chapter in addition to or as alternatives to the procedures set forth herein. This chapter in no way limits the authority of the police department to make arrests for any criminal offense arising out of conduct regulated by this chapter.

E. The responsible person or responsible adult may perform community service and pay City administrative fees, if any, as an alternative to paying the civil penalty with the prior written consent and approval of the Police Chief or designee. The Police Chief or designee retains the discretion to approve the community service requested by the responsible person/adult. Upon approval of the Police Chief or designee to perform community service, the responsible person/adult must complete the required hours within one year of approval and must submit proof of completion to the Police Chief or designee. Failure to receive approval to perform community service or failure to complete the required hours of service will result in the imposition of the applicable civil penalty, which is immediately payable. No reduction in the penalty is authorized for completion of less than the required hours of community service unless approved by the City Manager or designee. Community service will only be approved for the first citation issued within a one-year period.

F. Violations of this chapter are not subject to the response cost reimbursement provisions outlined in Sections 1-2A-28, et seq. of this Code."
SECTION 3: Environmental Analysis. Because of the facts set forth in Section 1, this Ordinance is categorically exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it consists only of minor revisions and clarifications to existing regulations and procedures. It does not have the effect of deleting or substantially changing any regulatory standards or findings required thereof. The Ordinance is an action that does not have the potential to cause significant effects on the environment. Accordingly, this ordinance is exempt from further environmental review pursuant to 14 Cal. Code Regs. §15168(c)(2).

SECTION 4: CONSTRUCTION. This ordinance must be broadly construed in order to achieve the purposes stated in this ordinance. It is the City Council’s intent that the provisions of this ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this ordinance.

SECTION 5: ENFORCEABILITY. Repeal of any provision of the El Segundo Municipal Code does 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 6: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this ordinance will be rendered void and cause such previous ESMC provision or other ordinance to remain in full force and effect for all purposes.

SECTION 7: 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 8: 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 15 days after the passage and adoption of this ordinance, cause it to be published or posted in accordance with California law.

SECTION 9: This Ordinance will become effective on the thirty-first day following its passage and adoption.

PASSED AND ADOPTED this ___ day of __________, 2018.

_________________________
Drew Boyles, 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. ____ was duly introduced by said City Council at a regular meeting held on the ____ day of ___________, 2018, 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 ____ day of ___________, 2018, 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
RESOLUTION NO. _____ -

A RESOLUTION OF THE CITY OF EL SEGUNDO ESTABLISHING THE ADMINISTRATIVE FINES FOR VIOLATIONS OF CHAPTER 7-13 OF THE EL SEGUNDO MUNICIPAL CODE.

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

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

A. On July 1, 2003, the City Council introduced Ordinance No. 1364 ("Citation Ordinance") which adds Chapter 2A, entitled "Administrative Citations" (consisting of §§ 1-2A-10 to 1-2A-270), to Title 1 of the El Segundo Municipal Code ("ESMC") and allows the City enforcement officers to issue administrative citations for ESMC violations. The Administrative Citation Ordinance allows fine amounts to be adopted by City Council resolution, pursuant to Government Code § 53069.4(a)(1).

B. On July 1, 2003, the City Council adopted the fine amounts attached as Exhibit "A" to Resolution No. 4313 as the City's fine schedule for purposes of imposing fines pursuant to Chapter 2A of Title 1 of the ESMC.

C. On August 21, 2018, the City Council introduced Ordinance No. 1567, which adds Chapter 7-13, entitled "Social Host Regulations" to Title 7 of the ESMC and allows City enforcement officers to issue administrative citations for a violation of Chapter 7-13.

D. The City Council finds that such fines are necessary to preserve the health, safety and welfare of the City by deterring the conduct proscribed in Chapter 7-13.

SECTION 2: The fine amounts attached as Exhibit A for a violation of Chapter 7-13 of the El Segundo Municipal Code are hereby adopted and will take effect on the effective date of Ordinance No. 1567.

SECTION 3: This Resolution is effective immediately upon adoption.

SECTION 4: The City Clerk shall certify to the passage and adoption of this Resolution.

PASSED AND ADOPTED this ___ day of ____________, 2018.
Drew Boyles,
Mayor

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

I, Tracy Weaver, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. __________ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the ________ day of _____________, 2018, and the same was so passed and adopted by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

__________________________
Tracy Weaver,
City Clerk

APPROVED AS TO FORM:

__________________________
Mark D. Hensley,
City Attorney
EXHIBIT A

FINE SCHEDULE FOR ADMINISTRATIVE CITATIONS

A. Except as otherwise provided, violations of the ESMC for which administrative citations are issued will have fines imposed as follows:

1. A fine not exceeding one hundred dollars ($100.00) for the first violation;

2. A fine not exceeding two hundred dollars ($200.00) for a second violation of the same provision within one year;

3. A fine not exceeding five hundred ($500.00) for each additional violation of the same provision within one year of the first violation.

B. Notwithstanding Section A, violations of Chapter 7-12 of the El Segundo Municipal Code are subject to an administrative fine in the following amounts:

1. A fine not exceeding two thousand five hundred ($2,500) for the first violation;

2. A fine not exceeding five thousand ($5,000) for a second violation of the same provision within 12 months;

3. A fine not exceeding seven thousand five hundred ($7,500) for each additional violation of the same provision within 12 months of the first violation.

C. Notwithstanding Section A, violations of Chapter 7-13 of the El Segundo Municipal Code are subject to an administrative fine in the following amounts:

1. A fine not exceeding one thousand ($1,000) for the first violation or a total of 75 hours of community service (pursuant to Section 7-13-5 of the El Segundo Municipal Code);

2. A fine not exceeding two thousand ($2,000) for a second violation of the same provision within one year;

3. A fine not exceeding five thousand ($5,000) for each additional violation of the same provision within one year of the first violation.
AGENDA STATEMENT

AGENDA DESCRIPTION:

Consideration and possible action to announce the appointment to the Arts and Culture Advisory Committee. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Announce the appointees; and/or,
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: None

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

STRATEGIC PLAN:

Goal: 1 Enhance Customer Service Engagement
Objective: 1(b) The City engages in regular, intentional information gathering

ORIGINATED BY: Mishia Jennings, Executive Assistant
REVIEWED BY:
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

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## CITY OF EL SEGUNDO
### WARRANTS TOTALS BY FUND

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<tr>
<th>GENERAL FUND</th>
<th>TRAFFIC SAFETY FUND</th>
<th>STATE GAS TAX FUND</th>
<th>ASSOCIATED RECREATION ACTIVITIES FUND</th>
<th>ASSET FORFEITURE FUND</th>
<th>COMM. DEVELOP. BLOCK GRANT</th>
<th>PROP &quot;A&quot; TRANSPORTATION</th>
<th>PROP &quot;C&quot; TRANSPORTATION</th>
<th>AIR QUALITY INVESTMENT PROGRAM</th>
<th>HOME BOUND INSTALLATION FUND</th>
<th>HYPERION MITIGATION FUND</th>
<th>TDA ARTICLE 3 - SB 821 BIKeway FUND</th>
<th>MTA GRANT</th>
<th>FEMA</th>
<th>O.C.P.E. FUND</th>
<th>L.A.A.N.A. FUND</th>
<th>PGF PROPERTY TAX PUBLIC SAFETY</th>
<th>ASSESSMENT DISTRICT #73</th>
<th>CAPITAL IMPROVEMENT FUND</th>
<th>INFRASTRUCTURE REPLACEMENT FUND</th>
<th>FACILITIES MAINTENANCE</th>
<th>WATER UTILITY FUND</th>
<th>WASTEWATER FUND</th>
<th>GOLF COURSE FUND</th>
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<th>LIABILITY INSURANCE</th>
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<th>RETIRED EMP. INSURANCE</th>
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**TOTAL WARRANTS**

$ 826,135.56

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**STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

Information on actual expenditures is available in the Director of Finance's 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/urgent 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.

**FINANCE DIRECTOR:**

**DATE:** 8-11-18

**CITY MANAGER:**

**DATE:** 8/14/18

**VOID CHECKS DUE TO ALIGNMENT:**

**VOID CHECKS DUE TO INCORRECT CHECK DATE:**

**VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:**

**NOTES:**

[Signature: Carpeters]
## CITY OF EL SEGUNDO
### PAYMENTS BY WIRE TRANSFER
#### 7/30/18 THROUGH 8/12/18

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<td>Manufacturers &amp; Traders</td>
<td>457 payment Vantagepoint</td>
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<td>8/10/2018</td>
<td>Manufacturers &amp; Traders</td>
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<td>Nationwide NRS EFT</td>
<td>EFT 457 payment</td>
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<td>8/2/2018</td>
<td>Lane Donovan Golf Pte</td>
<td>Payroll Transfer</td>
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<tr>
<td>6/18/18-6/30/18</td>
<td>Workers Comp Activity</td>
<td>SCRMA checks issued</td>
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<tr>
<td>7/1/18-7/31/18</td>
<td>Workers Comp Activity</td>
<td>SCRMA checks issued</td>
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<tr>
<td>7/23/18-7/29/18</td>
<td>Liability Trust - Claims</td>
<td>Claim checks issued</td>
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<tr>
<td>7/30/18-8/5/18</td>
<td>Liability Trust - Claims</td>
<td>Claim checks issued</td>
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<tr>
<td>7/23/18-7/29/18</td>
<td>Retiree Health Insurance</td>
<td>Health Reimbursement checks issued</td>
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<tr>
<td>7/30/18-8-5/18</td>
<td>Retiree Health Insurance</td>
<td>Health Reimbursement checks issued</td>
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**DATE OF RATIFICATION: 8/10/18**
**TOTAL PAYMENTS BY WIRE:**

3,585,445.01

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.
MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JULY 17, 2018 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Boyles at 5:00 PM

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pirsztuk - Present
Council Member Brann - Present
Council Member Pimentel - Present
Council Member Nicol - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) None

SPECIAL ORDER OF BUSINESS:

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

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)(1): -0- matters

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matters.


DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -1- matters

Public Employee Performance Evaluation
Title: City Manager
APPOIINTMENT OF PUBLIC EMPLOYEE (Gov't. Code § 54957): -0- matter

PUBLIC EMPLOYMENT (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): -8- matters

Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory, Professional Employees Association; City Employee Association; and Executive and Management/Confidential Employees (unrepresented groups).

Agency Designated Representative: Irma Moisa Rodriquez, City Manager, Greg Carpenter and Human Resources Director.

Adjourned at 6:50 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JULY 17, 2018 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Boyles at 7:00 PM

INVOCATION – Tracy Weaver, City Clerk

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Pirsztuk

PRESENTATIONS

a) Proclamation read by Mayor Boyles, presented to Shawn Green, Recreation and Parks Superintendent, proclaiming July is “Parks Make Life Better” Month.

b) Presentation by Police Chief Whalen, introduced new Police Officer, Josh Gilberts.

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pirsztuk - Present
Council Member Brann - Present
Council Member Pimentel - Present
Council Member Nicol - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)
Linda Cohen, resident, representing the South Bay Music Association, invited the community to the “Just for Laughs” concert to be held on Saturday, July 21, 2018 from 4:00 – 6:00 pm in the El Segundo Performing Arts Theater. Also invited all to send in their funniest home videos to sbmusic.org, these videos will viewed during the concert. Wayne Mularz, resident and Rotary President, invited the community to see Mary Poppins at the 21st annual Movie in the Park at Chevron Park on Saturday, August 4, 2018, gate opens at 4:00 PM.
Tracey Miller-Zarneke, resident and Environmental Chairperson, commented on items #C3 and #F12
Barbara Joelson, resident, commented items #B3 and #F12

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 Council Member Brann, SECONDED by Mayor Pro Tem Pirsztuk to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action regarding Environmental Assessment No. 1203, and Zone Text Amendment No. 18-02 to amend certain sections of the El Segundo Municipal Code pertaining to outdoor dining, allowed setback encroachments, and required parking for accessory uses in the Light Industrial (M-1) zone.
   Pursuant to the provisions of the California Environmental Quality Act, the proposed zone text amendment is not subject to CEQA pursuant to Section 15060(c)(2) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Address: Light Industrial (M-1) Zone of El Segundo.
   (Fiscal Impact: None with this action.)

Mayor Boyles stated this was the time and place to conduct a public hearing regarding Environmental Assessment No. 1203, and Zone Text Amendment No. 18-02 to amend certain sections of the El Segundo Municipal Code pertaining to outdoor dining, allowed setback encroachments, and required parking for accessory uses in the Light Industrial (M-1) zone.

Clerk Weaver stated that proper notice had been given in a timely manner and that no written communication had been received in the City Clerk's office.

Greg Carpenter, City Manager, introduced the item.

Gregg McClain, Planning Manager, gave a presentation and answered Council questions on the item.

Public comment:
Michael Jones, Sidley Jones Architects, spoke regarding the zone change.

MOTION by Mayor Pro Tem Pirsztuk, SECONDED by Council Member Nicol to close the public hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Council Discussion

Mark Hensley, City Attorney, read by title only:

ORDINANCE NO. 1570

AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE SECTION 15-2-7 AND CHAPTER 15-6A TO: REMOVE THE REQUIREMENT THAT OUTDOOR DINNING AREAS OBTAIN A CUP IN THE M-1 ZONE; REDUCE THE REQUIRED

MINUTES OF THE REGULAR COUNCIL MEETING
JULY 17, 2018
PAGE NO. 4
SETBACKS FOR OUTDOOR DINING AREAS IN THE M-1 ZONE; AND, REVISE HOW PARKING REQUIREMENTS FOR ACCESSORY USES ARE TABULATED IN THE M-1 ZONE.

Council Member Brann introduced Ordinance No. 1570. The second reading and adoption of the Ordinance is scheduled for August 7, 2018 at the regular meeting of the City Council.

C. UNFINISHED BUSINESS

2. Consideration and possible action to continue the discussion of the Social Host Liability Ordinance No. 1567.
   (Fiscal Impact: None)

   Greg Carpenter, City Manager, introduced the item.

   Bill Whalen, Police Chief, mentioned a community outreach meeting regarding the item would be held on July 31, 2018 in the Council Chamber.

   Council Discussion

   MOTION by Council Member Brann, SECONDED by Council Member Nicol, to continue the discussion on the proposed Ordinance No. 1567 to the August 21, 2018 regular City Council meeting.

3. Consideration and possible action to (1) determine the scope of services and schedule for the Residential Solid Waste Collection Request for Proposals, (2) receive an update on the development of a Proposition 218 ballot to establish a maximum $20 monthly fee upon eligible residential dwellings for solid waste collection services, and (3) authorize the City Manager to execute an amendment to the Franchise Agreement with Republic Services (Consolidated Disposal) amendment no. 4189A to continue providing services under the current Agreement on a month-to-month basis for up to six months (through April 30, 2019).
   (Fiscal Impact: To Be Determined)

   Greg Carpenter, City Manager, introduced the item.

   Ken Berkman, Public Works Director, reported on the item and answered Council's questions.

   Council Discussion

   Michelle Leonard, SCS Engineers, answered Council's questions.

   MOTION by Mayor Boyles, SECONDED by Council Member Nicol to pursue the development of a Proposition 218 ballot to establish a maximum monthly fee of $20 for
solid waste collection services, in addition; set CPI (Consumer Price Index) increases over 5 years. MOTION PASSED BY VOICE VOTE. 4/1 Yes: Boyles Nicol Pimentel Pirsztuk No: Brann

MOTION by Mayor Boyles, SECONDED by Council Member Pimentel to schedule the Residential Solid Waste Collection Request for Proposals, with 2 requests from Council; 1) Continue to monitor the impact of 3 and 4 unit buildings and 2) include the Life Line provision for those in need. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

MOTION by Mayor Pro Tem Pirsztuk, SECONDED by Mayor Boyles to authorize the City Manager to execute an amendment to the Franchise Agreement with Republic Services continue providing services under the current Agreement on a month-to-month basis for up to six months (through April 30, 2018). MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

4. Consideration and possible action to adopt a resolution revising the Environmental Committee By-Laws.  
   (Fiscal Impact: None)

Greg Carpenter, City Manager, introduced the item.

Tracey Miller-Zarneke, Environmental Committee Chairperson, answered Council’s questions.

MOTION by Council Member Brann, SECONDED by Mayor Pro Tem Pirsztuk to adopt Resolution No. 5096. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

5. Consideration and possible action to announce the appointments to the Library Board of Trustees and Economic Development Advisory Council.  
   (Fiscal Impact: None)

Mayor Boyles announced to the Library Board of Trustees David Jonta to a full term expiring Jun 30, 2021 and Carol Ericson to a partial term expiring June 30, 2019 and to the Economic Development Advisory Council (EDAC) Lance Giroux, Tim Harris, Corinne Murat and James McCaulley, all with no term expiration.

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.
6. Approve Warrant Numbers 3021645 through 3021828 and 9000453 through 9000454 on Register No. 18 in the total amount of $1,163,386.12 and Wire Transfers from 6/11/18 through 6/24/18 in the total amount of $2,220,135.71 and Warrant Numbers 3021829 through 3021991 and 9000455 through 9000492 on Register No. 19 in the total amount of $828,040.65 and Wire Transfers from 6/25/18 through 7/8/18 in the total amount of $1,000,321.75. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

7. Approve Special City Council Minutes of June 13, 2018 (2 sets - Continued meeting regarding Social Host Ordinance and Strategic Planning Session).

Pulled by Staff - The Regular City Council Meeting Minutes of June 19, 2018 and Special City Council Minutes of June 25, 2018.

8. Adopt Resolution No. 5097 approving Plans and Specifications for the Water Main Improvement on Cedar Street and Walnut Avenue, Project No. PW18-10. (Fiscal Impact: To Be Determined)

9. Adopt Resolution No. 5098 approving Plans and Specifications for the Library Wi-Fi and Reading Lounge Renovation Project, authorize advertising for bids, pursuant to El Segundo Municipal Code 1-7-9C, waive the bidding process and authorize the City Manager to issue a purchase order with J.K. Miklin Inc. dba Yamada Enterprises piggybacking on an existing County of San Bernardino FAS Standard Contract No. 16-153 to purchase furniture in the amount not to $66,246.05, approve transferring $46,000 from 001-400-6101-4101 (Library Salary Fulltime) to 301-400-8201-8417 (Library Wi-Fi Zone) and authorize the City Manager or designee to repurpose, sell, or auction the Library's old furniture/bookshelves that will no longer apply to the project's improvement Project No. PW 18-04.
(Fiscal Impact: To Be Determined)

10. PULLED BY MAYOR BOYLES

11. PULLED BY COUNCIL MEMBER NICOL

MOTION by Mayor Pro Tem Pirsztuk, SECONDED by Council Member Brann approving Consent Agenda items 6, 7 (as amended), 8 and 9. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

PULLED ITEMS:
10. Consideration and possible action to terminate the Residential Sound Insulation (RSI) Program and authorize the City Manager to take any actions needed to terminate the program, including but not limited to: 1) terminate existing agreements and notify applicable residents, 2) eliminate the RSI Manager position, and 3) direct staff to work with Los Angeles World Airport (LAWA) to transition to take over the responsibility of treating the remaining applicable homes.  
   (Fiscal Impact: $50,000.00)

Greg Carpenter, City Manager, introduced and reported on the item.

Council Discussion

MOTION by Mayor Boyles, SECONDED by Council Member Brann to approve the termination of the Residential Sound Insulation (RSI) Program and authorize the City Manager to take any actions needed to terminate the program, including but not limited to: 1) terminate existing agreements and notify applicable residents, 2) eliminate the RSI Manager position, and 3) direct staff to work with Los Angeles World Airport (LAWA) to transition to take over the responsibility of treating the remaining applicable homes. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

11. Consideration and possible action to receive and file report on revised Scope of Work to the Los Angeles County Metropolitan Transit Authority (Metro) related to a pending Transit Oriented Development Planning Grant and Metro’s responses.  
   (Fiscal Impact: None)

Greg Carpenter, City Manager, updated Council on the results.

Council Discussion

MOTION by Council Member Nicol, SECONDED by Council Member Brann to receive and file the report on revised Scope of Work to the Los Angeles County Metropolitan Transit Authority (Metro). MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Recessed at 8:52 PM

Reconvened at 9:01 PM

Mayor Boyles recused himself due to possible conflict of interest.

F. NEW BUSINESS
12. Consideration and possible action to receive a presentation by both staff and a representative of the Bird Scooter Company on the impact of the Bird Scooters (motorized scooters that people pay to ride – they are operated from a standing position similar to a skateboard with handlebars) within the El Segundo Community.
   (Fiscal Impact: Unknown)

Bill Whalen, Police Chief, introduced and gave a presentation on the item.

Tim Harter, Senior Manager, Government Relations - Bird, gave a presentation.

Paul Samaras, Principal Planner, reported on the item

Council Discussion

Council consensus to establish a pilot program with Bird (electric scooter rental service) to include the following requests: liability, parking (designated areas), volume of scooters and a fiscal element made payable to the City (business partnership). Insurance should be provided ASAP (within the week) and obtain an encroachment permit within 30 days and the permit will be reevaluated 30 days after the permit is obtained.

13. Consideration and possible action to adopt a policy for City elected and appointed officials regarding electronic communications related to City business.
   (Fiscal Impact: $5,000.00 initial set-up fee and $5,000.00 annually)

Greg Carpenter, City Manager, introduced the item

Mark Hensley, City Attorney, reported on the item.

Council Discussion

MOTION by Council Member Nicol, SECONDED by Mayor to adopt Boyles Resolution No. 5091. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

G. REPORTS – CITY MANAGER – Passed

H. REPORTS – CITY ATTORNEY – Passed

I. REPORTS – CITY CLERK – Passed

J. REPORTS – CITY TREASURER – Not Present

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Pimentel – Thanked all involved in the 4th of July festivities and thanked the Fire Department for allowing him to sit in on a fire training exercise.
Council Member Nicol – Passed

Council Member Brann – Passed

Mayor Pro Tem Pirsztuk – Gave an Aquatics Center update, thanked the Recreation and Parks department on a great summer concert series, gave an update on Website RFP and gave an update on The Lakes RFP.

Mayor Boyles – Thanked everyone involved in the 4th of July festivities, attended the League of Cities training in Monterey, congratulated both the 10U and 12U Little League All-Star teams, invited the community to the August 24, 2018 Dodger game benefiting One Legacy, an organization that inspires organ, eye and tissue donations

14. Consideration and possible action to send a letter of support of the South Bay Cities Council of Governments’ (SBCCOG) to Metro for their planned modifications of the Green Line service.  
   (Fiscal Impact: None)

Mayor Boyles introduced the item.

Council Discussion

Council consensus to send a letter of support of the South Bay Cities Council of Governments’ (SBCCOG).

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)
Val Smith, resident, in favor of item #C3 and would like recycling required of apartment buildings.
Blair Fry, resident, commented on item #F12 and the need to create a safe place for bike and scooter riders.

MEMORIALS – None

ADJOURNMENT at 10:35 PM

Tracy Weaver, City Clerk
JOINT MEETING OF THE EL SEGUNDO CITY COUNCIL
AND ECONOMIC DEVELOPMENT ADVISORY COUNCIL
July 18th, 2018 Meeting Minutes

CALL TO ORDER

Chair Al Keahi called to order the Joint Meeting of the El Segundo City Council and Economic Development Advisory Council at 4:39PM on Wednesday July 18th, 2018 at Courtyard Marriot, 2000 E. Mariposa Ave, El Segundo, CA 90245.

ROLL CALL

The following El Segundo City Council members were present:

- Mayor Drew Boyles
- Mayor Pro Tem Carol Pirsztuk
- Dr. Don Brann
- Chris Pimentel
- Scot Nicol

The following El Segundo City Staff were present:

- Greg Carpenter, City Manager
- Barbara Voss, Economic Development Manager
- Tracy Weaver, City Clerk
- David King, Assistant City Attorney

The following Economic Development Advisory Council members were present:

- Al Keahi (Chair)
- Sandy Jacobs (Vice Chair)
- Alex Abad
- Spencer Bauer
- Lily Craig
- Rob Croxall
- Gary Horwitz
- Richard Lundquist
- Tim Harris
- Lance Giroux
- Jim McCaulley

The following Economic Development Advisory Council members were absent:

- Van Espahbodi
- Shar Franklin
- Robert Gray
- Bob Healey
- Michael Mothner
- Lance Ralls
- Corinne Murat

Approval of Minutes
Jim McCauley motioned to approve the minutes of the June 20th, 2018 meeting. Lily Craig seconded, unanimous approval.

**Public Communication**

- A. Keahi thanked Griselda Amezquita for hosting the EDAC meeting at the Courtyard Marriott.
- A. Keahi introduced new EDAC members:
  - Tim Harris, Senior Vice President of Business Operations of the La Lakers
  - Lance Giroux, Vice President of Sales at Dynasty Footwear
  - Corinne Murat, Director of Government Affairs at Mattel
  - Jim McCauley, Partner at Ernst and Young

**Presentations**

**Tim Harter, Senior Manager/Government Relations, BIRD**

- T. Harter presented an overview on the motorized scooter called BIRD.
- G. Carpenter stated a BIRD Scooter survey was issued to collect responses on community member’s experiences and concerns.
- A. Keahi questioned the misuse of the BIRD Scooter by underage individuals.
- T. Harter stated BIRD is exploring options to strengthen and prevent the misuse of BIRD.
- C. Pimentel inquired about the data captured to measure the success of the BIRD scooter.
- S. Nicol asked if BIRD collects age data on users.
- T. Harter stated the BIRD network user age varies from 18-91 years of age.

**Nicholas Biro, Caldwell Land Solutions Representative**

- N. Biro presented an overview on the D.R Horton Emerald Homes project in El Segundo.
- A. Keahi asked about the town home floor plans at 555. Walnut Avenue.
- N. Biro stated El Segundo residents have been the most interested in signing up for Emerald Homes.
- J. McCauley asked about the timeline of completion for the D.R Horton project.
- T. Harter stated the Emerald Homes project is expected to be fully constructed by the end of December 2018.

**Unfinished Business**

- B. Voss presented television media coverage on the street name change from Sepulveda Boulevard to Pacific Coast Highway.
- A. Keahi announced both the El Segundo Business website and the Hospitality & Tourism website is scheduled to launch in August.
- A. Keahi recommended EDAC to assist in the City’s marketing and communications plan by coming up with features and benefits that highlight El Segundo.
- A. Keahi thanked EDAC for signing the EDAC letter to City Council.
- B. Voss shared that the light pole banners would be replaced in August.
- C. Pirsztk suggested to add a variety of banner themes throughout the city.
• G. Renfro provided a brief review on the El Segundo Art Walk Event:
  ° 3,500 in attendance
  ° Website Visits Day of Art Walk - 2,495
  ° Website Visits all of June- 8,563
  ° ESAW Budget- $20,188
• A. Keahi discussed the EDAC Bylaws regarding total membership.

ADJOURNMENT
The meeting adjourned at 6:09 PM.

Megan Covarrubias
Economic Development Intern
MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 7, 2018 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Boyles at 5:00 PM

ROLL CALL

Mayor Boyles Present
Mayor Pro Tem Pirsztuk Present
Council Member Brann Present
Council Member Pimentel Present
Council Member Nicol Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) None

SPECIAL ORDER OF BUSINESS:

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

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)(1): -6- matters

1. Achambault v. City of El Segundo, WCAB Case Nos. 79049(39, 53 and 56)
2. James v. City of El Segundo, WCAB Case No. ADJ 10523289
3. Turnbull v. City of El Segundo WCAB and Cal PERS Matter
4. Gerten v. City of El Segundo, LASC Case No. BC6920208
5. Cooper v. City of El Segundo, LASC Case No. BC634197
6. Houston v. City of El Segundo, Los Angeles County Civil Service Commission

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matters.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -2- matters

1. Public Employee Performance Evaluation
   Title: City Manager

2. Public Employee Performance Evaluation
   Title: City Attorney

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

PUBLIC EMPLOYMENT (Gov’t Code § 54957) -0- matter

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

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

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory, Professional Employees Association; City Employee Association; and Executive and Management/Confidential Employees (unrepresented groups).

Agency Designated Representative: Irma Moisa Rodriquez, City Manager, Greg Carpenter and Human Resources Director.

Recessed at 6:50 PM

Adjourned at
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 7, 2018 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Boyles at 7:00 PM

INVOCATION – Wes Harding, The Bridge Church

PLEDGE OF ALLEGIANCE – Council Member Dr. Don Brann

PRESENTATIONS

a) Introduction by Police Chief Whalen, introducing the City's New Crime Analyst, Tasha Horn.

b) Presentation by Librarians Julie Todd and Kristina Kora-Beckman highlighting upcoming community conversations in El Segundo informing the philosophies and methods of the Harwood Lab to our residents. The first of 12 community outreach conversations will take place the week of September 12th, actual date and time to be determined.

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pirsztuk - Present
Council Member Brann - Present
Council Member Pimentel - Present
Council Member Nicol - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)
Jim Latta, resident, commented on item #E8, regarding the Homeless Plan. Amiel Farnam, Emergency Management Intern, invited the community to the Annual Preparedness Day on Thursday, September 13, 2018 from 3:00 PM – 7:00 PM in the El Segundo Plaza area.

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 Council Member Brann, SECONDED by Council Member Nicol to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

3
B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

C. UNFINISHED BUSINESS

1. Consideration and possible action related to potential change in policies and previously approved fees for City Aquatics facilities and programs, including hourly rental rates, user group selection process, financial assistance program, admission fee policy and the fee implementation timeline.
   (Fiscal Impact: None)

   Greg Carpenter, City Manager, introduced the item.

   Meredith Petit, Recreation and Parks Director, reported on the item.

   Council Discussion

   MOTION by Council Member Nicol, SECONDED by Mayor Pro Tem Pirsztuk accepting the change to dismiss the drop in fees for the Plunge, but not the Aquatics Center at this time. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

   Council Consensus to accept the user group selection process; Proposed Evaluation Criteria for the Aquatics Center Long-Term Rental Group Request for Proposal, with an amendment to criteria #2; adding an El Segundo resident element to this particular criteria.

   Meredith clarified the spectator fee and reported to Council the Aquatics Sub Committee has asked the Recreation and Parks Commission to establish a financial assistance program that will benefit all aspects of the Recreation and Parks Department programs, not just the aquatics programs.

   2. Consideration and possible action to receive a presentation regarding traffic and pedestrian safety for the 1100 and 1200 block of East Acacia and surrounding neighborhood during the annual holiday lights event, commonly known as Candy Cane Lane.
   (Fiscal Impact: Unknown)

   Council Member Nicol excused himself due to a possible conflict of interest.

   Greg Carpenter, City Manager, introduced the item.

   Bill Whalen, Police Chief, reported on the item and answered Council’s questions.

   Mark Hensley, City Attorney, answered Council’s questions.

   Council Discussion
Council consensus to receive and file report; the Council is in favor of full closure with direction to locate alternative parking for residents and a possible escort service by El Segundo service groups for the residents needing to access their homes.

Council Member Nicol returned to the dais.

3. Consideration and possible action to (1) receive an update regarding efforts to introduce shared mobility services in El Segundo; (2) provide direction to staff regarding the direction of the pilot program, including financial terms; and (3) introduce for first reading an ordinance amending the El Segundo Municipal Code (ESMC) to prohibit riding of motorized scooters, motorized bicycles, and similar forms of mobility on public sidewalks and to broaden the current prohibition of riding bicycles and skateboards to sidewalks throughout the City (not only in business districts, public parks or recreation areas).
   (Fiscal Impact: None)

Mayor Boyles excused himself due to a possible conflict of interest.

Greg Carpenter, City Manager, introduced the item and reported to Council what has transpired since the last Council meeting this item was discussed.

Mark Hensley, City Attorney, commented on the item regarding what other cities are doing/not doing about the shared mobility services.

Paul Samaras, Principle Planner, reported on the item and answered Council's questions.

Council Discussion

MOTION by Mayor Pro Tem Pirsztuk, SECONDED by Council Member Brann to remove all scooters immediately until a proper partnership and plan are in place and directed staff to continue to work with the shared mobility company's to derive a suitable plan for the City of El Segundo. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Council consensus to shelve the Ordinance, amending the El Segundo Municipal Code, prohibiting motorized scooter, bicycles and other forms of mobility from riding on the sidewalks.

Mayor Boyles returned to the dais.

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.
4. Approve Warrant Numbers 3021992 through 3022267 and 9000493 through 9000493 on Register No. 20 in the total amount of $1,749,182.64 and Wire Transfers from 07/19/18 through 07/29/18 in the total amount of $13,572,263.54. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

5. Approve Regular City Council Meeting Minutes of June 19, 2018, Special City Council Minutes of June 25, 2018 and Special City Council Meeting of July 17, 2018.

6. Waive second reading and adopt Ordinance No. 1570 regarding Environmental Assessment No. 1203, and Zone Text Amendment No. 18-02 to amend certain sections of the El Segundo Municipal Code pertaining to outdoor dining uses, allowed setback encroachments, and required parking for accessory uses in the Light Industrial (M-1) zone. Address: Light Industrial (M-1) Zone of El Segundo (Fiscal Impact: None with this action)

7. PULLED BY COUNCIL MEMBER PIMENTEL

8. PULLED BY MAYOR BOYLES

9. PULLED BY MAYOR BOYLES

MOTION by Mayor Pro Tem Pirsztuk, SECONDED by Council Member Brann approving Consent Agenda items 4, 5, and 6. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

PULLED ITEMS:

8. Consideration and possible action to accept a plan, developed by a consultant, to address homelessness in the City. (Fiscal Impact: TBD)

Greg Carpenter, City Manager, introduced the item.

Lt. Dan Kim reported on the item.

Abby Arnold, Lois Starr and Jenny Swann, Consultants, gave a presentation on proposed plan.

Council discussion

MOTION by Council Member Brann, SECONDED by Mayor Boyles accepting the plan addressing homelessness. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0
7. Consideration and possible action to reduce the established facility rental fee for the El Segundo High School Cross Country Invitational Meet to be hosted at the Lakes at El Segundo Golf Course on September 8, 2018, from $1750 in half to $875 due to the course and driving range closure occurring only for half-day and the agreement that concessions will be operated by The Lakes with revenue generated to offset the reduced facility rental fee. (Fiscal Impact: $875.00)

Greg Carpenter, City Manager, introduced the item.

Mr. Bolanos, ESHS Cross Country coach, answered Council questions.

Council Discussion

MOTION by Council Member Brann, SECONDED by Council Member Pimentel agreeing to the fee of $875.00 for use of the El Segundo Golf Course for a Cross Country Meet. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

9. Consideration and possible action to receive an informational report on the quarterly update for the City Council’s Strategic Work Plan and the Key Performance Indicators (KPI’s) for the third quarter of Fiscal Year (FY) 2017-2018. (Fiscal Impact: None)

Greg Carpenter, City Manager, answered Council’s questions.

Joe Lillio, Finance Director, answered Council’s questions.

Bill Whalen, Police Chief, answered Council’s questions.

Council Discussion

MOTION by Mayor Boyles, SECONDED by Council Member Brann, to receive and file the report regarding the quarterly Strategic Work Plan and the KPI’s for the third quarter.

F. REPORTS – CITY MANAGER – Spotlighted a few employees on their recent willingness to accept tasks for their departments that are outside of their current duties. Chief Donovan gave an updated report on the current California fires.

G. REPORTS – CITY ATTORNEY - Passed

H. REPORTS – CITY CLERK – Mentioned Martin and Chapman (sole company for providing standalone elections service) are going out of business, therefore, the Clerk’s office will bring back to Council in November a Resolution for moving to the County for the 2020 elections, which they previously voted to move to in 2022.
I. REPORTS – CITY TREASURER – Not present

J. REPORTS – CITY COUNCIL MEMBERS

Council Member Pimentel – Met with Council Member Nicol and Assembly member Autumn Burke’s staff on our City concerns and how they play into her role at the state and attended the Eighty-eight City summit to discuss homelessness and housing issues and met with new elected council members from various South Bay Cities.

Council Member Nicol – Thanked all those who attended and planned the “National Night Out” program.

Council Member Brann – Passed

Mayor Pro Tem Pirsztuk – Thanked the Police Department for their role in the Homeless issue and also thanked the department for participating in the Lip Sync Challenge.

Mayor Boyles – Passed

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)
Val Smith, resident, commented on the Candy Cane Lane issue and mentioned a program in Atlanta called the East Atlanta Security Patrol, gave a brief background on the program and suggested the City try something similar for fighting crime.

MEMORIALS – None

Council returned to Closed Session and adjourned at 10:52 PM.

ADJOURNMENT at 9:57 PM

Tracy Weaver, City Clerk
AGENDA DESCRIPTION:
Consideration and possible action to accept as complete the Recreation Park Picnic Shelter, Project No. PW 16-15 (Fiscal Impact: $90,448.00)

RECOMMENDED COUNCIL ACTION:
1. Accept the work as complete;
2. Authorize the City Clerk to file a Notice of Completion in the County Recorder’s Office; or,
3. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Notice of Completion

FISCAL IMPACT: $65,260
Amount Budgeted: $95,260
Additional Appropriation: No
Account Number(s): 125-400-8202-8326 Los Angeles County Grants ($30,000)
001-400-2601-6281 Emergency Facilities Maintenance ($65,260)

STRATEGIC PLAN:
Goal: 4 Develop Quality Infrastructure and Technology
Objective: (a) El Segundo’s physical infrastructure supports an appealing, safe, and effective City

Goal: 1 Enhance Customer Service and Engagement
Objective: 2 City services are convenient, efficient and user-friendly for all residents, businesses, and visitors

ORIGINATED BY: Orlando Rodriguez, Senior Civil Engineer
REVIEWED BY: Ken Berkman, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
On November 7, 2017, City Council awarded a Public Works contract to NoHo Constructors for improvements to the Recreation Park Picnic Shelter in the amount of $86,600 and authorized an additional $8,660 for construction related contingencies.

Construction began on May 15, 2018, and was completed by the contractor on July 18, 2018. A final inspection of the work has been performed and it was determined that the project was completed per the plans and specifications and to the satisfaction of the Public Works Department. The remaining $4,812.00 (unspent contingency) will be disencumbered and returned to the
Emergency Facilities Maintenance account. Staff respectfully recommends that City Council accept the work performed by NoHo Constructors as complete and authorize the City Clerk to file a Notice of Completion with the County Recorder’s Office.

**Accounting Summary:**

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<th>Amount</th>
<th>Description</th>
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<td>+ $3,848.00</td>
<td>Change Order (slab crack repairs)</td>
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<td>$95,260.00</td>
<td>Budgeted Amount (Contract + Contingency)</td>
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<td>-$90,448.00</td>
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<tr>
<td><strong>$4,812.00</strong></td>
<td><strong>Unspent Budgeted Amount Returned to Emergency Facilities Maintenance Account</strong></td>
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</table>

**Recreation Park Picnic Shelter Before:**

![Recreation Park Picnic Shelter Before](image1)

**Recreation Park Picnic Shelter After:**

![Recreation Park Picnic Shelter After](image2)
= NOTICE OF COMPLETION OF CONSTRUCTION PROJECT =

Project Name: Recreation Park Picnic Shelter Project

Project No.: PW 16-15 Contract No. 5421

Notice is hereby given pursuant to State of California Civil Code Section 3093 et seq that:

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.

2. The full name of the owner is: City of El Segundo

3. The full address of the owner is: City Hall, 350 Main Street, El Segundo, CA, 90245

4. The nature of the interest of the owner is: Public Facilities

5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on July 18, 2018. The work done was: Picnic Shelter Improvements

6. On August 21, 2018, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: NoHo Constructors

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: Recreation Park picnic shelter improvements in the City of El Segundo.

9. The street address of said property is: 401 Sheldon Street, El Segundo, CA 90245

Dated: ____________________________

Ken Berkman
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on ________________, 2018 at El Segundo, California.

______________________________
Ken Berkman
Public Works Director
AGENDA DESCRIPTION:

Consideration and possible action to authorize the City Manager to a) increase the Planning and Building Safety Department budgets for professional/technical services by $120,000, and b) increase the contract amounts of the following consultants: J Lee Engineering, Inc. (Building Safety) and Michael Baker International (Planning), which are necessitated by an unexpected high volume of plan checks and building permits. The additional funding is proposed to come from revenue generated by plan check and permit fees, which are projected to be approximately $600,000 over the budgeted estimate by the end of the fiscal year. (Fiscal Impact: $120,000)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to increase the Planning and Building Safety Department budgets for professional/technical services by $120,000 to cover anticipated contract services related to a higher than expected volume of plan checks.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT: $120,000

Amount Budgeted: $190,000
Additional Appropriation: 0
Account Number(s): 001-400-2402-6214 and 001-400-2403-6214

STRATEGIC PLAN:

Goal: 1a Provide unparalleled service to customers
Goal: 5b The City approaches work in a financially strategic and responsible way.

ORIGINATED BY: Lukas Quach, Building Safety Manager/Building Official
Gregg McClain, Planning Manager

REVIEWED BY: Sam Lee, Planning and Building Safety Director
Joseph Lilio, Finance Director

APPROVED BY: Greg Carpenter, City Manager

Plan check and permitting revenue is expected to be approximately $600,000 more than budgeted for the current fiscal year. This is very good news, however, it corresponds to a higher demand for plan check services that was also not anticipated. The current budget for professional/technical service will be short approximately $120,000, due mostly to the increased volume of plan checks. Transferring about 20 percent of the surplus revenue will ensure no reductions in service. The remaining half million dollars of surplus revenue will flow to the General Fund.

Staff recommends that the City Council authorize the City Manager to a) increase the Planning and Building Safety Department budgets for professional/technical services by $120,000 (additional appropriation will come from salary savings within general fund), which is to come from excess revenue generated by plan checks and permits in the current fiscal year, in addition, b) to increase the contract with J Lee Engineering, Inc. by $70,000 and with Michael Baker International by $50,000.
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT

MEETING DATE: August 21, 2018
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:
Consideration and possible action to authorize a budget appropriation of $8,500 related to an ongoing contract for professional services with MIG, Inc. for additional environmental services as part of the Smoky Hollow Specific Plan Update Project and, authorize the City Manager to execute an amendment to the existing agreement with MIG, Inc. (Fiscal impact—$8,500).

RECOMMENDED COUNCIL ACTION:
1. Approve a budget appropriation of $8,500 and transfer from the General Plan Maintenance Fund (GPMF) to provide additional environmental services related to the Smoky Hollow Specific Plan Update Project;
2. Authorize the City Manager to execute an amendment to the existing agreement with MIG, Inc.;
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. MIG Additional Scope of Services Request
2. Expenditure Status Report for “Trust Funds-Project Deposits Nonrefundable” account

FISCAL IMPACT: None
Amount Budgeted: $0
Additional Appropriation: $8,500
Account Number(s): Trust Funds-Project Deposits Nonrefundable—708-400-2404-4206

STRATEGIC PLAN:
Goals: 4(a) Physical infrastructure & 5(a) Economic growth and vitality
Objectives: Optimization of city resources & encourage vibrant business climate

ORIGINATED BY: Gregg McClain, Planning Manager
REVIEWED BY: Sam Lee, Planning and Building Safety Director
Joseph Lillio, Finance Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The requested appropriation of $8,500 is in addition to the original contract amount of $396,000 that was appropriated in 2014, and first amended in July 2016 extending the Agreement to September 20, 2018, and amended a second time in June 2018, adding $7,115 for the Smoky Hollow Specific Plan Update Project. Work is substantially complete on the project through the efforts of the City’s consulting firm, MIG, Inc. However, this requested budget appropriation of $8,500 will cover unanticipated costs related to the preparation and recirculation of the Project’s revised draft Environmental Impact Report (EIR), specifically the Transportation Chapter, necessitated in response to a CalTrans comment letter.
The term of the existing MIG, Inc., contract ending September 20, 2018, will remain the same, but the contract amount will be revised to not exceed $411,615.

The project was originally authorized and funded by the General Plan Maintenance Fund (GPMF), which is a restricted-use revenue fund that is linked to a surcharge on building permits and is not part of the General Fund. Subsequently, the funds were transferred to an expenditure account where the funds are reserved. A new purchase order cannot be prepared without this appropriation.

**RECOMMENDATION**

Staff recommends the City Council authorize the appropriation of $8,500 related to an ongoing contract for professional services with MIG, Inc. for additional environmental services related to the Smoky Hollow Specific Plan Update Project.
July 24, 2018

City of El Segundo
Attn: Paul Samaras, Tina Gall, Gregg McClain, and Sam Lee

Re: Recirculation of Revised Draft EIR Additional Authorization Request

Dear All,

As Genevieve Sharrow discussed with you on a call on July 18, 2018, the following Scope of Services summarizes additional work and fees that are above and beyond the original contract. We propose the following additional services to our original contract, dated October 1, 2014 and amended July 19, 2016 and June 5, 2018. All other terms in the original contract remain in effect.

Scope

The following describes new services outside of the original scope:

1. **Preparation and Recirculation of the Revised Draft EIR:** Prepare materials for DEIR recirculation: Draft revised Transportation Chapter of the EIR, draft introduction and reader’s guide for the Recirculated EIR, and compile EIR for recirculation. (These additional services were required to respond to the comment letter from Caltrans.)

2. **Revise Findings of Fact to include Recirculation information:** Prepare a revision to the draft Findings of Fact and Statement of Overriding Considerations to include required information pertaining to recirculation and new findings/conclusions.

3. **Responses to Comments on the Recirculated Draft EIR:** Additional responses to comments may be required for the recirculated DEIR. Since the number and extent of comments cannot be known, an allowance is included to complete responses to comments on the Recirculated Draft EIR. MIG will mail responses directly to commenters at least 10 days prior to the August 21, 2018 City Council hearing.

Fee

These additional services will be billed on a Time and Materials basis, with a **Not to Exceed Total of $8,500.** We will not perform any future work beyond the efforts described in this additional services letter without written approval from the City.

Schedule

MIG will complete the Recirculated Draft EIR, revised Findings of Fact, and Responses to Comments on the Recirculated Draft by August 9, 2018.
Sincerely,

[Signature]

Laura Stetson, AICP
Principal

Please sign below to indicate the City's agreement to the terms outlined in this letter as a revision to the original contract and budget. Please return a copy to MIG for our files.

Sam Lee
Director of Planning and Building Safety

______________________________

Date
# G/L Trial Balance Report

**CITY OF EL SEGUNDO**  
10/1/2017 through 9/30/2018

## TRUST FUNDS-PROJECT DEPOSITS NONREFUNDAB

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*** Fund Not in Balance ***
### Grand Totals

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