EXHIBIT 1

RESOLUTION NO. ___

A RESOLUTION APPROVING AN ADDENDUM TO A MITIGATED NEGATIVE DECLARATION FOR ENVIRONMENTAL ASSESSMENT (EA) NO. 959 AND ADOPTING GENERAL PLAN AMENDMENT (GPA) NO. 12-01 FOR THE 222 KANSAS STREET SPECIFIC PLAN AND A DEVELOPMENT PROJECT AT 222 KANSAS STREET.

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

SECTION 1: The City Council finds and declares that:

A. On February 26, 2009, the Planning Commission ("Commission") approved an Initial Study/Mitigated Negative Declaration (IS/MND) for an Environmental Assessment No. EA-788, Subdivision (SUB) No. 08-01, and Smoky Hollow Site Plan Review (SHSP) No. 08-01 to allow: a) the construction of five one and two-story buildings totaling 79,513 square feet and b) a subdivision into 55 condominium air space units. The project would have been constructed subject to the requirements of the Medium Manufacturing (MM) Zone; the proposed uses were light industrial, general office, and restaurant uses and the proposed floor area ratio (FAR) was 0.37;

B. On January 19, 2012, Mar Ventures, Inc., filed an application on behalf of SMPO Lab, LLC, for an Environmental Assessment (EA No. 959), a General Plan Amendment to re-designate the 4.83-acre project site from Smoky Hollow Mixed Use to "222 Kansas Street Specific Plan" (222 KSSP); a Specific Plan Amendment to remove the subject property from the Smoky Hollow Specific Plan boundaries and to establish a new "222 Kansas Street Specific Plan" (222 KSSP) and to establish the development standards within the Specific Plan; a Zone Change to amend the Zoning Map to rezone the project site from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone; a Zone Text Amendment; to add a new ESMC § 15-3-2(A)(8) "222 Kansas Street Specific Plan"; and to modify ESMC Chapter 15-11; a Development Agreement to provide public benefits in exchange for development rights; a Subdivision of the "Phase 2" property into four parcels and 20 condominium units; and Site Plan Review for construction of a 45,152 square-foot facility operated by the USDA on the southern portion of the property (Phase 1), and two office buildings totaling 31,000 square feet in floor area on the northern portion of the property (Phase 2) ("proposed project");
C. The applications from Mar Ventures, Inc. on behalf of SMPO Lab, LLC were reviewed by the City of El Segundo Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code ("ESMC");

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

E. An Addendum to the Initial Study/Mitigated Negative Declaration for EA No. 773 (approved by the El Segundo Planning Commission on February 26, 2009) was prepared pursuant to the requirements of CEQA Guidelines § 15164. Pursuant to CEQA, the Addendum need not be circulated for public review (CEQA § 15164(c)) however, an addendum is to be considered by the decision-making body before to making a decision on the project (CEQA § 15164(d));

F. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for July 12, 2012;

G. On July 12, 2012, the Commission held a public hearing to receive public testimony and other evidence regarding the applications including, without limitation, information provided to the Commission by City staff and public testimony, and representatives of Mar Ventures, Inc. and SMPO Lab, LLC;

H. Following the public hearing, the Planning Commission adopted Resolution No. 2721 recommending City Council approval of Environmental Assessment (Ea) No. 959; Adopt General Plan Amendment (GPA) No. 12-01, Specific Plan Amendment (SPA) No. 12-01, Zone Change (ZC) No. 12-01, Zone Text Amendment (ZTA) No. 12-01; and approve Development Agreement (DA) No. 12-01, Subdivision (SUB) No. 12-02 (VTM 71903), and Site Plan Review (SPR) No. 12-01;

I. On August 7, 2012, the City Council held a public hearing and considered the information provided by City staff, public testimony and the applicant, Mar Ventures, Inc;

J. On August 7, 2012, the City Council introduced and waived first reading of Ordinance No. ________ approving Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, and Development Agreement No. 12-01, and Site Plan Review No. 12-01;
K. This Resolution and its findings are made based upon the entire administrative record including, without limitation, testimony and evidence presented to the Council at its August 7, 2012 hearing including, without limitation, the staff report submitted by the Planning and Building Safety Department.

SECTION 2: Factual Findings and Conclusions. The City Council finds that the following facts exist:

A. The subject property is located at 222 Kansas Street, between Grand Avenue and Franklin Avenue, currently in the Medium Manufacturing (MM) Zone of the Smoky Hollow Specific Plan (SHSP) and proposed in the 222 Kansas Street Specific Plan (222 KSSP) Zone;

B. The property is comprised of two parcels with a total area of 4.83 acres. The property is bounded by Grand Avenue to the north, Kansas Street to the west, Franklin Avenue to the south, and a Military Entrance Processing Station (MEPS) and light industrial uses to the east;

C. The surrounding land uses are primarily multi-family residential, general office, light industrial, and auto-repair uses to the north, medical offices, and light industrial uses to the east, office and light industrial uses to the south, and light industrial uses to the west;

D. The proposed project involves an Environmental Assessment (EA No. 959), a General Plan Amendment to re-designate the 4.83-acre project site from Smoky Hollow Mixed Use to “222 Kansas Street Specific Plan” (222 KSSP); a Specific Plan Amendment to remove the subject property from the Smoky Hollow Specific Plan boundaries and to establish a new “222 Kansas Street Specific Plan” (222 KSSP) and to establish the development standards within the Specific Plan; a Zone Change to amend the Zoning Map to rezone the project site from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone; a Zone Text Amendment to add a new ESMC § 15-3-2(A)(8) “222 Kansas Street Specific Plan”; and to modify ESMC Chapter 15-11; a Development Agreement to provide public benefits in exchange for development rights; a Subdivision of the “Phase 2” property into four parcels and 20 condominium units; and Site Plan Review for construction of a 45,152 square-foot facility operated by the USDA on the southern portion of the property (Phase 1), and two office buildings totaling 31,000 square feet in floor area on the northern portion of the property (Phase 2) (which site plan is incorporated into the 222 Kansas Street Specific Plan as Exhibits 2-8 (“Approved Site Plan”));
E. The subject site is roughly rectangular in shape, relatively flat with approximately a one percent slope from north to south, with the exception of a 15 to 25-foot tall stockpile of crushed rock in the southeast corner;

F. The majority of the 4.83-acre site is currently vacant and undeveloped. A 6,593 square-foot portion of the site at the northeast corner is paved and used as overflow vehicle parking and storage for the Jim and Jack’s auto repair facility across Grand Avenue;

G. Vehicular access to the proposed USDA facility would be provided from two driveway entrances on Franklin Avenue and a driveway entrance on Kansas Street. Vehicular access to the office/industrial buildings in the north portion of the site would be provided from a second driveway entrance on Kansas Street. The two office/industrial buildings would be located on separate lots and would share driveway access through a Reciprocal Access Agreement. Vehicular access to the overflow vehicle parking and storage lot for Jim and Jack’s would be provided from a driveway entrance on Grand Avenue;

H. One hundred-eight parking spaces would be provided for the USDA facility in two separate parking areas and six loading spaces. One hundred-three parking spaces and one loading space would be provided for the two office/industrial buildings on a separate abutting lot. Twenty-one parking spaces would be provided on the Jim and Jack’s overflow vehicle parking and storage lot;

I. The proposed General Plan re-designation and rezoning of the Project Area would change the General Plan Land Use designation from Smoky Hollow Mixed Use to the 222 Kansas Street Specific Plan designation and rezone the area from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Zone Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone;

J. The proposed 222 Kansas Street Specific Plan incorporates a list of permitted uses, development standards, and architectural guidelines to guide development within the Specific Plan area;

K. The proposed 222 Kansas Street Specific Plan eliminates the Medium Manufacturing (MM) Zone 15,000 square-foot limit on general and/multimedia related office uses per site and permits office and other uses up to a floor area ratio (FAR) of 0.60;

L. The proposed Zone Text Amendment would amend the following: 1) ESMC § 15-3-2(A) to add the 222 Kansas Street Specific Plan (KSSP); 2) ESMC § 15-11-1(A)(1) to remove the Project Area from the Smoky Hollow Specific Plan area; 3) ESMC § 15-11-2(D)(8) to remove the Project Area
from Exhibit II-2 (Smoky Hollow Block Conditions Survey Map); 4) ESMC § 15-11-2(D)(9) to remove the Project Area from Exhibit II-3 (Smoky Hollow Target of Opportunity Map); 5) ESMC § 15-11-2(E) to remove the Project Area from Exhibit II-4 (Smoky Hollow Specific Plan Base District Map); 6) ESMC § 15-11-2(F) to remove the Project Area from Exhibit II-5 (Smoky Hollow Specific Plan Circulation Plan Map); 7) ESMC § 15-11-2(F)(5) to remove the Project Area from the Exhibit II-6 (Smoky Hollow Specific Plan Cooperative Parking Opportunities Map); 8) ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-7 (Smoky Hollow Specific Plan Sewer Master Plan Map); 9) ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-8 (Smoky Hollow Specific Plan Flood Control & Drainage Map); 10) ESMC § 15-11-3(A) to remove the Project Area from Exhibit III-1 (Smoky Hollow Specific Plan Land Use Map); 11) ESMC § 15-11-3(D) to remove the Project Area from Exhibit III-2 (Smoky Hollow Specific Plan Floating Zone Map); and 12) ESMC § 15-11-5 (Appendix A; Boundary Description) to remove the Project Area from the Smoky Hollow Specific Plan area;

M. The proposed Subdivision would divide the 1.55-acre parcel in Phase 2 into four separate lots. Lot 1 would be developed with a two-story, 12,655 square-foot office/industrial building; Lot 2 would be developed with a two-story, 17,051 square-foot office/industrial building; Lot 3 would be developed with a parking area for 103 parking spaces; and Lot 4 would be redeveloped into a 21-parking space vehicle parking and storage area for the Jim and Jack’s auto-repair facility. Lots 1 and 2 would each be further divided into ten condominium air space units. Lots 1, 2, and 3 would be tied to each other through shared access and parking restrictions on the property; and

N. The proposed project includes a dedication of 10 feet along Grand Avenue, 5 feet along Kansas Street, and 5 feet along Franklin Avenue to be used for public right-of-way improvements. The total area of this dedication is 7,920 square feet. Further, the project includes an irrevocable offer to dedicate an additional 9 feet along Grand Avenue.

SECTION 3: Environmental Assessment. The City Council makes the following environmental findings:

A. Because of the facts identified in Section 2 of this Resolution, the proposed project was analyzed for its environmental impacts and an Addendum to the previously adopted Initial Study/Mitigated Negative Declaration (IS/MND) for Environmental Assessment No. 788 (Segundo Business Park) was prepared pursuant to CEQA Guidelines § 15164. Under CEQA, an Addendum to an adopted Negative Declaration or Mitigated Negative Declaration is needed if minor technical changes or additions to the proposed project occur (CEQA Guidelines §15164). An
addendum is appropriate only if these minor technical changes or additions do not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts. The Addendum need not be circulated for public review (CEQA Guidelines §15164(c)); however, an addendum must be considered by the decision-making body before making a decision on the project (CEQA Guidelines §15164(d)).

B. Before the July 12, 2012 Planning Commission meeting, an Addendum to the IS/MND was prepared and some of the mitigation measures in the IS/MND were modified or removed and new measures were added. The affected measures are listed below and the changes are discussed in detail in the Addendum to the IS/MND: 1) Mitigation Measure MM AQ-2 regarding Air Quality - VOC emissions (revised mitigation); 2) Mitigation Measure MM CR-2 regarding Cultural Resources (revised mitigation); 3) Mitigation Measure MM HAZ-3 regarding Hazards – Oil Wells (deleted and replaced mitigation); 4) Mitigation Measures MM HAZ-4 and MM HAZ-5 regarding Hazards – Oil Wells (deleted mitigation); 5) Mitigation Measure MM PS-6 regarding Public Safety – Oil Wells (revised mitigation); 6) Mitigation Measure PS-9 regarding School Development Impact Fee (added mitigation); 7) Mitigation Measure PS-9 regarding Library Mitigation Fee (deleted mitigation); and 8) Mitigation Measure PS-10 regarding Parks Facility Fee (added mitigation). The Addendum makes minor technical changes and corrections to the adopted Mitigation Monitoring and Reporting Checklist, merely adds new information to the MND and no new significant impacts or increase in impacts are identified. Further, all of the mitigation measures listed in the IS/MND, including the revised mitigation measures added by the Addendum that have been deleted or substituted have been reviewed at a public hearing, and the new mitigation measures are equivalent or more effective in mitigating or avoiding potential significant impacts and will not cause any potentially significant impacts on the environment. Therefore, pursuant to CEQA Guidelines §§ 15704.1 and 15164(c), recirculation of the document is not required, and based upon the evidence presented to the City Council, the City need not prepare an environmental impact report for the project and need only consider the IS/MND and the Addendum before making a decision on the project (CEQA Guidelines § 15164).

SECTION 4: General Plan and Specific Plan. The proposed project conforms to the City’s General Plan and the 222 Kansas Street Specific Plan for the reasons identified in Planning Commission Resolution No. 2721 as adopted on July 12, 2012. The findings in Resolution No. 2721 are incorporated by reference as if fully set forth below.
SECTION 5: Approvals.

A. The City Council adopts the attached Findings of Fact as set forth in Exhibit “A,” which are incorporated into this Resolution by reference.

B. The City Council, in accordance with the requirements of Public Resources Code §§ 21081(a) and 21081.6, adopts a Mitigation Monitoring and Reporting Program (MMRP) as set forth in attached Exhibit “B,” which is incorporated into this Resolution by reference. The City Council adopts each of the mitigation measures expressly set forth in the MMRP as conditions of approval of the project. The other project conditions of approval and compliance with applicable codes, policies, and regulations will further ensure that the environmental impacts of the proposed project will not be greater than set forth in the Addendum to the Mitigated Negative Declaration and these findings.

C. The City Council amends the proposed Land Use Plan (“Land Use Designations – Commercial Designations” subsection) of the Land Use Element of the General Plan to reflect the addition of the 222 Kansas Street Specific Plan, including a description of the allowed uses and the maximum land use density allowed, to the Commercial Land Use Designations subsection. The corresponding changes as set forth in attached Exhibit “C,” which is incorporated into this Resolution by reference.

D. The City Council amends the proposed Land Use Plan (“Northeast Quadrant” subsection) of the Land Use Element of the General Plan to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes as set forth in attached Exhibit “D,” which is incorporated into this Resolution by reference.

E. The City Council amends the 1992 General Plan Summary of Existing Trends Buildout (Exhibit LU-3) of the Land Use Element to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes to the Land Use Element as set forth in attached Exhibit “E,” which is incorporated into this Resolution by reference.

F. The City Council amends the General Plan Land Use Map to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes to the Land Use Map as set forth in attached Exhibit “F,” which is incorporated into this Resolution by reference.

G. Subject to the conditions listed on the attached Exhibit “G,” which are incorporated into this Resolution by reference, the City Council adopts the
Addendum to the Initial Study/Mitigated Negative Declaration of Environmental Impacts for Environmental Assessment No. 959, Mitigation Monitoring and Reporting Program for Environmental Assessment No. 959, General Plan Amendment No. 12-01, and Subdivision No. 12-02.

SECTION 6: 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 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: A copy of this Resolution must be mailed to Mar Ventures, Inc., SMPO Lab, LLC, and to any other person requesting a copy.
SECTION 11: This Resolution is the City Council's final decision and will become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED this 7th day of August 2012.

__________________________________________
Carl Jacobson, 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 7th day of August 2012, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________________________
Tracy Weaver, City Clerk

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

By: _________________________________________
Karl H. Berger, Assistant City Attorney
CITY COUNCIL RESOLUTION NO. ___

Exhibit A

Findings of Fact

On February 26, 2009, the City of El Segundo Planning Commission adopted Resolution No. 2651 approving an Initial Study/Mitigated Negative Declaration (IS/MND) for Environmental Assessment No. 788 ("Segundo Business Park"). The project reviewed by the IS/MND consisted of the construction of five office and light industrial buildings totaling 79,513 square feet and their subdivision into 55 condominium air space units on a 4.68-acre site. The project was approved for floor area ratio (FAR) of 0.37.

On January 19, 2012, the applicant filed an application for Environmental Assessment (EA) No. 959, General Plan Amendment (GPA) No. 12-01, Specific Plan Amendment (SPA) No. 12-01, Zone Change (ZC) No. 12-01, Zone Text Amendment (ZTA) No. 12-01, Development Agreement (DA) No. 12-01, Subdivision (SUB) No. 12-02 (VTM No. 71903), and Site Plan Review (SPR) No. 12-01 ("222 Kansas Street Specific Plan"). This application modified the original approval and consists of constructing a 45,152 square-foot USDA facility including office, warehouse, and laboratory space, and two 2-story buildings totaling approximately 31,000 square feet intended for general/medical office and/or light industrial uses. The proposed project would not be built under the development standards in the MM Zone. Rather, a new Specific Plan would modify the permitted uses and development standards to accommodate the specific needs of the proposed development. The modifications are summarized in Table 1 below:

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Comparison of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Area (Gross)</td>
<td>Approved Segundo Business Park Project</td>
</tr>
<tr>
<td>Site Area</td>
<td>4.7 acres</td>
</tr>
<tr>
<td>Number of Buildings</td>
<td>5 Buildings</td>
</tr>
<tr>
<td>Floor Area Ratio (FAR)</td>
<td>0.37</td>
</tr>
<tr>
<td>Number of Lots</td>
<td>1 Lot</td>
</tr>
<tr>
<td>Number of Air Space Units</td>
<td>55 Units</td>
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<tr>
<td>Building Height</td>
<td>35 Feet</td>
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<tr>
<td>Uses</td>
<td>Light Industrial, General Office, Restaurant</td>
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<tr>
<td>Parking and Loading Spaces Provided</td>
<td>289 Parking Spaces, 5 Loading Spaces, and 5 Bicycle Spaces</td>
</tr>
<tr>
<td>Landscaping Area Provided</td>
<td>25,443 Square Feet</td>
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<tr>
<td>---------------------------</td>
<td>--------------------</td>
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<tr>
<td>Public Benefit</td>
<td>N/A</td>
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</table>

As a result of the project modifications, the City prepared an Addendum to the previously adopted IS/MND, in accordance with the California Environmental Quality Act (CEQA Guidelines § 15164).

On July 12, 2012, the Planning Commission adopted Resolution No. 2721 and recommended that the City Council approve Environmental Assessment (EA) No. 959, General Plan Amendment (GPA) No. 12-01, Specific Plan Amendment (SPA) No. 12-01, Zone Change (ZC) No. 12-01, Zone Text Amendment (ZTA) No. 12-01, Development Agreement (DA) No. 12-01, Subdivision (SUB) No. 12-02 (VTM No. 71903), and Site Plan Review (SPR) No. 12-01 with conditions.

After receiving, reviewing, and considering all the information in the administrative record regarding the project, the City Council finds, determines, and declares for the 222 Kansas Street Specific Plan Project as follows:

I. **FINDINGS REQUIRED BY CEQA**

An Addendum was prepared under the authority of Public Resources Code § 21166 and of 14 California Code of Regulations §§ 15000, et seq. (the CEQA Guidelines). Specifically, CEQA Guidelines § 15164(b) allows a lead agency to prepare an addendum to a previously adopted negative declaration if only minor technical changes or additions are necessary or none of the conditions described in CEQA Guidelines § 15162 requiring preparation of a subsequent EIR or negative declaration are present. CEQA Guidelines § 15162 states that no subsequent EIR or negative declaration must be prepared unless the lead agency determines on the basis of substantial evidence in light of the whole record one or more of the following:

"(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but project proponents decline to adopt the mitigation measure or alternative.”

FINDINGS REGARDING THE POTENTIAL ENVIRONMENTAL EFFECTS OF THE PROJECT.

Based on the impact comparison provided in the Addendum for Environmental Assessment No. 959, the revised project would not result in new significant impacts or a substantial increase in the severity of impacts under CEQA. Thus, in comparison to the analysis provided in the 2009 IS/MND for Environmental Assessment No. 788, the revised project would not: a) result in increased impacts related to degradation of the environment or impacts to biological or cultural resources; b) result in increased cumulative impacts; or c) result in increased substantial adverse effects on human beings, either directly or indirectly.

A. **Impacts Found to be Not Potentially Significant by the Initial Study**

The Initial Study identified the following environmental effects as not potentially significant. Accordingly, the City Council finds that the Initial Study, the Mitigated Negative Declaration and Addendum, and the record of proceedings for the 222 Kansas Street Specific Plan Project do not identify or contain substantial evidence identifying significant environmental effects of the project with respect to the areas listed below.

1. Aesthetics
   a) Scenic vistas
   b) Scenic resources within a State Scenic Highway

2. Agriculture/Forestry Resources (All thresholds)

3. Biological Resources (All thresholds)

4. Cultural Resources
   a) Historical Resources

5. Geology/Soils
   a) Fault Rupture
   b) Seismic-related ground failure
   c) Landslides
   d) Wastewater Disposal Systems

6. Hazards/Hazardous Materials
   a) Safety Hazards Associated with a Private Airstrip
   b) Wildfires

7. Hydrology/Water Quality
   a) Housing within 100-year Flood Hazard Area
b) Structures within 100-year Flood Hazard Area  
c) Levee or Dam Failure  
d) Inundation  

8. Land Use/Planning  
a) Divide an Established Community  
b) Conflict with Conservation Plan  

9. Mineral Resources  
a) Loss of Delineated Mineral Resource Recovery Site  

10. Noise  
a) Private Airstrip Noise  

11. Population/Housing  
a) Displace Housing  
b) Displace People  

12. Public Services  
a) Other Facilities (Library)  

13. Utilities/Service Systems  
a) Complies with Solid Waste Regulations  

B. **Impacts Identified as Less Than Significant in the Initial Study (with no mitigation required).**  

The Initial Study identified the following environmental effects as less than significant. Accordingly, the City Council finds that the Initial Study, the Mitigated Negative Declaration and Addendum, and the record of proceedings for the 222 Kansas Street Specific Plan Project do not identify or contain substantial evidence identifying significant environmental effects of the project with respect to the areas listed below.  

1. Aesthetics  
a) Visual Quality and Character of the Site  

2. Air Quality  
a) Conflict or Obstruction of Applicable Air Quality Plan  
b) Objectionable Odors  

3. Geology and Soils.  
a) Strong Seismic Groundshaking  
b) Erosion or Loss of Topsoil  
c) Unstable Geologic Unit or Soil  
d) Expansive Soils  

4. Greenhouse Gas Emissions (All thresholds)  

5. Hazards/Hazardous Materials  
a) Exposure to Hazardous Materials  
b) Safety Hazards Associated with Public Airport  
c) Emergency Plans  

6. Hydrology/Water Quality  
a) Violate Water Quality Standards or Waste Discharge Requirements  
b) Groundwater Supplies or Recharge  
c) Alter Existing Drainage Patterns  
d) Runoff Water  
e) Degrade Water Quality
7. Land Use and Planning
   a) Conflict with Land Use Plan, Policy, or Regulation

8. Mineral Resources
   a) Loss of Valued Mineral Resources

9. Noise
   a) Operational Noise
   b) Groundborne Vibration and Noise (Operation)
   c) Substantial Permanent Increase in Ambient Noise Levels
   d) Substantial Temporary Increase in Ambient Noise Levels
   e) Public Airport Noise

10. Population and Housing
    a) Population Growth

11. Transportation/Traffic (All thresholds)

12. Utilities/Service Systems
    a) Exceed Wastewater Treatment Requirements
    b) Construction or Expansion of Water or Wastewater Treatment Facilities
    c) Construction or Expansion of Stormwater Drainage facilities
    d) Sufficient Water Supplies
    e) Determination by Wastewater Treatment Provider of Adequate Capacity
    f) Sufficient Landfill Capacity
    g) Construction or Expansion of Energy Production or Transmission Facilities

C. Impacts Identified as Potentially Significant But Which Can Be Reduced to Less Than Significant Levels with Mitigation Measures.

The City Council finds that the following environmental effects were identified as Less Than Significant with Mitigation Incorporated in the Mitigated Negative Declaration and Addendum, and implementation of the identified mitigation measures would avoid or lessen the potential environmental effects listed below to a level of significance.

1. Aesthetics.
   a) Facts/Effects.
      
      (i) New Sources of Light or Glare. Reflective light or glare is primarily a daytime phenomenon caused by sunlight reflecting from highly finished surfaces, such as window glass or other reflective materials, and to a lesser degree from lightly colored surfaces. Typically, the primary cause of adverse glare is buildings with exterior façades of highly reflective glass or mirror-like material from which the sun reflects when it is at low angles in the periods following sunrise and before sunset. Building design incorporates the use of glass surfaces through the proposed buildings’ exterior facades. Use of non-reflective textured surfaces on building exteriors, as well as avoidance of the use of reflective glass would reduce impacts related to daytime glare. Additionally, landscaping adjacent to the structures would soften and diffuse glare from the surfaces and windows of the new structures. Implementation of mitigation measure MMAES-1 would reduce...
impacts from daytime glare to a less-than-significant level by eliminating or minimizing increased glare through the use of non-reflective glass and non-reflective textured surfaces in the proposed development.

During the evening and nighttime hours, substantial light or glare can result from the installation of high-intensity lighting fixtures or the use of highly reflective glass or other building materials. Headlights from vehicles can also create light or glare if sensitive uses are affected. New permanent sources of lighting would be established on the project site as a result of project development that would increase the level of light on the site from current levels, due to the low intensity nature of the existing uses on the site. However, the only light-sensitive use in the project area is the multifamily residential use located at the northwestern corner of the intersection of Grand Avenue and Kansas Street. The proposed project was designed to locate the office portion of the proposed uses at the northwest corner of the project site, which are nearest to and most compatible with the nearby multifamily residential uses. In addition, the lighting proposed would be limited to the amount required to safely light driveways, public space areas within the project site, and the sidewalks along Grand Avenue and Kansas Street. All outdoor lighting would be directed onto driveways, walkways and public areas and away from adjacent properties and public right-of-ways to avoid any light or glare impacts from lighting fixtures. Mitigation measures MM AES-1 and MM AES-2 would ensure that potential impacts from light and glare during evening hours are less than significant.

Lighting would be established on-site during construction. Lighting used during construction would consist primarily of security lights, although lighting may be used for construction activities occurring during early morning or evening hours, particularly in the winter. This lighting would be temporary in nature and would not result in any substantial long-term light or glare impacts. Mitigation measure MM AES-2 would ensure that potential impacts from construction lighting are less than significant.

In summary, project impacts related to a new source of light or glare would be less than significant with mitigation.

b) Mitigation Measures:

**MM AES-1.** Expansive areas of highly reflective materials, such as mirrored glass, are not permitted. Nonreflective building materials must be used to the maximum extent possible to reduce potential glare impacts.

**MM AES-2.** Exterior lighting must be designed to minimize off-site glare. This may include, without limitation, the use of shielded or recessed lighting fixtures.
c) Finding:

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

2. Air Quality.

a) Facts/Effects.

(i) Air Quality Standard Violations (Construction)

The project site is located within the SCAB, which is under the jurisdiction of the SCAQMD. The proposed project would develop approximately 74,858 sf of office and laboratory uses in three buildings (45,152 sf of testing laboratory uses in one building, 29,706 sf of office uses in two buildings) that would not exceed a total FAR of 0.34. In addition, approximately 232 parking stalls (plus 7 loading spaces) would be provided on the project site and approximately 0.69 acre of the 4.83 acres total would be dedicated to landscaping.

The proposed project would generate air pollutants as a result of construction and operation-related emissions. The majority of construction emissions are generated by construction equipment and from dust resulting from construction activity, whereas operational emissions are primarily related with vehicle trips associated with the proposed project. The SCAQMD has developed the CEQA Air Quality Handbook that establishes suggested significance thresholds based on the volume of pollution emitted. According to the Handbook, any project in the SCAB with daily operational emissions that exceed any of the following thresholds should be considered as having an individually significant air quality impact; however these thresholds do not apply to cumulative development:

- 55 pounds per day (lbs/day) of ROG (reactive organic gases)
- 55 lbs/day of NOx (oxides of nitrogen)
- 550 lbs/day of CO (carbon monoxide)
- 150 lbs/day of PM_{10} (respirable 10-micron diameter particulate matter)
- 55 lbs/day of PM_{2.5} (respirable 2.5 micron diameter particulate matter)
- 150 lbs/day of SOX (oxides of sulfur)

For construction emissions, if a proposed project would exceed the following thresholds it should be considered as having an individually and cumulatively significant air quality impact.

- 550 lbs/day of CO
- 75 lbs/day of reactive organic gases (VOC)
- 100 lbs/day of NOx
- 150 lbs/day of SOX
- 150 lbs/day of PM_{10}
- 55 lbs/day of PM_{2.5}
Construction Phase

Project related construction activities would include site excavation, grading and relocation of utility infrastructure; construction of the new office and laboratory uses; paving of surface parking lots; and architectural coating. For purposes of this analysis, it is understood that construction would be completed in approximately 11 months, with grading beginning in late summer/fall 2012. Building construction is anticipated to begin in fall 2012, and completed in summer 2013. Paving would begin in spring 2013 with completion anticipated in summer 2013. Architectural coatings would also begin in spring 2013, with completion in summer 2013.

The site is currently cleared and limited demolition would be required. Construction activities would not involve substantial use of construction equipment that would typically contribute to air quality impacts. Minimal earth disturbing activities would occur and diesel equipment associated with construction of the proposed project would be limited. It is important to note that the MND prepared for the previous project identified mitigation measures to limit the amount of PM10 and PM2.5 emissions released into the local area during construction activities, consistent with SCAQMD Rule 403, as well as mitigation to reduce VOC emissions during architectural coating. These mitigation measures and the corresponding reductions in emissions were accounted for in this analysis and are listed below.

The regional air pollutant emissions resulting from construction of the proposed project were calculated using the California Emissions Estimator Model (CaIEEMod), and the results are presented in Table 4 (Estimated Peak Daily Construction Emissions in Pounds per Day). Further information regarding the modeling of construction-related air quality emissions is included in the Air Quality Technical Memorandum prepared for this analysis (Appendix A).

In general, the primary source of CO and NOx emissions would be generated by construction equipment and off-site vehicle trips, while the primary source of PM_{10} and PM_{2.5} emissions would be generated by ground disturbance. As shown, the daily construction emissions are below the SCAQMD thresholds for all criteria pollutants.

Mitigation measure MM AQ-2 of the 2009 MND required the use of low-VOC paints and coatings. As the industry standard has changed for the better since preparation of the 2009 MND, it is now recommended that the previous mitigation measure MM AQ-2 be modified to require that all architectural coatings reduce VOC emissions by a minimum of 20 percent below the CaIEEMod default of 250 g/l. This modification of mitigation measure MM AQ-2 would reduce VOC emissions accordingly and the proposed project would continue to result in a less-than-significant construction air quality impact, similar to the finding of the 2009 MND. This change in mitigation measure MM AQ-2 is consistent with the current industry standard, which has changed since preparation of the 2009 MND for the project site, and has the same intent as the mitigation measure MMAQ-2 incorporated in the previous
MND and is equally, if not more, effective that the previous mitigation measure. Accordingly, it is not considered new or substantially different mitigation.

<table>
<thead>
<tr>
<th>Emission Source</th>
<th>ROG</th>
<th>NOx</th>
<th>CO</th>
<th>SOx</th>
<th>PM$_{10}$</th>
<th>PM$_{2.5}$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Grading (Month 1, 2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On Site</td>
<td>6.15</td>
<td>48.06</td>
<td>29.04</td>
<td>0.05</td>
<td>5.09</td>
<td>3.89</td>
</tr>
<tr>
<td>Off Site</td>
<td>0.09</td>
<td>0.09</td>
<td>1.08</td>
<td>0.00</td>
<td>0.16</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Maximum Daily Emissions</strong></td>
<td>6.24</td>
<td>48.15</td>
<td>30.10</td>
<td>0.05</td>
<td>5.25</td>
<td>3.90</td>
</tr>
<tr>
<td>SCAQMD Threshold</td>
<td>75</td>
<td>100</td>
<td>550</td>
<td>150</td>
<td>150</td>
<td>55</td>
</tr>
<tr>
<td>Exceed Threshold?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Building (Month 3, 4, 5, 6, 7)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On Site</td>
<td>4.60</td>
<td>30.24</td>
<td>18.61</td>
<td>0.03</td>
<td>2.02</td>
<td>2.02</td>
</tr>
<tr>
<td>Off Site</td>
<td>0.90</td>
<td>5.54</td>
<td>7.78</td>
<td>0.02</td>
<td>1.10</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Maximum Daily Emissions</strong></td>
<td>5.50</td>
<td>35.88</td>
<td>26.39</td>
<td>0.05</td>
<td>3.12</td>
<td>2.23</td>
</tr>
<tr>
<td>SCAQMD Threshold</td>
<td>75</td>
<td>100</td>
<td>550</td>
<td>150</td>
<td>150</td>
<td>55</td>
</tr>
<tr>
<td>Exceed Threshold?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Building, Paving, Coating (Month 8, 9, 10, 11)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On Site</td>
<td>47.63</td>
<td>57.29</td>
<td>37.21</td>
<td>0.06</td>
<td>4.33</td>
<td>4.33</td>
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<tr>
<td>Off Site</td>
<td>1.03</td>
<td>5.37</td>
<td>9.32</td>
<td>0.02</td>
<td>1.46</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Maximum Daily Emissions</strong></td>
<td>48.66</td>
<td>62.66</td>
<td>46.53</td>
<td>0.08</td>
<td>5.79</td>
<td>4.54</td>
</tr>
<tr>
<td>SCAQMD Threshold</td>
<td>75</td>
<td>100</td>
<td>550</td>
<td>150</td>
<td>150</td>
<td>55</td>
</tr>
<tr>
<td>Exceed Threshold?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Architectural Coating (Month 12)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On Site</td>
<td>39.17</td>
<td>2.96</td>
<td>1.94</td>
<td>0.00</td>
<td>0.27</td>
<td>0.27</td>
</tr>
<tr>
<td>Off Site</td>
<td>0.08</td>
<td>0.09</td>
<td>0.83</td>
<td>0.00</td>
<td>0.14</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Maximum Daily Emissions</strong></td>
<td>39.25</td>
<td>3.05</td>
<td>2.77</td>
<td>0.00</td>
<td>0.41</td>
<td>0.28</td>
</tr>
<tr>
<td>SCAQMD Threshold</td>
<td>75</td>
<td>100</td>
<td>550</td>
<td>150</td>
<td>150</td>
<td>55</td>
</tr>
<tr>
<td>Exceed Threshold?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

**SOURCE:** Atkins (2012) (CoEEMod data are available in Appendix A).

a. Assumes that activities may occur concurrently and reports worst case emissions from all activities combined.

With incorporation of mitigation measures MM AQ-1 and MM AQ-2, the proposed project would result in a less-than-significant impact to air quality during construction activities.

(ii) Result in a Cumulative Increase in Pollutant for Which the Region Is in Nonattainment

9 39
The project site is located within the SCAB, which is under the jurisdiction of the SCAQMD. Despite consistent improvements in pollution levels in the SCAB over the past thirty years, levels of ozone (for which ROG and NOx are precursors), PM_{10}, and PM_{2.5} are above national and state standards. Therefore, projects could cumulatively exceed an air quality standard or contribute to an existing or projected air quality exceedance. In determining the significance of the proposed project's contribution, the SCAQMD neither recommends quantified analyses of cumulative construction or operational emissions, nor provides separate methodologies or thresholds of significance to be used to assess cumulative construction or operational impacts. Instead, the SCAQMD recommends that a project's potential contribution to cumulative impacts should be assessed using the same significance criteria as used for project specific impacts; that is, individual development projects that generate construction-related or operational emissions that exceed the SCAQMD-recommended daily thresholds for project-specific impacts would also cause a cumulatively considerable increase in emissions for those pollutants for which the Basin is in non-attainment.

The proposed project would not exceed the SCAQMD daily significance threshold and would not result in a cumulatively considerable impact. Accordingly, with incorporation of mitigation measures, the proposed project would result in less-than-significant air quality impact.

(iii) **Expose Sensitive Receptors**

To determine potential criteria pollutant concentrations during construction activities, SCAQMD has developed localized significance thresholds (LST) to determine maximum allowable concentrations for projects 5 acres or less in total area for on-site emissions of CO, NOx, PM_{10}, and PM_{2.5}. Off-site emissions would be generated from soil and debris hauling and vendor/worker trips along area roadways, and would not be considered localized, and are, therefore, not evaluated for LST emissions.

LSTs are developed based upon the size or total area of the emissions source, the ambient air quality in each Source Receptor Area (SRA) in which the emission source is located, and the distance to the sensitive receptor. The project is located in Source Receptor Area (SRA) 3. The sensitive receptor in the proposed project vicinity that has the largest potential to be affected by construction activities is the multifamily residential use located approximately 100 feet from the project site, at the northwest corner of Kansas Street and Grand Avenue. Table 6 (Localized Significance Thresholds for SRA 3) summarizes the LSTs for construction. The threshold for construction listed in this table is based on the approximately 5-acre site with a receiver located approximately 100 feet from the proposed construction site. A project with daily emission rates below the thresholds during construction is considered to have a less-than-significant effect on local air quality.
Table 6  Localized Significance Thresholds for SRA 3

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>100 Feet (within 50 meters)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>1,984 lbs/day</td>
</tr>
<tr>
<td>NO₂</td>
<td>189 lbs/day</td>
</tr>
<tr>
<td>PM₁₀</td>
<td>46 lbs/day</td>
</tr>
<tr>
<td>PM₂,₅</td>
<td>11 lbs/day</td>
</tr>
</tbody>
</table>


The proposed project site is approximately 4.3 acres in size, and construction emissions are therefore comparable to the LSTs identified in the look-up table presented as Table 6. Total worst-case construction emissions for the proposed project with mitigation are included in Table 7 (Total Construction Emissions with Mitigation and Localized Significance Thresholds). Table 7 compares the total worst-case construction emissions to the LSTs for SRA 3.

Table 7  Total Construction Emissions with Mitigation and Localized Significance Threshold

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Maximum On-Site Construction Emissions</th>
<th>Thresholds of Significance</th>
<th>Quantity of Pollutant Exceeding Threshold</th>
<th>Significant Impact?</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>37.21</td>
<td>1,984 lbs/day</td>
<td>0</td>
<td>No</td>
</tr>
<tr>
<td>NO₂</td>
<td>57.29</td>
<td>189 lbs/day</td>
<td>0</td>
<td>No</td>
</tr>
<tr>
<td>PM₁₀</td>
<td>5.09</td>
<td>46 lbs/day</td>
<td>0</td>
<td>No</td>
</tr>
<tr>
<td>PM₂,₅</td>
<td>4.33</td>
<td>11 lbs/day</td>
<td>0</td>
<td>No</td>
</tr>
</tbody>
</table>


a. Thresholds of Significance are measured at 50 meters from the proposed project site.

Table 7 shows the maximum on-site construction emissions with mitigation measure MM AQ-1 incorporated. With incorporation of MM AQ-1, LSTs would not be exceeded and the proposed project would result in a less-than-significant impact to air quality.

b) Mitigation Measures:

MM AQ-1. The project Applicant’s construction contractor must implement all rules and regulations by the Governing Board of the SCAQMD that are applicable to the development of the project (such as Rule 402 [Nuisance] and Rule 403 [Fugitive Dust]) and that are in effect at the time of development. The following measures are required to implement Rule 403. These measures are identified by SCAQMD as reducing PM₁₀ levels generated by construction activities between 30 and 85 percent depending on the source of PM₁₀.
(a) Water trucks must be utilized on the site and be available to be used throughout the day during site grading and excavation to keep the soil damp enough to prevent PM10 levels being increased by construction activities.

(b) Areas scheduled for grading, or actually being graded, must be wetted down in the late morning and after work is completed for the day.

(c) All unpaved parking or staging areas, or unpaved road surfaces must be watered three times daily or have chemical soil stabilizers applied according to manufacturer’s specifications.

(d) Exposed piles (e.g., gravel, sand, and dirt) must be enclosed, covered, watered twice daily, or approved soil binders must be applied to exposed piles according to manufacturer’s specifications.

(e) The construction disturbance area must be kept as small as possible.

(f) All trucks hauling dirt, sand, soil, or other loose materials must be covered or have water applied to the exposed surface before leaving the site to prevent PM10 and PM2.5 from reaching the surrounding areas.

(g) Wheel washers must be installed where vehicles enter and exit unpaved roads onto paved roads and used to wash off trucks and any equipment leaving the site each trip.

(h) Streets adjacent to the project site must be swept at the end of the day if visible soil material is carried over to adjacent roads.

(i) Wind barriers must be installed along the perimeter of the site.

(j) All excavating and grading operations must be suspended when wind speeds exceed 25 miles per hour over a 3-minute period.

MM AQ-2. The project Applicant’s construction contractor must use low-VOC or ultra-low VOC paints that reduce VOC emissions of all architectural coatings by a minimum of 20 percent from the CalEEMod default, or a maximum of 200 g/l.
c) **Finding:**

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

3. Cultural Resources.

a) **Facts/Effects.**

(i) **Archeological Resources.** The project site was previously fully developed and was already subject to extensive disruption, including the introduction of fill materials. Any archeological resources which may have existed at one time have likely been previously disturbed. In addition, the South Central Coastal Information Center (SCCIC) records search previously conducted for the project site revealed that no archeological resources are located on the project site (included in Appendix C [Cultural Resources Correspondence]). Nonetheless, construction activities associated with project implementation would have the potential to unearth undocumented resources and result in a potentially significant impact. Therefore, the potential for damage to, or destruction of, these resources would be a potentially significant impact. If archeological resources are discovered during construction, the Applicant would be required to implement the following mitigation measure MM CR-1, which would ensure proper evaluation and treatment of archeological resources, if found.

Compliance with mitigation measure MM CR-1 would ensure that implementation of the proposed project would not cause a substantial adverse change in the significance of an archeological resource. Therefore, potentially significant impacts would be reduced to a less-than-significant level.

(ii) **Paleontological Resources.** The project site was previously fully developed and was already subject to extensive disruption, including the introduction of fill materials. Any paleontological resources which may have existed at one time have likely been previously disturbed. In addition, a records check for paleontological resources was requested from the Los Angeles County Museum of Natural History for the project site previously. This records search revealed that no paleontological resources are located on the project site (Los Angeles County Museum of Natural History Letters, included in Appendix C). Nonetheless, construction activities associated with project implementation would have the potential to unearth undocumented resources and result in a significant impact. Therefore, the potential for damage to, or destruction of, these resources would be a potentially significant impact. However, implementation of mitigation measure MM CR-1, as discussed above in Section V(b), would reduce any potential impacts to a less-than-significant level.

(iii) **Human Remains.** A Sacred Lands File records search was requested from the Native American Heritage Commission previously for the project site. The records search failed to indicate the presence
of Native American cultural resources in the project area (Native American Heritage Commission Letter, included in Appendix C). In addition, no formal cemeteries are known to have occupied any portion of the project site, so any human remains encountered would likely come from archaeological or historical archaeological contexts. Human burials, in addition to being potential archaeological resources, have specific provisions for treatment in §§5097 of the California Public Resources Code (PRC) and Sections 7050.5, 7051, and 7054 of the California Health and Safety Code (HSC). Because the area is underlain by disturbed soils, the presence of human remains is remote. However, if remains are encountered, disturbing these remains could violate PRC and HSC provisions, as well as destroy the resource. Implementation of mitigation measure MM CR-2 would ensure that this potential impact is less than significant by ensuring appropriate examination, treatment, and protection of human remains, if any are discovered.

Compliance with mitigation measure MM CR-1 would ensure that implementation of the proposed project would not cause a substantial adverse change in the significance of an archaeological resource. Therefore, potentially significant impacts would be reduced to a less-than-significant level.

b) Mitigation Measures:

**MM CR-1.** In the event that archaeological/paleontological resources are unearthed during project subsurface activities, all earth-disturbing work within a 100-meter radius must be temporarily suspended or redirected until a qualified archeologist has been provided the opportunity to assess the significance of the find and implement appropriate measures to protect or scientifically remove the find. Construction personnel must be informed that unauthorized collection of cultural resources is prohibited.

If the resource is determined to be significant, the archaeologist or paleontologist, as appropriate, must prepare a research design for recovery of the resources in consultation with the State Office of Historic Preservation that satisfies the requirements of Public Resources Code §21083.2. The archaeologist or paleontologist must complete a report of the excavations and findings, and must submit the report for peer review by three County-certified archaeologists or paleontologists, as appropriate. Upon approval of the report, the County must submit the report to the Los Angeles Archeological Information Center and keep the report on file at the County of Los Angeles. After the find has been appropriately mitigated, work in the area may resume.

**MM CR-2.** If human remains are discovered during any demolition/construction activities, all ground-disturbing activity within 50 feet of the remains must be halted immediately, and the Los Angeles County coroner must be notified immediately, pursuant to Public Resources Code §5097.98 and Health and
Safety Code §7050.5. If the remains are determined by the County coroner to be Native American, the Native American Heritage Commission (NAHC) must be notified within 24 hours, and the guidelines of the NAHC must be adhered to in the treatment and disposition of the remains. The project developer must also retain a professional archaeologist with Native American burial experience to conduct a field investigation of the specific site and consult with the Most Likely Descendant, if any, identified by the NAHC. As necessary, the archaeologist may provide professional assistance to the Most Likely Descendant, including the excavation and removal of the human remains.

(c) Finding:

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.


a) Facts/Effects.

(i) Transport, Use, or Disposal of Hazardous Materials
Construction and operation of the proposed project would not require extensive or on-going use of materials that would create a significant hazard to the public or environment. Likewise, implementation of the proposed project would not involve substantial transport or disposal of hazardous materials. While not anticipated to be substantial, some hazardous materials common to office and light industrial uses would be used in varying amounts during construction and operation of the proposed project. An example of hazardous materials handling during construction includes fueling and servicing construction equipment on-site, and the transport of fuels, lubricating fluids, and solvents. These materials are generally disposed of at non-hazardous Class II and III landfills (along with solid waste). It should be noted that potential impacts with respect to the oil well located on the project site are addressed below.

It is expected that the proposed development would not involve substantial use of hazardous materials. However, hazardous materials common to office and light industrial uses can be expected. The use, transport, and disposal of any hazardous materials during operation of the proposed project is subject to federal, state, and local health and safety regulations. The following mitigation measures would ensure that this impact is less than significant by requiring compliance with applicable laws and regulations that would reduce the risk of hazardous materials use, transportation, and disposal through the implementation of established safety practices, procedures, and reporting requirements.

Adherence to MM HAZ-1 and federal, state and local regulations would ensure that potential risks resulting from the routine use of hazardous
materials and disposal of hazardous wastes would remain less than significant.

(ii) Release of Hazardous Materials into the Environment. The project site was formerly home to International Rectifier Corporation (IRC), a worldwide supplier of power semiconductors that convert electrical energy to operate power supplies, lighting ballasts, and motor drives, but now stands vacant. A series of Environmental Site Assessments (ESA) have been conducted to evaluate the potential for hazards and hazardous materials on the project site. These ESAs are summarized in Appendix D [Peer Review Summary of Hazardous Materials Reports]) prepared for this analysis, and the conclusions and recommendations of each ESA are included therein. Most recently, a Phase I ESA dated October 21, 2011, included an observation of the project site, a review of the site history (including all previous assessments), review of available regulatory records and an environmental assessment of the project site. The Phase I ESA concluded that as of 2011 there was no evidence of recognized environmental conditions at the project site, with the exception of the following:

- Chlorinated solvent petroleum hydrocarbons and metals impacts exist due to historical industrial operations
- Petroleum hydrocarbon impacts due to former oil production and oil wells on site
- Soils stockpile on site
- A clarifier on the exterior of the facility located to the west is equipped with a lock box, but this site is not part of the Tiered Permit program

In addition, the 2011 Phase I ESA recommended the following:

- Request agency oversight to develop a workplan for the remediation of the project site to include chlorinated solvents, petroleum hydrocarbons and metals.
- The project site may require methane mitigation systems be implemented for former oil producing areas in addition to on-site oil wells.
- Profile the on-site oil/debris stockpile for all components analyzed, including asbestos.
- Confirm that the site was not part of the Tiered Permit program during operation by IRC.

However, since completion of the Phase I ESA, the City determined that the underground storage tanks previously identified on the project site were removed. Additionally, the on-site oil well investigated as part of the previous ESAs was officially abandoned in accordance with DOGGR guidelines. Recently, a second oil well was thought to exist on the project site. However, after extensive investigation, this second well could not be located. In the event that this well is located during
construction, the well will be abandoned according to DOGGR regulations.

Construction Effects

Construction activities for the proposed project could result in the exposure of construction personnel and the public to previously-identified hazardous substances in the soil. Exposure to unanticipated hazardous substances could also occur from previously-unidentified soil contamination caused by migrating contaminants originating at nearby listed sites. Exposure to hazardous materials during construction activities could occur as a result of any of the following:

- Direct dermal contact with hazardous materials
- Incidental ingestion of hazardous materials (usually due to improper hygiene, when workers fail to wash their hands before eating, drinking, or smoking)
- Inhalation of airborne dust released from dried hazardous materials

If any previously unidentified sources of contamination are encountered during grading or excavation, the construction activities required could pose health and safety risks capable of resulting in various short-term or long-term adverse health effects in exposed persons. In order to address the potential for encountering unknown contamination within the project area, mitigation measure MM HAZ-2 would minimize the potential risk of contamination by implementing investigation and remediation efforts at the project site to a less-than-significant level.

Implementation of mitigation measure MM HAZ-2 and adherence to all local, State and federal regulations would reduce potentially significant effects associated with the potential exposure of unknown hazardous materials through project construction activities to a less-than-significant level.

Operational Effects

It is anticipated that operation of the proposed project would not create a significant hazard to the public or the environment involving the release of hazardous materials into the environment. This analysis reviews the potential possibilities of such a risk.

The proposed project would include the use of common hazardous materials typical of office and laboratory facilities in addition to paints, solvents, cleaning product, and similar materials. Additionally, grounds and landscape maintenance could also include the use a variety of products formulated with hazardous materials, including fuels, cleaners, lubricants, adhesives, sealers, and pesticides/herbicides. The properties and health effects of different chemicals are unique to each chemical and depend on the extent to which an individual is exposed. The extent and exposure of individuals to hazardous materials would be limited by the relatively small quantities of these materials that would be stored and used on the project site. As common maintenance
products and chemicals would be consumed by use and with adherence to warning labels and storage recommendations from the individual manufacturers, these hazardous materials would not pose any greater risk than at any other similar development in the immediate project area.

The oil well identified on the project site was abandoned in accordance with DOGGR guidelines, and the City of El Segundo Fire Department confirmed that all underground storage tanks were removed in accordance with applicable regulations. Recently, a second oil well was thought to exist on the project site. However, after extensive investigation, this second well could not be located. In the event that this well is located during construction, the well will be abandoned according to DOGGR regulations. Therefore, mitigation measures MM HAZ-4 and MM HAZ-5 associated with operation of the identified oil-wells adopted as part of the previous MND would no longer be required. Mitigation measure MM HAZ-3 of the previous MND was modified to reflect comments received by the Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR). However, the modified MM HAZ-3 has the same intent as that incorporated in the previous MND and is equally, if not more, effective than the previous mitigation measure. Accordingly, it is not considered new or substantially different mitigation.

The recognized environmental conditions identified in the 2011 Phase I ESA and recommendations made to reduce potential impacts related to these conditions are essentially the same as was identified and recommended in the previously adopted MND. Therefore, implementation of MM HAZ-2 would ensure that all recognized environmental conditions identified in the 2011 Phase I ESA are properly addressed prior to implementation of the proposed project. Accordingly, operation of the proposed project would have a less-than-significant impact regarding potential exposure to hazardous materials during construction or operation; no new mitigation measures would be required.

(iii) Emissions or Handling of Hazardous Materials Near Schools. The closest school to the project site is the El Segundo Middle School, located at 332 Center Street, located within one-quarter mile of the project site. Hazardous emissions could occur during construction of the proposed project. However, these emissions would be within the acceptable levels as established by the South Coast Air Quality Management District. Further, emissions related to construction are not considered acutely hazardous. As required by mitigation measure MM HAZ-1, the Applicant’s construction contractor would be required to adhere to all regulations pertaining to hazardous materials. Operation of uses of the proposed project would include the handling and/or storage of potentially hazardous materials on the project site. However, the types of hazardous materials anticipated would be limited to commonly-used types and quantities for similar office and laboratory facilities. Further, as described above, the oil well known to exist on the

1 Steve H. Tsumura, Email communication between Environmental Safety Manager, City of El Segundo Fire Department, and Carrie Garlett, Senior Project Manager, Atkins (April 16, 2012).
project site has been abandoned in accordance with DOGGR guidelines and therefore, would not be a safety risk to El Segundo Middle School. Recently, a second oil well was thought to exist on the project site. However, after extensive investigation, this second well could not be located. In the event that this well is located during construction, the well will be abandoned according to DOGGR regulations. Compliance with all applicable local, state, and federal laws and regulations would regulate, control, or respond to hazardous waste, transport, disposal, or clean-up in order to ensure that hazardous materials do not pose a significant risk to the school. If ground contamination is found at the project site before or during construction of future development, implementation of mitigation measure MM HAZ-2 would ensure the health and safety of all students, staff, and visitors to El Segundo Middle School. Therefore, the proposed project would result in a less-than-significant impact related to the emissions or handling of hazardous materials within the vicinity of a school.

b) Mitigation Measures:

**MM HAZ-1.** The Applicant and construction contractor must comply with existing hazardous materials regulations, which are codified in Titles 8, 22, and 26 of the California Code of Regulations, and their enabling legislation set forth in Chapter 6.95 of the California Health and Safety Code. In addition, the Applicant and construction contractor must comply with applicable federal, state, and local laws and regulations pertaining to the transport, use, and disposal of hazardous waste, including, but not limited to, Title 49 of the Code of Federal Regulations and as implemented by Title 13 of the California Code of Regulations.

**MM HAZ-2.** In the event that soil or groundwater contamination is encountered that could present a threat to human health or the environment during construction in the project area, construction activities in the immediate vicinity of the contamination must immediately cease. If contamination is encountered, a Risk Management Plan must be prepared and implemented after completion of additional soil investigation to the satisfaction of the Fire Department and the Planning and Building Safety Department. The Risk Management Plan must (1) identify the contaminants of concern and the potential risk each contaminant would pose to human health and the environment during construction and post-development and (2) describe measures to be taken to protect workers and the public from exposure to potential site hazards. Such measures could include a range of options, including, without limitation, physical site controls during construction, remediation, long-term monitoring, post-development maintenance or access limitations, or some combination thereof. Depending on the nature of contamination, if any, appropriate agencies must be notified (e.g., El Segundo Fire Department). If needed, a Site Health and Safety Plan that meets Occupational Safety and Health Administration requirements must be prepared.
and in place before commencement of work in any contaminated area.

MM HAZ-3. A site plan that identifies the proposed project and the distance between the proposed buildings and any on-site oil wells must be submitted to the City of El Segundo for approval. The buildings of the proposed development must be built “not in proximity to a well” as defined by DOGGR which includes development with: 1) two adjacent sides that are free and clear of structures or property lines for no less than 10 feet, 2) a third side that is free and clear of structures or property lines for no less than 50 feet, and 3) a fourth side to remain open (no defined distance from structures or property lines).

(c) Finding:

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

5. Noise

a) Facts/Effects.

(i) Construction-Related Temporary Noise. The project site is currently vacant and located within a fully developed, urban area. The primary source of noise within the project vicinity is vehicular traffic. Noise in the City also occurs from various stationary sources, such as mechanical equipment associated with building structures, the operation of various types of businesses, and noise sources produced at residential locations.

The analysis presented below is based on the Noise Technical Memorandum prepared for the proposed project (Appendix E of the Initial Study). Existing daytime noise levels were monitored at four locations around the project site, which are depicted in Figure 9 (Noise Monitoring Locations), in order to identify representative noise levels at various areas. The noise levels were measured using a Larson-Davis Model 814 precision sound level meter, which satisfies the American National Standards Institute (ANSI) for general environmental noise measurement instrumentation. The noise measurements were taken on April 18, 2012, starting at 2:12 PM and ending at 3:10 PM; each lasting for 15 minutes. The average noise level and source measured at each location is identified in Table 10 (Existing Daytime Noise Levels at Selected Locations). The existing noise levels ranged from a low of 61.1 dBA $L_{eq}$ to a high of 67.8 dBA $L_{eq}$. These daytime noise levels are characteristic of a noisy, urban area.

Implementation of the proposed project could result in increased ambient noise levels during construction and operation.
Table 10  Existing Daytime Noise Levels at Selected Locations

<table>
<thead>
<tr>
<th>Position</th>
<th>Start Time</th>
<th>Duration (minutes)</th>
<th>Sound Level (dBA)</th>
<th>Min dBA</th>
<th>Max dBA</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location 1: 301 Kansas Street (Residential)</td>
<td>2:12 PM</td>
<td>15</td>
<td>65.1</td>
<td>52.3</td>
<td>78.5</td>
<td>Traffic on Grand Avenue</td>
</tr>
<tr>
<td>Location 2: 233 Kansas Street (Commercial)</td>
<td>2:30 PM</td>
<td>15</td>
<td>61.1</td>
<td>49.4</td>
<td>79.1</td>
<td>Traffic on Kansas Street</td>
</tr>
<tr>
<td>Location 3: 145 Kansas Street (Commercial)</td>
<td>2:48 PM</td>
<td>15</td>
<td>59.5</td>
<td>50.0</td>
<td>74.5</td>
<td>Traffic on Kansas Street</td>
</tr>
<tr>
<td>Location 4: North side of Grand Avenue – between Kansas Street and Washington Street (Commercial)</td>
<td>3:09 PM</td>
<td>15</td>
<td>67.8</td>
<td>51.9</td>
<td>79.5</td>
<td>Traffic on Grand Avenue</td>
</tr>
</tbody>
</table>


Construction Noise

Project-related construction activities would include site excavation, grading and relocation of utility infrastructure; construction of the new office and laboratory uses; paving of surface parking lots; and
architectural coating. The USEPA has compiled data regarding the noise generating characteristics of typical construction activities. These data are presented in Table 11 (Noise Ranges of Typical Construction Equipment) and Table 12 (Typical Outdoor Construction Noise Levels). These noise levels would diminish with distance from the construction site at a rate of approximately 6 dBA per doubling of distance. The nearest sensitive receptors are multifamily residential uses, located at the northwest corner of Grand Avenue and Kansas Street, approximately 100 feet from the proposed project site. Based on the information presented in Table 12, construction activity noise levels at the residential uses to the northwest would range from approximately 71 to 80 dBA during construction of the proposed project. Most construction activities associated with the proposed project would not generate continuously high noise levels, although occasional single-event disturbances from grading and external building construction are possible.

Construction-related noise is exempt pursuant to El Segundo Municipal Code § 7-2-10(D) as long as construction-related activities are limited to the hours of 7:00 AM to 6:00 PM Monday through Saturday, provided the noise level does not exceed 65 dBA and the limits established in Subsection 7-2-4(C) of the El Segundo Municipal Code. Subsection 7-2-4(C) would allow for a 20 dBA increase above 65 dBA (to 85 dBA) to occur for no more than one minute and a 15 dBA increase (to 80 dBA) to occur for a maximum of one minute. As noted above, construction noise levels are anticipated to reach up to 80 dBA at the nearest residential receptor and would exceed these standards. However, the MND prepared for the previously approved project identified mitigation measures to reduce construction related noise levels.
### Table 11: Noise Ranges of Typical Construction Equipment

<table>
<thead>
<tr>
<th>Construction Equipment</th>
<th>Noise Levels in dBA $L_{eq}$ of 50 feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Loader</td>
<td>73–86</td>
</tr>
<tr>
<td>Trucks</td>
<td>82–95</td>
</tr>
<tr>
<td>Cranes (moveable)</td>
<td>75–88</td>
</tr>
<tr>
<td>Cranes (derrick)</td>
<td>86–89</td>
</tr>
<tr>
<td>Vibrator</td>
<td>68–82</td>
</tr>
<tr>
<td>Saws</td>
<td>72–82</td>
</tr>
<tr>
<td>Pneumatic Impact Equipment</td>
<td>83–88</td>
</tr>
<tr>
<td>Jackhammers</td>
<td>81–98</td>
</tr>
<tr>
<td>Pumps</td>
<td>68–72</td>
</tr>
<tr>
<td>Generators</td>
<td>71–83</td>
</tr>
<tr>
<td>Compressors</td>
<td>75–87</td>
</tr>
<tr>
<td>Concrete Mixers</td>
<td>75–88</td>
</tr>
<tr>
<td>Concrete Pumps</td>
<td>81–85</td>
</tr>
<tr>
<td>Back Hoe</td>
<td>73–95</td>
</tr>
<tr>
<td>Tractor</td>
<td>77–98</td>
</tr>
<tr>
<td>Scraper/Grader</td>
<td>80–93</td>
</tr>
<tr>
<td>Paver</td>
<td>85–88</td>
</tr>
</tbody>
</table>

**SOURCE:** USEPA (1971).

**Note:** Machinery equipped with noise control devices or other noise-reducing design features does not generate the same level of noise emissions as that shown in this table.

### Table 12: Typical Outdoor Construction Noise Levels

<table>
<thead>
<tr>
<th>Construction Phase</th>
<th>Noise Level at 50 Feet with Mufflers (dBA $L_{eq}$)</th>
<th>Noise Level at 100 Feet with Mufflers (dBA $L_{eq}$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Clearing</td>
<td>82</td>
<td>74</td>
</tr>
<tr>
<td>Excavation/Grading</td>
<td>86</td>
<td>80</td>
</tr>
<tr>
<td>Foundations</td>
<td>77</td>
<td>71</td>
</tr>
<tr>
<td>Structural</td>
<td>83</td>
<td>77</td>
</tr>
<tr>
<td>External Finishing</td>
<td>86</td>
<td>80</td>
</tr>
</tbody>
</table>

**SOURCE:** USEPA (1971).

The noise levels at the off-site sensitive uses were determined with the following equation from the HMMH Transit Noise and Vibration Impact Assessment, Final Report: $L_{eq} = L_{eq} \text{ at 50 ft.} - 20 \text{Log(D/50)}$, where $L_{eq}$ = noise level of noise source, D = distance from the noise source to the receiver, $L_{eq}$ at 50 ft. = noise level of source at 50 feet.

Mitigation measure MM NOI-1 would be required of the currently proposed project. Implementation of mitigation measure MM NOI-1 would reduce noise-related construction impacts to a less-than-significant level by requiring BMPs and restricting the time during which excessive noise-producing construction activities may occur.
As a general rule, a sound wall is able to reduce noise by 5 to 10 dBA. Accordingly, noise levels would be reduced to levels that would be below the City of El Segundo’s 80 dBA limit. With implementation of the mitigation measures, construction of the proposed project would not expose noise sensitive receptors to noise levels in excess of the established standards, and a less-than-significant impact would occur.

The proposed project would have a less-than-significant impact associated with a temporary or periodic increase in ambient noise levels in the proposed project vicinity by complying with the mitigation incorporated.

Construction Phase

As discussed above, noise generated during construction of the proposed project could create temporary or periodic increases in ambient noise levels. However, construction work hours are restricted by provisions in the El Segundo Municipal Code, and implementation of mitigation measure MM NOI-1 would reduce this impact to a less-than-significant level.

(ii) Groundborne Vibration and Noise (Construction).

Certain construction activities that would occur under the proposed project would have the potential to generate groundborne vibration. Table 13 (Vibration Source Levels for Construction Equipment) identifies various vibration velocity levels for the types of construction equipment that would operate at the project site during construction. Equipment utilized during project construction would include dump trucks, front loaders, excavators, which are similar to small bulldozers, and concrete mixers, material delivery and soil export trucks, which are similar to loaded trucks and a crane for building construction.

<table>
<thead>
<tr>
<th>Table 13 Vibration Source Levels for Construction Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equipment</strong></td>
</tr>
<tr>
<td>Large Bulldozer</td>
</tr>
<tr>
<td>Caisson Drilling</td>
</tr>
<tr>
<td>Loaded Trucks</td>
</tr>
<tr>
<td>Jackhammer</td>
</tr>
<tr>
<td>Small Bulldozer</td>
</tr>
</tbody>
</table>

**SOURCE:** U.S. Department of Transportation Federal Transit Administration, Transit Noise Impact and Vibration Assessment (May 2006).

a. The vibration levels at the off-site sensitive uses are determined with the following equation from the HMMH Transit Noise and Vibration Impact Assessment, Final Report: \( L_v(D) = L_v(25\text{ ft}) - 20\log(D/25) \), where \( L_v = \) vibration level of equipment, \( D = \) distance from the equipment to the receiver, \( L_v(25\text{ ft}) = \) vibration level of equipment at 25 feet.

Based on the information presented in Table 13, vibration levels could reach a maximum of approximately 81 VdB at 50 feet from the source
and 75 VdB at 75 feet. The nearest vibration sensitive receptors (residential) are located at approximately 100 feet from the project site and vibration levels would be below 75VdB. Accordingly, sensitive receptors would not experience vibration levels during construction of the proposed project that would exceed the Federal Transit Administration’s (FTA) vibration impact threshold of 85 VdB for human annoyance. Further, mitigation measure MM NOI-1 would ensure that construction-related vibration impacts do not occur during recognized sleep hours and that vibration-inducing construction equipment is staged as far from vibration sensitive receptors as feasible.

Operation of the proposed project would not include any substantial sources of groundborne vibration. Accordingly, the proposed project would not expose sensitive receptors on- or off-site to excessive groundborne vibration or groundborne noise levels. This impact would be less than significant, and no additional mitigation measures would be required.

b) Mitigation Measures:

MM NOI-1. The project Applicant’s construction contractor must require by contract specifications that the following construction best management practices (BMPs) be implemented by contractors to reduce construction noise levels:

(a) The project's construction contractor must provide advance notification to adjacent property owners and post notices around the boundaries of the Proposed Project site with information detailing the schedule of construction activities.

(b) All construction equipment with a high noise-generating potential, including all equipment powered by internal combustion engines, must be muffled or controlled.

(c) All noise-generating construction equipment and construction staging areas must be placed away from noise-sensitive uses, where feasible.

(d) High noise-producing activities must be scheduled between the hours of 8:00 AM and 5:00 PM to minimize disruption to sensitive uses and delivery of materials and equipment must occur between 7:00 AM and 6:00 PM.

(e) Noise attenuation measures must be implemented to the extent feasible, which may include, without limitation, noise barriers or noise blankets.

(f) Machinery, including motors, must be turned off when not in use.
c) **Finding:**

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

6. Public Services

(a) **Facts/Effects**

(i) **New or Physically Altered Fire Protection Facilities.** The proposed project would receive fire services from the El Segundo Fire Department (ESFD). First response service to the proposed project site would be provided by Fire Station #1 located at 314 Main Street, approximately one mile east of the project site. The second response team would be Fire Station #2 located at 2261 East Mariposa Avenue, approximately 1.3 miles northeast of the proposed project site. On average, there are 14 to 18 firefighters on duty 24 hours a day, seven days a week. ESFD has 53 sworn personnel and 7 nonsworn personnel. The current person-to-population ratio of sworn positions in the ESFD per every 1,000 residents is 3.18. The average response time for ESFD is four to five minutes. The ESFD is organized into six divisions: Administration, Suppression, Paramedic, Prevention, Environmental Safety, and Emergency Management. ESFD is a participating agency of the Los Angeles County Fire Department (LACoFD) CUPA program. LACoFD handles hazardous materials response for the City of El Segundo.

The proposed project would increase the City's building inventory by approximately 74,858 sf, would generate new activity on the project site, and increase traffic, the combination of which could result in increased emergency response demands for both fire protection and paramedic services, and fire prevention inspections. The project would be in compliance with all applicable State and Local Building and Fire Codes. Compliance with applicable regulations would reduce potential impacts to the City's fire department. With the implementation of the following mitigation measures, impacts on fire protection services would be less than significant. Impacts are not significant enough to necessitate additional fire personnel or facilities.

Implementation of mitigation measures MM PS-1 through MM PS-6 would ensure that the proposed project would not result in significant impacts to fire services. The project would install a fire sprinkler protection system throughout the building and would be in compliance with all applicable State and Local Building and Fire Codes. Through


4 Lisa LeCates, email correspondence (Re: Staffing and response time information request) from El Segundo Fire Department to Jennifer Lee, Environmental Specialist, Atkins (May 2, 2011).
implementation of the ESFD required mitigation measures and payment of the Fire Services Mitigation Fee, as required by the City, impacts on fire protection services would be less than significant. The on-site oil well that was investigated as part of previous ESAs prepared for the project site has been officially abandoned in accordance with DOGGR guidelines and conditions at the site would not increase the need for fire protection services. In addition, a second oil well was thought to exist on the project site. However, after extensive investigation, this second well could not be located. In the event that this well is located during construction, the well will be abandoned according to DOGGR regulations and would not increase the need for fire protection services at the site.

(ii) New or Physically Altered Police Protection Facilities. The proposed project would receive police protection services from the El Segundo Police Department (ESPD), which serves the entire City. The ESPD operates out of one station, located approximately one mile west of the project site at 348 Main Street. The project site is located at the intersection of Kansas Street and Grand Avenue, which is included as part of the City’s established patrol route. Patrol officers travel along these streets regularly. ESPD is staffed with 65 sworn personnel and 32 nonsworn personnel currently protecting 16,664 residents and a daytime population of approximately 70,000 in the City. The person-to-population ratio of sworn positions in the ESPD per every 1,000 residents is 3.9 (or 1 sworn officer per 256 residents) and the ratio of sworn positions for the daytime population is 1.077 (1 sworn officer per 1,077 individuals). The ESPD dispatches all calls from the 348 Main Street station regardless of the crime location within the City. Therefore, it is assumed that response times to the project site and the vicinity would be consistent with the City’s average response time (daytime and nighttime) of 3 minutes and 30 seconds.\(^5\)

The proposed project would not add new residents to the site. However, the proposed project would result in the addition of approximately 147 employees during the day. The addition of 147 employees to the daytime population would result in a change to the person-to-population ratio for the daytime population would be 1.079 (1 sworn officer per 1,079 individuals). This would not result in an increase in response time and would therefore not impact public safety. Additionally, the proposed project would generate fewer employees than were estimated for the previously approved project. The previously approved project was estimated to result in 200-225 employees at the project site daily; accordingly, the proposed project would result in a conservative reduction of approximately 53 employees at the project site daily. A less than significant impact was identified with respect to police protection in the previously approved MND. As

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\(^5\) Brian Evanski, Captain, email correspondence (Re: Staffing and Response time information request) from El Segundo Police Department to Jennifer Lee, Environmental Specialist, Atkins (May 3, 2011).

\(^6\) Brian Evanski, Captain, email correspondence (Re: Staffing and Response time information request) from El Segundo Police Department to Jennifer Lee, Environmental Specialist, Atkins (May 3, 2011).
described above, conditions have not changed substantially since preparation of the previously approved MND, and therefore, impacts to police protection services would not occur beyond the less-than-significant impact previously identified.

Accordingly, the proposed project would not trigger the need for expansion of new existing facilities or the need for additional ESPD staff. Nonetheless, the following mitigation measures would help reduced impacts to less than significant.

(iii) New or Physically Altered School Facilities. The project site is served by the El Segundo Unified School District (ESUSD). ESUSD currently has two elementary schools, one middle school, one high school, and one continuation school. The current total enrollment for ESUSD is 3,242 students with a pupil to teacher ratio of 23.1.7

The proposed project would not create a need for new or expanded public school facilities. Since the project includes office and laboratory uses and would not substantially induce new residents into the City (which includes children who would attend schools administered by the ESUSD), the project would not place an additional burden on the school district. The proposed project would be required to pay the School District Development Impact Fee to the El Segundo Unified School District. This fee is required by State Law. Mitigation measure MM PS-9 has been incorporated into the Addendum to further reduce all potential impacts to schools. Impacts to existing schools in the area are anticipated to be less than significant.

(iv) New or Physically Altered Park Facilities. Currently the City of El Segundo has a total of 74.26 acres of park space, which equates to approximately 4.46 acres of parks per 1,000 residents.8 Implementation of the proposed project would result in new office and laboratory uses on a currently vacant site. No residential units would be developed as part of the project, and thus, the project would not induce substantial population growth in the City. New employees at the proposed project site may utilize local parks and recreational facilities, including the nearby public golf course (The Lakes at El Segundo). In addition, the proposed project could indirectly induce new residents in the City. Nonetheless, it is not expected that this potential would significantly exacerbate the existing parks to resident ratio. Finally, with the incorporation of mitigation measure MM PS-10, the proposed project would be required to pay the Parks Facility Fee which would reduce all potential impacts to recreation to a less-than-significant level.

(b) Mitigation Measures:

MM PS-1. The Applicant must pay the City of El Segundo Fire Service Mitigation Fee at the rates established by City Council Resolution No. 4687, before the City issues a building permit.

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7 Education Data Partnership, District Profile: El Segundo Unified School District (May 24, 2011).
MM PS-2. A fire life safety plan, which must include complete plans and specifications, must be submitted to the El Segundo Fire Department (ESFD) for review and approval before commencement of construction of any portion of the proposed development.

MM PS-3. The Applicant must provide fire access roadways to and throughout the property and submit a layout plan to the ESFD for approval before the City issues a building permit.

MM PS-4. The Applicant must provide water flow and on-site fire hydrants as required by the ESFD.

MM PS-5. The Applicant must submit separate plans for ESFD approval. The following installations require separate ESFD approval:

(a) Automatic fire sprinklers.
(b) Fire alarm system.
(c) Underground fire service mains.
(d) Fire pumps.
(e) Emergency generators.
(f) Any aboveground or underground storage tanks including elevator sumps and condensation tanks.

MM PS-6. When the City issues building permits, if the second oil well (location currently unidentified on the project site) is not permanently capped, the project Applicant must comply with the mitigation measures identified in the letter “Request for Alternative Method, California Fire Code Section 3406.3.1.3.2 Segundo Business Park 222 Kansas Street and 1545 East Franklin Avenue” (dated September 16, 2008).

MM PS-7. The Applicant must pay the City of El Segundo Police Service Mitigation Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.

MM PS-8. The Applicant must submit a strategic security plan, which must include definitive plans and specifications, to the El Segundo Police Department (ESPD) for review and approval before commencement of construction of any portion of the proposed project. The strategic security plan must include, without limitation, the following items:

(a) Depending upon the size of the structure and its location in relation to the streets, the size of the displayed address may vary from a minimum of 4" to as much as 24".
(b) Building entrances and exits must be limited in number and located in a manner to increase security and visibility of the building.

(c) All landscaping must be low profile especially around perimeter fencing, windows, doors and entryways taking special care not to limit visibility and provide climbing access.

(d) Adequate street, walkway, building and parking lot lighting must be provided to enhance security.

(e) Provisions for on-site security personnel.

**MM PS-9.** The Applicant must pay the City of El Segundo School District Development Impact Fee at the rates established by the El Segundo Unified School District before the City issues a building permit.

**MM PS-10.** The Applicant must pay the City of El Segundo Parks Facility Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.

(c) Finding:

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

7. Recreation

a) **Facts/Effects.**

(i) **Increase Use of Parks.** Implementation of the proposed project would not significantly increase the use of existing neighborhood and regional parks or other recreational. Physical impacts to recreation facilities are generally associated with population growth. The proposed project would result in the construction of office and laboratory uses that would not result in a direct population increase. As no housing would be developed under the proposed project, implementation of the proposed project would not generate substantial population growth that would increase the use of recreational facilities. Further, a recent Impact Fee Study prepared by the City established a Parks Facility Fee. Accordingly, with the incorporation of mitigation measure MM PS-10, the proposed project would be required to pay the Parks Facility Fee which would reduce all potential impacts to a less-than-significant level. Implementation of the proposed project would result in a less-than-significant impact to recreational facilities.

(ii) **Construction or Expansion of Recreational Facilities.** The proposed project does not include the construction of recreational facilities. Phase 1 would include a small landscaped area along Kansas Street, adjacent to the USDA building and Phase 2 would include
employee patios along Kansas Street and Grand Avenue, adjacent to the two proposed buildings. However, these facilities do not constitute recreational facilities. As explained above, the increase in population at the project site, or the indirect population increase within the City, would not exacerbate existing park standard ratios. Further, with the incorporation of mitigation measure MM PS-10, the proposed project would be required to pay the Parks Facility Fee which would reduce all potential impacts to a less-than-significant level. Accordingly, the proposed project would not require construction or expansion of existing recreational facilities, resulting in a less-than-significant impact.

b) Mitigation Measures:

**MM PS-1.** The Applicant must pay the City of El Segundo Parks Facility Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.

c) Finding:

(1) Changes or alterations have been required in or incorporated into the project and the project has been conditioned to avoid or substantially lessen the potential environmental effect as identified in the MND.

D. Insignificant Cumulative Impacts.

The City Council finds that the Addendum to the Mitigated Negative Declaration and the record of proceedings in this matter do not identify or contain substantial evidence which identifies significant adverse cumulative environmental effects associated with the 222 Kansas Street Specific Plan Project with respect to the areas listed below:

1. Aesthetics.
2. Agricultural Resources.
3. Air Quality.
4. Biological Resources.
5. Cultural Resources.
6. Geology and Soils.
10. Mineral Resources.
13. Public Services.
15. Transportation/Traffic.

VI. **SUBSTANTIAL EVIDENCE.**

The City Council finds and declares that substantial evidence for each and every finding made in these Findings is contained in the Addendum to the Mitigated Negative Declaration, which are incorporated herein by this reference, and in the record of proceedings in the matter. To the extent applicable, each of the other findings made by the City Council in connection with its approval of the entitlement applications listed in Section I above are also incorporated by this reference.

P:\Planning & Building Safety\Planning - Old\PROJECTS (Planning)\951-975\EA-959\City Council 08072012\Resolution and Attachments\EA-959 CC Reso Exhibit A - CEC findings.doc
CITY COUNCIL RESOLUTION NO. ___

Exhibit B

CITY OF EL SEGUNDO
SEGUNDO BUSINESS PARK
Initial Study/Mitigated Negative Declaration
Addendum

Environmental Assessment EA-959
General Plan Amendment GPA 12-01
Specific Plan Amendment SPA 12-01
Zone Change ZC 12-01
Zone Text Amendment ZTA 12-01
Subdivision SUB 12-02
Site Plan Review SPR 12-01

Mitigation Monitoring and Reporting Program

Prepared for
City of El Segundo Planning and Building and Safety Department
350 Main Street
El Segundo, California 90245

Prepared by
Atkins
12301 Wilshire Boulevard, Suite 430
Los Angeles, California 90025

July 2012
INTRODUCTION

The Addendum to the Initial Study/Mitigated Negative Declaration (MND) for the 222 Kansas Street Specific Plan Project identified mitigation measures to reduce the adverse effects of the project in the areas of: aesthetics, air quality, cultural resources, hazards/hazardous materials, noise, and public services.

The California Environmental Quality Act (CEQA) requires that agencies adopting MNDs ascertain that feasible mitigation measures are implemented, subsequent to project approval. Specifically, the lead or responsible agency must adopt a reporting or monitoring program for mitigation measures incorporated into a project or imposed as conditions of approval. The program must be designed to ensure compliance during applicable project timing, such as design, construction, or operation (Public Resource Code Section 21081.6).

The Mitigation Monitoring and Reporting Program (MMRP) shall be used by the City El Segundo staff responsible for ensuring compliance with mitigation measures associated with the 222 Kansas Street Specific Plan Project. Monitoring shall consist of review of appropriate documentation, such as plans or reports prepared by the party responsible for implementation, or by field observation of the mitigation measure during implementation.

The following table identifies the mitigation measures by environmental resource area. The table also provides the specific mitigation monitoring requirements, including implementation documentation, monitoring activity, timing and responsible monitoring party. Verification of compliance with each measure is to be indicated by signature of the mitigation monitor, together with date of verification. The Project Applicant and the Applicant’s contractor shall be responsible for implementation of all mitigation measures, unless otherwise noted in the table.
### Mitigation Monitoring and Reporting Program

#### Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>MM AES-1</th>
<th>Expansive areas of highly reflective materials, such as mirrored glass, are not permitted. Non-reflective building materials must be used to the maximum extent possible to reduce potential glare impacts.</th>
<th>Project building plans. Review and approve building plans for inclusion of non-reflective building materials.</th>
<th>Plan check before issuance of building permit.</th>
<th>City of El Segundo—Planning and Building Safety Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM AES-2</td>
<td>Exterior lighting must be designed to minimize off-site glare. This may include, without limitation, the use of shielded or recessed lighting fixtures.</td>
<td>Project building plans. Review and approve building plans for inclusion of appropriate exterior lighting.</td>
<td>Plan check before issuance of building permit.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
</tr>
<tr>
<td></td>
<td>visual Inspection.</td>
<td></td>
<td>During Operation.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
</tr>
<tr>
<td>MM AQ-1</td>
<td>The project Applicant’s construction contractor must implement all rules and regulations by the Governing Board of the SCAQMD that are applicable to the development of the project (such as Rule 402 [Nuisance] and Rule 403 [Fugitive Dust]) and that are in effect at the time of development. The following measures are required to implement Rule 403. These measures are identified by SCAQMD as reducing PM&lt;sub&gt;10&lt;/sub&gt; levels generated by construction activities between 30 and 85 percent depending on the source of PM&lt;sub&gt;10&lt;/sub&gt;.</td>
<td>Contract language and notes on grading and building plans. Review and approve contract specifications, grading and building plans for inclusion.</td>
<td>Plan check before issuance of a grading permit.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
</tr>
<tr>
<td></td>
<td>Water trucks must be utilized on the site and be available to be used throughout the day during site grading and excavation to keep the soil damp enough to prevent PM10 levels being increased by construction activities.</td>
<td>Visual Inspection.</td>
<td>During Grading and Construction.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
</tr>
<tr>
<td></td>
<td>Areas scheduled for grading, or actually being graded, must be wetted down in the late morning and after work is completed for the day.</td>
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<tr>
<td></td>
<td>All unpaved parking or staging areas, or unpaved road surface must be watered three times daily or have chemical soil stabilizers applied according to manufacturer’s instructions.</td>
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</tbody>
</table>

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65

City of El Segundo 222 Kansas Street Specific Plan Project MMRP
**Mitigation Monitoring and Reporting Program**

### Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>Mitigation Measure/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Exposed piles (e.g., gravel, sand, and dirt) must be enclosed, covered, watered twice daily, or approved soil binders must be applied to exposed piles according to manufacturer’s specifications.</td>
<td></td>
</tr>
<tr>
<td>- The construction disturbance area must be kept as small as possible.</td>
<td></td>
</tr>
<tr>
<td>- All trucks hauling dirt, sand, soil, or other loose materials must be covered or have water applied to the exposed surface before leaving the site to prevent PM10 and PM2.5 from reaching the surrounding areas.</td>
<td></td>
</tr>
<tr>
<td>- Wheel washers must be installed where vehicles enter and exit unpaved roads onto paved roads and used to wash off trucks and any equipment leaving the site each trip.</td>
<td></td>
</tr>
<tr>
<td>- Streets adjacent to the project site must be swept at the end of the day if visible soil material is carried over to adjacent roads.</td>
<td></td>
</tr>
<tr>
<td>- Wind barriers must be installed along the perimeter of the site. All excavating and grading operations must be suspended when wind speeds exceed 25 miles per hour over a 3-minute period.</td>
<td></td>
</tr>
</tbody>
</table>

**Cultural Resources**

<table>
<thead>
<tr>
<th>Mitigation Measure/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>- In the event that archaeological/paleontological resources are unearthed during project subsurface activities, all earth-disturbing work within a 100-</td>
<td></td>
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<tr>
<td>- Contract language and notes on grading plans. Review and approve contract</td>
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</tr>
<tr>
<td>- Plan check before issuance of a grading permit.</td>
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</tr>
<tr>
<td>City of El Segundo—Planning and Building Safety Department</td>
<td></td>
</tr>
</tbody>
</table>

**MM AQ-2** The project Applicant’s construction contractor must use low-VOC or ultra-low VOC paints that reduce VOC emissions of all architectural coatings by a minimum of 20 percent from the CalEEMod default, or a maximum of 200 g/l.

<table>
<thead>
<tr>
<th>Mitigation Measure/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Contract language and notes on grading and building plans. Review and approve contract specifications, grading and building plans for inclusion.</td>
<td></td>
</tr>
<tr>
<td>- Plan check before issuance of a building permit.</td>
<td></td>
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<tr>
<td>- During Construction</td>
<td></td>
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<tr>
<td>City of El Segundo—Planning and Building Safety Department</td>
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</tbody>
</table>

**MM CR-1** In the event that archaeological/paleontological resources are unearthed during project subsurface activities, all earth-disturbing work within a 100-

<table>
<thead>
<tr>
<th>Mitigation Measure/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Contract language and notes on grading plans. Review and approve contract</td>
<td></td>
</tr>
<tr>
<td>- Plan check before issuance of a grading permit.</td>
<td></td>
</tr>
<tr>
<td>City of El Segundo—Planning and Building Safety Department</td>
<td></td>
</tr>
</tbody>
</table>
Mitigation Monitoring and Reporting Program

Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>Mit./</th>
<th>Mitigation Measure / Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cond. No.</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Meter radius must be temporarily suspended or redirected until a qualified archeologist has been provided the opportunity to assess the significance of the find and implement appropriate measures to protect or scientifically remove the find. Construction personnel must be informed that unauthorized collection of cultural resources is prohibited.

If the resource is determined to be significant, the archaeologist or paleontologist, as appropriate, must prepare a research design for recovery of the resources in consultation with the State Office of Historic Preservation that satisfies the requirements of Public Resources Code §21083.2. The archaeologist or paleontologist must complete a report of the excavations and findings, and must submit the report for peer review by three County-certified archaeologists or paleontologists, as appropriate. Upon approval of the report, the County must submit the report to the Los Angeles Archeological Information Center and keep the report on file at the County of Los Angeles. After the find has been appropriately mitigated, work in the area may resume.
<table>
<thead>
<tr>
<th>Mit./Cond. No.</th>
<th>Mitigation Measure/Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM CR-2</td>
<td>If human remains are discovered during any demolition/construction activities, all ground-disturbing activity within 50 feet of the remains must be halted immediately, and the Los Angeles County coroner must be notified immediately, pursuant to Public Resources Code §5097.98 and Health and Safety Code §7050.5. If the remains are determined by the County coroner to be Native American, the Native American Heritage Commission (NAHC) must be notified within 24 hours, and the guidelines of the NAHC must be adhered to in the treatment and disposition of the remains. The project developer must also retain a professional archaeologist with Native American burial experience to conduct a field investigation of the specific site and consult with the Most Likely Descendant, if any, identified by the NAHC. As necessary, the archaeologist may provide professional assistance to the Most Likely Descendant, including the excavation and removal of the human remains.</td>
<td>Contract language and notes on grading plans. Review and approve contract specifications and grading plans for inclusion.</td>
<td>Plan check before issuance of a grading permit.</td>
</tr>
</tbody>
</table>

**HAZARDS/HAZARDOUS MATERIALS**

<table>
<thead>
<tr>
<th>Mit./Cond. No.</th>
<th>Mitigation Measure/Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM HAZ-1</td>
<td>The Applicant and construction contractor must comply with existing hazardous materials regulations, which are codified in Titles 8, 22, and 26 of the California Code of Regulations, and their enabling legislation set forth in Chapter 6.95 of the California Health and Safety Code. In addition, the Applicant and construction contractor must comply with applicable federal, state, and local laws and regulations pertaining to the transport, use, and disposal of hazardous waste, including, but not limited to, Title 49 of the Code of Federal Regulations and as implemented by Title 13 of the California Code of Regulations.</td>
<td>Contract language and notes on demolition and grading plans. Review and approve contract specifications and demolition/grading plans for inclusion.</td>
<td>Before issuance of demolition permit and grading permit.</td>
</tr>
<tr>
<td>MM HAZ-2</td>
<td>In the event that soil or groundwater contamination is encountered that could present a threat to human health or the environment during construction in the project area, construction activities in the immediate vicinity of the contamination must immediately</td>
<td>Contract language and notes on grading and building plans. Review and approve contract specifications grading plans, and building plans for</td>
<td>Plan check before issuance of grading permit and building permit.</td>
</tr>
<tr>
<td>Mitigation/Condition No.</td>
<td>Mitigation/Measure/Condition of Approval</td>
<td>Monitoring and Reporting Process</td>
<td>Monitoring Milestone</td>
</tr>
<tr>
<td>--------------------------</td>
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<tr>
<td>cease. If contamination is encountered, a Risk Management Plan must be prepared and implemented after completion of additional soil investigation to the satisfaction of the Fire Department and the Planning and Building Safety Department. The Risk Management Plan must (1) identify the contaminants of concern and the potential risk each contaminant would pose to human health and the environment during construction and post-development and (2) describe measures to be taken to protect workers and the public from exposure to potential site hazards. Such measures could include a range of options, including, without limitation, physical site controls during construction, remediation, long-term monitoring, post-development maintenance or access limitations, or some combination thereof. Depending on the nature of contamination, if any, appropriate agencies must be notified (e.g., El Segundo Fire Department). If needed, a Site Health and Safety Plan that meets Occupational Safety and Health Administration requirements must be prepared and in place before commencement of work in any contaminated area.</td>
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</tr>
<tr>
<td>MM HAZ-3</td>
<td>A site plan that identifies the proposed project and the distance between the proposed buildings and any on-site oil wells must be submitted to the City of El Segundo for approval. The buildings of the proposed development must be built &quot;not in proximity to a well&quot; as defined by DOGGR which includes development with: 1) two adjacent sides that are free and clear of structures or property lines for no less than 10 feet, 2) a third side that is free and clear of structures or property lines for no less than 50 feet, and 3) a fourth side to remain open (no defined distance from structures or property lines).</td>
<td></td>
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</tr>
<tr>
<td>MM NOI-1</td>
<td>The project Applicant’s construction contractor must require by contract specifications that the following construction best management practices (BMPs) be included. If necessary, Risk Management Plan and Site Health and Safety Plan. During Grading. City of El Segundo—Planning and Building Safety Department</td>
<td>Review and approve site plan prior to grading plans.</td>
<td>Before issuance of grading permit. City of El Segundo—Planning and Building Safety Department</td>
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</tbody>
</table>

Noise | Noise | Noise | Noise | Noise | Noise | Noise | Noise | Noise |
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City of El Segundo 222 Kansas Street Specific Plan Project MMRP
Mitigation Monitoring and Reporting Program

Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>Mitigation/Measures/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implemented by contractors to reduce construction noise levels:</td>
<td></td>
</tr>
<tr>
<td>• The project's construction contractor must provide advance notification to adjacent property owners and post notices around the boundaries of the Proposed Project site with information detailing the schedule of construction activities.</td>
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<tr>
<td>• All construction equipment with a high noise-generating potential, including all equipment powered by internal combustion engines, must be muffled or controlled.</td>
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<tr>
<td>• All noise-generating construction equipment and construction staging areas must be placed away from noise-sensitive uses, where feasible.</td>
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</tr>
<tr>
<td>• High noise-producing activities must be scheduled between the hours of 8:00 AM and 5:00 PM to minimize disruption to sensitive uses and delivery of materials and equipment must occur between 7:00 AM and 6:00 PM.</td>
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</tr>
<tr>
<td>• Noise attenuation measures must be implemented to the extent feasible, which may include, without limitation, noise barriers or noise blankets.</td>
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<tr>
<td>• Machinery, including motors, must be turned off when not in use.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Monitoring and Reporting Process</th>
<th>Monitoring Milestone</th>
<th>Party/Responsible for Monitoring</th>
<th>Initials</th>
<th>Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of contract specifications and demolition, grading and building plans for inclusion.</td>
<td>Visual Inspection.</td>
<td>During Construction.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PUBLIC SERVICES

**MM PS-1**

The Applicant must pay the City of El Segundo Fire Service Mitigation Fee at the rates established by City Council Resolution No. 4687, before the City issues a building permit.  

Pay fee prior to approval of building plans.  

Plan check before issuance of building permit.  

City of El Segundo—Planning and Building Safety Department
<table>
<thead>
<tr>
<th>Mitigation Measure/Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Monitoring Milestone</th>
<th>Party Responsible for Monitoring</th>
<th>Initials</th>
<th>Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM PS-2 A fire life safety plan, which must include complete plans and specifications, must be submitted to the El Segundo Fire Department (ESFD) for review and approval before commencement of construction of any portion of the proposed development.</td>
<td>Preparation of a fire life safety plan.</td>
<td>Before issuance of building permit.</td>
<td>City of El Segundo—Fire Department and Planning and Building Safety Department</td>
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</tr>
<tr>
<td>MM PS-3 The Applicant must provide fire access roadways to and throughout the property and submit a layout plan to the ESFD for approval before the City issues a building permit.</td>
<td>Preparation of a site plan. Review and approve building plans for inclusion.</td>
<td>Before issuance of building permit.</td>
<td>City of El Segundo—Fire Department and Planning and Building Safety Department</td>
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<tr>
<td>MM PS-4 The Applicant must provide water flow and on-site fire hydrants as required by the ESFD.</td>
<td>Review and approve building and hydrant plans for inclusion.</td>
<td>Before issuance of building permit.</td>
<td>City of El Segundo—Fire Department and Planning and Building Safety Department</td>
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<tr>
<td>MM PS-5 The Applicant must submit separate plans for ESFD approval. The following installations require separate ESFD approval:</td>
<td>Review and approve building plans for inclusion.</td>
<td>Before issuance of building permit.</td>
<td>City of El Segundo—Fire Department</td>
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</tr>
<tr>
<td>■ Automatic fire sprinklers</td>
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<tr>
<td>■ Fire alarm system</td>
<td></td>
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<tr>
<td>■ Underground fire service mains</td>
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<td>■ Fire pumps</td>
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<td>■ Emergency generators</td>
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<tr>
<td>■ Any aboveground or underground storage tanks including elevator sumps and condensation tanks</td>
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</tr>
<tr>
<td>MM PS-6 When the City issues building permits, if the second oil well (location currently unidentified on the project site) is not permanently capped, the project Applicant must comply with the mitigation measures identified in the letter &quot;Request for Alternative Method, California Fire Code Section 3406.3.1.3.2 Segundo Business Park 222 Kansas Street and 1545 East Franklin Avenue&quot; (dated September 16, 2008).</td>
<td>Review and approve building plans for inclusion.</td>
<td>Prior to issuance of building permit.</td>
<td>City of El Segundo—Fire Department and Planning and Building Safety Department, DOGGR</td>
<td>----------</td>
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</tr>
</tbody>
</table>
## Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>MM/Cond. No.</th>
<th>Mitigation/Measure/Condition of Approval</th>
<th>Verification of Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MM PS-7</strong></td>
<td>The Applicant must pay the City of El Segundo Police Service Mitigation Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.</td>
<td>Monitoring and Reporting Process: Pay fee prior to approval of building plans. Monitoring Milestone: Plan check before issuance of building permit. Party Responsible for Monitoring: City of El Segundo—Planning and Building Safety Department.</td>
</tr>
<tr>
<td><strong>MM PS-8</strong></td>
<td>The Applicant must submit a strategic security plan, which must include definitive plans and specifications, to the El Segundo Police Department (ESPD) for review and approval before commencement of construction of any portion of the proposed project. The strategic security plan must include, without limitation, the following items: 1. Depending upon the size of the structure and its location in relation to the streets, the size of the displayed address may vary from a minimum of 4&quot; to as much as 24&quot; 2. Building entrances and exits must be limited in number and located in a manner to increase security and visibility of the building 3. All landscaping must be low profile especially around perimeter fencing, windows, doors and entryways taking special care not to limit visibility and provide climbing access 4. Adequate street, walkway, building and parking lot lighting must be provided to enhance security 5. Provisions for on-site security personnel</td>
<td>Preparation of a strategic security plan. Contract language and notes on building plans. Review and approve contract specifications and building plans for inclusion. Plan check before issuance of building permit. City of El Segundo—Police Department and Planning and Building Safety Department.</td>
</tr>
<tr>
<td><strong>MM PS-9</strong></td>
<td>The Applicant must pay the City of El Segundo School District Development Impact Fee at the rates established by the El Segundo Unified School District before the City issues a building permit.</td>
<td>Pay fee before approval of building plans. Plan check before issuance of building permit. City of El Segundo—Planning and Building Safety Department.</td>
</tr>
<tr>
<td><strong>MM PS-10</strong></td>
<td>The Applicant must pay the City of El Segundo Parks Facility Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.</td>
<td>Pay fee before approval of building plans. Plan check before issuance of building permit. City of El Segundo—Planning and Building Safety Department.</td>
</tr>
</tbody>
</table>
City Council Resolution No. _____
Exhibit C

El Segundo General Plan Land Use Element Excerpt - Page 3-8

Land Use Designations
Commercial Designations

Add the following text in a separate paragraph immediately below 199 North Continental Boulevard Specific Plan on page 3-8:

"222 Kansas Street Specific Plan
Permits primarily office, light industrial, manufacturing, and research and development uses. The southerly portion may be used for governmental purposes subject to a development agreement. Commercial retail and restaurant uses are prohibited. The area is approximately 4.83 gross acres and the maximum FAR is 0.6. This designation is not intended to be used elsewhere within the City."
El Segundo General Plan Land Use Element Excerpt Pages 3-9 and 3-10

Proposed Land Use Plan
Northwest Quadrant

Modify the following text on pages 3-9 and 3-10:

"The following is a discussion of the 1992 Land Use Plan, which indicates future land uses for the entire City. For ease of discussion, the City is divided into four quadrants and the proposed land use designations within that quadrant are discussed. To know what is allowed under each designation, please reference the land use definitions listed above.

Northwest Quadrant
The northwest quadrant of the City has the most varied mix of uses within the City. All of the City's residential units, the Downtown area, the Civic Center, and the older industrial area of Smoky Hollow, are located in this quadrant. The 1992 Plan retains the three residential designations found on the old Plan: single-family, two-family, and multi-family, plus a new designation of 540 East Imperial Avenue Specific Plan. The Plan shows 357.2 acres of single-family, 57.4 acres of two-family, 119.3 acres of multi-family and 5.65 acres of 540 East Imperial Avenue Specific Plan. This includes the re-designation of Imperial Avenue School, which is no longer used for educational purposes, from Planned Residential Development to 540 East Imperial Avenue Specific Plan. The total number of dwelling units projected by the Plan is 8,089. One of the major goals of the 1992 Plan is to preserve the residential neighborhoods.

The Smoky Hollow area, which houses many of the City's older industrial uses, has been designated Smoky Hollow Mixed-Use, in recognition of the existing Smoky Hollow Specific Plan. The Specific Plan allows a combination of industrial, retail, office, and residential uses. The Smoky Hollow area is approximately 92.2 acres.

---

1 The 540 East Imperial Avenue Specific Plan designation was added via General Plan Amendment 10-03.
2 The new total of 8,089 represents the maximum number of units developed under Option 1 of the 540 East Imperial Avenue Specific Plan. This number will be lower (7,843 units) if Option 2 is developed with a maximum of 58 units.
The 222 Kansas Street Specific Plan (222 KSSP) consists of 4.83 acres, which were previously a part of the Smoky Hollow area. The 222 Kansas Street Specific Plan permits primarily office, light industrial, manufacturing, and research and development uses. The southerly portion may be used for governmental purposes subject to a development agreement. Commercial retail and restaurant uses are prohibited.

All other text in this section will remain unchanged.
<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Acres</th>
<th>Dwelling Units</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Residential</td>
<td>357.2</td>
<td>2,858</td>
<td>-</td>
</tr>
<tr>
<td>Two-Family Residential</td>
<td>57.4</td>
<td>934</td>
<td>-</td>
</tr>
<tr>
<td>540 East Imperial Avenue Specific Plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>119.7</td>
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1 Existing construction and recently constructed, renovated commercial centers and legal non-conforming residential uses at densities that are currently higher than allowed by the land use designations in this plan will not realistically be converted to mixed commercial/residential uses and these buildings are expected to remain for the life of the Plan.

2 The heavy industrial shown on this plan includes the Chevron Refinery and former Southern California Edison Generation Station. These facilities have processing equipment and tanks rather than buildings and are expected to remain for the life of the Plan. Therefore, no estimated building square footage is shown.

3 This number represents the maximum number of dwelling units that can be developed in Option 1 of the 540 East Imperial Avenue Specific Plan. If Option 1 is not built, the maximum number of units that can be developed in Option 2 of the 540 East Imperial Avenue Specific Plan is 58 residential dwelling units.
City Council Resolution No. ___
Exhibit F

General Plan Land Use Map
CONDITIONS OF APPROVAL

In addition to all applicable provisions of the El Segundo Municipal Code ("ESMC"), SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian of the Kizirian Trust agree to comply with the following provisions as conditions for the City of El Segundo's approval of an Addendum to a Mitigated Negative Declaration for Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement No. 12-01, Subdivision No. 12-02 (VTM 71903), and Site Plan Review No. 12-01 ("Project Conditions").

Planning and Building Safety Department

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

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

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

4. Any changes to the colors and materials of the exterior façade of the buildings must be in compliance with the 222 Kansas Street Specific Plan Section 4.3(L) Design Standards and approved to the satisfaction of the Director of Planning and Building Safety.

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

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

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

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

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

6. Employees must be provided current maps, routes and schedules for public transit routes serving the site; telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators; ridesharing promotional materials; and bicycle route and facility information.

7. Ground level mechanical equipment, refuse and recycling collectors, storage tanks, monitoring wells, generators, and other similar facilities must be screened from view with opaque walls of materials and finishes compatible with the overall design of the buildings in the project and provide dense landscaping to the satisfaction of the Planning and Building Safety Department.

8. Trash and recycling enclosures must be provided and shown on the site plan that are sufficiently large enough to store the necessary bins required for the regular collection of commercial solid waste and recyclable materials. The site plan with
the location and dimensions of the trash and recycling enclosure and an elevation view of the enclosure must be provided to the Planning and Building Safety Department for review and approval before the City issues building permits. Separate trash and recycling facilities must be provided for each phase of the project (Phase 1: USDA Facility; Phase 2: 2 office buildings).

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

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

11. Before the City issues a Certificate of Occupancy the applicant must provide the Planning and Building Safety Department a status report on the Leadership in Energy and Environmental Design (LEED) that includes the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The Director of Planning and Building Safety will determine if the items identified on the scorecard and report, show a good faith effort to build to LEED standards and warrant release of this condition. The City can require peer review of the LEED report and GBCI scorecard by a qualified professional with a LEED AP credential hired by the City at the applicant’s expense to advise the Director of Planning and Building Safety in his or her determination. Additionally, the City can require inspections for grading, site improvements, and buildings for the project by a qualified professional with a LEED AP credential to verify that the project has been constructed in compliance with the LEED report and GBCI scorecard to advise the Director of Planning and Building Safety in his or her determination.

12. Before the City issues a Certificate of Occupancy for Phase 2, the applicant must submit a reciprocal access and parking agreement for joint use of the driveway entrance, drive aisle, and parking area on Lot 3 with Lots 1 and 2 of the proposed Vesting Tentative Tract Map (VTTM) to the Planning Department for review and approval by the Director of Planning and Building Safety. The reciprocal access agreement must be reviewed and approved as to form by the Director of Planning and Building Safety and City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the Reciprocal Access Agreement before the City issues a Certificate of Occupancy. The reciprocal access agreement must be recorded before the City issues a Certificate of Occupancy.

13. Before the City issues a Certificate of Occupancy for any buildings or site improvements, the applicant must complete all the conditions of approval of Environmental Assessment No. 966 and Lot Line Adjustment No. LLA 12-03.

14. Vacation of the existing Edison easements is required before the City issues building permits for any buildings or structures within the easement area.
15. The project must meet all the design criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

16. Before the City issues a building permit, landscaping plans must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

17. Before the City issues a building permit, plans for walls, fences, lighting fixtures and accessory structures must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

18. Before the City issues any building permits for signs, a Master Sign Program must be reviewed and approved by the Director of Planning and Building Safety.

**Building Division Conditions**


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

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

22. Before building permits are issued, plans must show compliance with accessibility requirements per the 2010 California Building Code, as adopted by the ESMC.

23. A covenant and agreement or equivalent instrument must be recorded to allow the use of disabled parking spaces on Lot 3 to serve the buildings on Lot 1 and 2. The covenant and agreement must be reviewed and approved as to form by the Planning and Building Safety Department and the City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the covenant before the City issues a final building permit. The covenant must also be recorded before the City issues a final building permit.
24. A minimum slope of 2% must be provided at the north side of the Phase 1 building for drainage away from the building and to the street via a non-erosive device.

25. A minimum slope of 2% must be provided for drainage away from the Phase 2 buildings and to the street via a non-erosive device. Site drainage from lot 3 must be conducted to the street via a non-erosive device at a minimum 1% slope.

26. A Stormwater Pollution Prevention Plan (SWPPP) and a Standard Urban Stormwater Mitigation Plan, (SUSMP) for each phase of development must be provided and approved by the Planning and Building Safety Department.

27. The Phase 1 building must demonstrate that the occupancy group for the S occupancy is a S-2 occupancy. The building must provide sprinklers in compliance with the El Segundo Municipal Code. The plans must clearly show that the maximum 250 foot exit travel distance is not exceeded for rooms P-03, P-04, P-05, and P-07. The percentage of openings for the Phase 1 building must comply with table 705.8 of the 2010 California Building Code, as measured from the north property line.

28. The Phase 2 buildings must comply with Section 1022 of the 2010 California Building Code for exit enclosures for the stairways. The exit enclosures must extend to the exterior of the building and must be of 1-hr construction. The percentage of openings for the Phase 2 buildings must comply with table 705.8 of the 2010 California Building Code, as measured from the interior property lines. Restroom facilities for men and women are required and the number of plumbing fixtures must comply with table 4-1 of the 2010 California Plumbing Code.

29. Both phases of the project require complete structural calculations and details, along with a civil grading plan, and architectural notes and details to be reviewed and approved by the Building Division before a building permit is issued.

30. Both phases of the project require a geotechnical report to be reviewed and approved by the Building Division before a building permit is issued.

31. Separate permit applications are required for accessory structures, such as light standards, walls, retaining walls, and equipment pad foundations.

32. Separate permit applications are required for each of the following permit types: signs, grading, mechanical, electrical, and plumbing.

Fire Department Conditions
33. The project must comply with all applicable requirements of the 2010 California Building and Fire Codes and the 2009 International Fire Code as adopted by the ESMC and El Segundo Fire Department Regulations.

34. Before a building permit is issued, the applicant must submit and obtain approval of a Fire/Life Safety Plan from the Fire Department. The Fire/Life Safety Plan must identify fire safety precautions during demolition and construction, emergency site access during construction, permanent fire department site access, fire water supply, fire hydrant locations, and any existing or proposed fire sprinkler systems and fire alarm systems.

35. A list of proposed chemicals for laboratory use must be provided to determine the types of hazards or permits necessary for the safe use or storage of lab chemicals to the satisfaction of the Fire Department.

36. If a second well is located during construction, the well must be abandoned in compliance with DOGGR requirements and DOGGR documentation of the abandonment must be provided to the Fire Department and the Planning Division.

Public Works Department Conditions

37. Before the City issues a Certificate of Occupancy and records the final map, the applicant must dedicate 10 feet along the entire Grand Avenue frontage of the subject property and provide an irrevocable offer to dedicate an additional 9 feet along the entire Grand Avenue frontage of the subject property to the satisfaction of the Public Works Department and the City Attorney. The City has the right to exercise its right to accept the property subject to the offer of dedication on or after, the earlier of, September 1, 2024, or 15 years following the date on which the certificate of occupancy was issued for the last building on the property. If the City amends its Circulation Element such that property that is subject to the offer of dedication is no longer required for public right-of-way purposes, then the offer of dedication will automatically expire. The applicant must enter into an agreement, in a form approved by the City Attorney, holding the City harmless and indemnifying it from any hazardous materials or contamination that may affect the property offered for dedication.

38. Before the City issues a Certificate of Occupancy the applicant must dedicate five feet along the entire Kansas Street and Franklin Avenue frontage of the property to the satisfaction of the Public Works Department.

39. Before the City issues a Certificate of Occupancy the applicant must eliminate the mid-block crossing on Kansas Street to the satisfaction of the Public Works Department.
40. Before the City issues a Certificate of Occupancy the applicant must provide a pedestrian countdown display on the signal pedestrian heads at the intersection of Grand Avenue and Kansas Street to the satisfaction of the Public Works Department.

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

42. The applicant must ensure that encroachment permits deemed to be required by the City are secured from the Public Works Department before commencing any and all work in the public right-of-way.

43. All construction related parking must be accommodated on-site. No construction related parking will be permitted off-site.

44. Before the City issues any Certificate of Occupancy, the applicant must construct curb and gutter, sidewalk, and driveway approaches per SPPWC standards along Franklin Avenue and Kansas Street by an appropriately license contractor to the satisfaction of the Public Works Department. Sidewalk must be a minimum of 5 feet wide on all three street frontages.

45. Before the City issues any Certificate of Occupancy, the applicant must construct curb ramps per SPPWC standard Type 1 at the corner of Kansas Street and Grand Avenue as well as at the corner of Kansas Street and Franklin Avenue. Developer to provide 5-foot wide sidewalk behind the curb ramps.

46. Before the City issues any Certificate of Occupancy, the applicant must resurface half of the street from the proposed curb and gutter to the centerline of the street along Kansas Street and Franklin Avenue to the satisfaction of the Public Works Department.

47. Before the City issues any Certificate of Occupancy, the applicant must install a minimum 5-foot wide parkway including landscaping and street trees on Grand Avenue, Kansas Street and Franklin Avenue, in compliance with the General Plan Circulation Element standards and the Master Street Tree Plan, to the satisfaction of the Public Works Department, Planning and Building Safety Department and the Parks and Recreation Department.

48. The applicant must provide a potable water service lateral and water meter for each new lot. Location and sizes of all proposed water meters must be approved by Public Works Department Water Division.

49. The applicant must provide sewer lateral with property cleanout on each lot.

50. Any unused water service lateral and sanitary sewer laterals must be abandoned at the City main.
51. The project must comply with the latest NPDES requirements and provide Best Management Practices (BMPs) for sediment control, construction material control and erosion control.

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

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

54. Before the City issues a building permit, a registered civil engineer must provide storm (hydrologic and hydraulic) calculations for appropriate storm drain facilities to control on-site drainage and mitigate off-site impacts, as follows, subject to review and approval from Public Works Department:
   a. The design must follow the criteria contained in both the Los Angeles County Department of Public Works Hydrology Manual 2006 and Standard Urban Storm Water Mitigation Plan or most recent editions. Flows shall not to impact neighboring properties.
   b. New development must not increase the rate of flow (cubic feet per second) or velocity (feet per second) of site run-off water to any off-site drainage areas beyond the measured or calculated pre-project rate and velocity.

55. Location and sizes of existing public utilities (water, sewer, etc.) must be shown on the plans. Indicate the location of any proposed connection points for the utility service.

56. All record drawings (As-built drawings) and supporting documentation must be submitted to the Department of Public Works before scheduling the project's final inspection.

**Police Department Conditions**

57. Before the City issues a building permit, the applicant must submit a photometric light study to the Police Department for review and approval. A site plan must be provided showing buildings, parking areas, walkways, and the point-by-point photometric calculation of the required light levels. Foot candles must be measured on a horizontal plane and conform to a uniformity ratio of 4:1 average/minimum. The photometric study must be point-by-point and include the light loss factor (.7). Lighting levels must be adjusted to meet the minimum foot candle requirements within each area of the site. Street lighting shall not be included in the calculations. All interior or exterior corridors, passageways and pedestrian walkways and open parking lot shall be illuminated at all times with a minimum maintained one foot-candle of light on the walking surface.
58. Before the City issues a Certificate of Occupancy, lighting devices must be enclosed and protected by weather and vandal resistant covers. The lighting devices must be shown on plans to the satisfaction of the Police Department.

59. Before the City issues a Certificate of Occupancy, aisles, passageways and recesses related to and within all sides of the complex must be illuminated with a maintained minimum of .25 footcandles on the ground surface during hours of darkness. Compliance must be shown on plans to the satisfaction of the Police Department.

60. Before the City issues a Certificate of Occupancy, the addressing, all entry doors, open parking lots, shipping/loading dock doors, trash dumpsters and guest parking must be illuminated with a maintained minimum of one footcandle of light on the ground surface during hours of darkness.

61. Before the City issues a Certificate of Occupancy, street addressing must be a minimum of 6 inches high and must be visible from the street or driving surface, of contrasting color to the background and directly illuminated during hours of darkness. Addressing must also be shown on plan elevations.

62. Before the City issues a Certificate of Occupancy, light standards with lighting fixtures mounted at 12 to 14 feet in height must be installed for all walkways. Light standards and lighting fixtures must be shown on plans to the satisfaction of the Police Department.

63. Before the City issues a building permit, landscaping must be designed and shown on the plans to minimize obstruction of light fixtures to ensure maintenance of required lighting levels to the satisfaction of the Police Department.

64. Before the City issues a building permit, all landscaping must be shown on the plans to be low profile around perimeter fencing, windows, doors and entryways so as not to limit visibility or provide climbing access to the satisfaction of the Police Department. Bushes must be trimmed to 2 to 3 feet and away from buildings. Dense bushes cannot be clumped together in a manner that provides easy concealment.

65. Before the City issues a Certificate of Occupancy, all loading dock pedestrian doors must have a panoramic door viewer (190-200 degrees) installed. Notes must be provided on the plans demonstrating compliance with this requirement to the satisfaction of the Police Department.

66. Before the City issues a Certificate of Occupancy, a latch guard must be placed over all single swing entry door locks and secondary security astragals must be installed in all double swing entry doors.
67. Before the City issues a Certificate of Occupancy, bicycle racks must be located in well-lit highly visible locations. Bicycle rack locations must be shown on the plans to the satisfaction of the Police Department.

68. Before the City issues a Certificate of Occupancy, the USDA facility bicycle rack on Kansas Street must be relocated within the visitor parking lot in a secured area and shown on plans to the satisfaction of the Police Department.

Construction Conditions

69. Before any construction occurs the perimeter of the property must be fenced with a minimum 6-foot high fence. The fence must be covered with a material approved by the Planning and Building Safety Department to prevent dust from leaving the site.

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

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

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

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

74. The applicant must develop and implement a construction management plan, as approved by the Public Works Department before a building permit is issued, which includes the following measures recommended by the SC AQMD:

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

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

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

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

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

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

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

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

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

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

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

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

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

Service Fee Conditions

88. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time park facilities mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

89. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time fire services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

90. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time police services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

92. Pursuant to ESMC §§ 15-27A-1, et seq., and before the City issues a certificate of occupancy, the applicant must pay a one time traffic mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

Miscellaneous

94. SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, agree to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising from the City's approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, or Development Agreement (DA) No. 12-01. Should the City be named in any suit, or should any claim be brought against it...
by suit or otherwise, whether the same be groundless or not, arising out of the City approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement (DA) No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, SMPO Lab, LLC, agrees to defend the City (at the City's request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section "the City" includes the City of El Segundo's elected officials, appointed officials, officers, and employees.

By signing this document, Steve Williams on behalf of SMPO Lab, LLC, Allan Mackenzie on behalf of Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, certify that they have read, understood, and agree to the Project Conditions listed in this document.

Steve Williams,
SMPO Lab, LLC

Allan Mackenzie, President
Mar Canyon Grand, LLC

Richard Kizirian,
Kizirian Trust
EXHIBIT 2

ORDINANCE NO. ____

AN ORDINANCE APPROVING THE 222 KANSAS STREET SPECIFIC PLAN PROJECT AT 222 KANSAS STREET BY ADOPTING SPECIFIC PLAN AMENDMENT NO. 12-01; ZONE CHANGE NO. 12-01; ZONE TEXT AMENDMENT NO. 12-01; AND APPROVING DEVELOPMENT AGREEMENT NO. 12-01; SUBDIVISION NO. 12-02 (VESTING TENTATIVE MAP NO. 71903); AND SITE PLAN REVIEW NO. 12-01.

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

SECTION 1: The City Council finds and declares that:

A. On February 26, 2009, the Planning Commission ("Commission") approved an Initial Study/Mitigated Negative Declaration (IS/MND) for Environmental Assessment No. EA-788, Subdivision (SUB) No. 08-01, and Smoky Hollow Site Plan Review (SHSP) No. 08-01 to allow: a) construction of five one and two-story buildings totaling 79,513 square feet and b) a subdivision into 55 condominium air space units. If built, the project would have been constructed subject to the requirements of the Medium Manufacturing (MM) Zone. The proposed uses were light industrial, general office, and restaurant uses and the proposed floor area ratio (FAR) was 0.37 (the "Original Project");

B. On January 19, 2012, Mar Ventures, Inc., filed an application on behalf of SMPO Lab, LLC, for an Environmental Assessment (EA No. 959); a General Plan Amendment to re-designate the 4.83-acre project site from Smoky Hollow Mixed Use to "222 Kansas Street Specific Plan" (222 KSSP); a Specific Plan Amendment to remove the subject property from the Smoky Hollow Specific Plan boundaries and to establish a new "222 Kansas Street Specific Plan" (222 KSSP) and to establish the development standards within the Specific Plan; a Zone Change to amend the Zoning Map to rezone the project site from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone; a Zone Text Amendment; to add a new ESMC § 15-3-2(A)(8) "222 Kansas Street Specific Plan"; and to modify ESMC Chapter 15-11; a Development Agreement; a Subdivision of the "Phase 2" property into four parcels and 20 condominium units; and Site Plan Review for construction of a 45,152 square-foot facility operated by the USDA on the southern portion of the property (Phase 1), and two
office buildings totaling 31,000 square feet in floor area on the northern portion of the property (Phase 2) (collectively, the "Project");

C. The application was reviewed by the Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code ("ESMC");

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

E. Following the environmental review, the City prepared an Addendum to the Initial Study/Mitigated Negative Declaration approved for the Original Project pursuant to CEQA Guidelines § 15164. Pursuant to CEQA, the Addendum need not be circulated for public review (CEQA § 15164(c)). However, an addendum must be considered by the decision-making body before to making a decision on the project (CEQA § 15164(d));

F. Following a public hearing on July 12, 2012, the Planning Commission adopted Resolution No. 2721 recommending that the City Council approve the Project;

G. On August 7, 2012, the City Council held a public hearing and considered the information provided by City staff, public testimony and the applicant, Mar Ventures, Inc.; and

H. This Ordinance and its findings are made based upon testimony and evidence presented to the Council at its August 7, 2012 hearing including, without limitation, the staff report submitted by the Department of Planning and Building Safety.

SECTION 2: Environmental Assessment. Resolution No. ____ adopted an Addendum to the previously adopted Initial Study/Mitigated Negative Declaration (IS/MND) for this Project which, among other things, properly assesses the environmental impact of this Ordinance, and the Project, in accordance with CEQA. This Ordinance incorporates by reference the environmental findings and analysis set forth in Resolution No. ____.
SECTION 3: Factual Findings and Conclusions. The factual findings and conclusions set forth in Resolution No. _____, adopted on August 7, 2012, are incorporated as if fully set forth.

SECTION 4: Specific Plan Findings. Based on the factual findings in Resolution No. _____, as incorporated into this Ordinance, the 222 Kansas Street Specific Plan (222 KSSP) is required to implement the Project. ESMC § 15-3-2 (A) must be amended to list the 222 Kansas Street Specific Plan (222 KSSP) Zone as a zoning classification within the City to ensure consistency with the General Plan, as amended by the Project. The 222 KSSP Zone designation will not be used elsewhere within the City.

SECTION 5: Zone Change Findings.

A. As set forth in Resolution No. _____, the proposed Zone Change from Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Zone Overlay District to 222 Kansas Street Specific Plan (222 KSSP) Zone is necessary to maintain consistency with the proposed General Plan.

B. The purpose of ESMC Title 15 – Zoning Regulations is the primary tool for implementing the goals, objectives and policies of the General Plan. The zone change will maintain consistency with the General Plan Amendment designating the Project site as 222 Kansas Street Specific Plan. It is also consistent with the General Plan goals, objectives and policies discussed in Section 4 of Resolution No. _____.

SECTION 6: Zone Text Amendment Findings. Based on the factual findings in Resolution No. _____, the proposed Zone Text Amendment is necessary to implement the Project.

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

A. The Project is consistent with the objectives, policies, general land uses, and programs specified in the general plan and any applicable specific plan. The Development Agreement would provide the following public benefits in exchange for valuable development rights (10-year entitlement with a 5-year extension option):

1. Development of a property that is currently vacant and underutilized.
2. Increasing and further stabilizing the City's tax base through development of a commercial development.
3. Increase in employment opportunities for the City’s residents.
4. Increase City revenues through the generation of taxes that outweigh the City cost of services.
5. Development of a project that is consistent with the General Plan.
7. Improvements to roadways and intersections in the project vicinity.
8. Contribution of $450,000 to the City.
9. Contribution of police, fire, and parks mitigation fees to offset the impacts of the project on public services when the City issues a building permit.
10. Contribution of traffic impact mitigation fees to offset the impacts of the project on public roadway infrastructure when the City issues certificates of occupancy.

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

C. The Project will not be detrimental to the health, safety and general welfare. The Project will not create any significant negative environmental impacts. The mitigation measures listed in the mitigated negative declaration are sufficient to reduce all identified environmental impacts to less than significant levels.

D. The Project will not adversely affect the orderly development of property or the preservation of property values. The 222 Kansas Street Specific Plan development standards and development agreement will ensure that the Project is developed in an orderly fashion. All mitigation measures will be implemented at the time and place impacts occur.

SECTION 8: Subdivision Findings.

A. The proposed map is consistent with applicable general and specific plans as specified in Government Code § 65451. As set forth in Section 4 of Resolution No. ____, the Project meets the goals and objectives of the General Plan, and it is consistent with the 222 Kansas Street Specific Plan. Vesting Tentative Map (VTM)
No. 71903 proposes four new lots and 20 condominium units. The proposed lots vary in size and meet the minimum lot sizes and minimum lot frontage required in the 222 Kansas Street Specific Plan.

B. The design of the proposed subdivision is consistent with applicable general and specific plans. As set forth in Section 4 of Resolution No. _____, this Project meets the goals and objectives of the General Plan and is consistent with the 222 Kansas Street Specific Plan.

C. The site is physically suitable for the proposed type of development in that it will be relatively flat after grading of the site occurs and the existing soil stockpile gets redistributed on the site. The proposed lots meet the size and frontage requirements to allow the subdivision of the one existing parcel into four parcels and 20 condominium units. The previous land use and zoning designation for the property was Smoky Hollow Mixed Use and Medium Manufacturing respectively. The new 222 Kansas Street Specific Plan is similar to the Smoky Hollow Specific Plan in that it permits office, light industrial, manufacturing, and research and development uses. The 222 Kansas Street Specific Plan differs from the Smoky Hollow Specific Plan in that it will also permit governmental uses on the southern parcel subject to a development agreement and it will prohibit commercial retail and restaurant uses.

D. The site is physically suitable for the proposed density of development. The proposed project involves a subdivision of a 4.83 gross acre parcel that will be a 4.65 net acre parcel after land dedications for right-of-way purposes. The proposed maximum density of 0.60 FAR is consistent with the 222 Kansas Street Specific Plan. Each new lot will meet or exceed the minimum size and dimension requirements.

E. The design of the Project is unlikely to cause substantial damage or substantially and avoidably injure fish or wildlife or their habitat. The Project site is an industrial property formerly occupied by International Rectifier Corporation located in an urbanized area surrounded predominantly by various commercial and industrial uses, including general office, medical office, auto repair and light industrial uses, with some multi-family residential uses northwest of the site. There are no fish or wildlife habitats on the site that could be damaged by the proposed subdivision or new development.

F. The design of the Project is not likely to cause serious public health
problems. The IS/MND and Addendum show that the Project will have less than significant impacts on public health. Moreover, before the City issues grading or building permits, the Planning and Building Safety Department will review detailed plans to ensure compliance with applicable health and safety regulations.

G. The design of the Project will not conflict with easements, acquired by the public at large, for access through or use of property within the Project upon completion of vacation of a known Edison easement. Various pipeline easements were identified on the subject site. The proposed subdivision is not anticipated to conflict with any existing easements located at, or near the property once the Edison easement is vacated.

SECTION 9: Site Plan Review Findings.

A. The Project is consistent with the intent and purpose of the 222 KSSP. The Project complies with numerous Goals, Objectives, and Policies of the 222 KSSP. Specifically, the Project is consistent with the following:

1. The Project is consistent with Land Use Element Goal LU1 to "maintain El Segundo's "small town" atmosphere, and provide an attractive place to live and work" in that the height of the proposed buildings will not exceed 40 feet, thereby maintaining a low building height profile.

2. The Project is consistent with Land Use Element Goal LU4 to Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of the Downtown in that the Project will allow a new governmental facility and industrial/office uses, but will not impact the Downtown as the uses would be non-competing to those uses located in the Downtown area. The 222 Kansas Street Specific Plan reduces competition as retail uses and eating establishments are not allowed in the Project area. Furthermore, the development will bring in new employees to support the Downtown.

3. The Project is consistent with Land Use Element Policy LU4-1.1 to "require landscaping, its maintenance, and permanent upkeep on all new commercial developments," in that the proposed site plan exceeds the minimum landscaping requirements of the 222 Kansas Street Specific Plan by
providing landscaping on approximately 15 percent of the site area.

4. The Project is consistent with Land Use Element Objective LU4-4.3 "to provide for new office and research and development uses," in that it provides for approximately 29,706 square feet of office/industrial space and a 45,152 square-foot facility.

5. The Project is consistent with Land Use Element Goal LU5 "to retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City," in that it provides for approximately 29,706 square feet of office/industrial space and a 45,152 square-foot facility that will be operated by the United States Department of Agriculture (USDA) used for Animal and Plant Health Inspection Services ("APHIS"). The proposed buildings will be at a minimum, constructed to LEED Certified standards in compliance with the U.S. Green Building Council standards in effect as of the Effective Date, or such equivalent standard.

6. The Project is consistent with Land Use Element Objective LU 5-3 to "encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors," in that it will lead to development of a currently vacant piece of property and will result in improved aesthetics in the area due to attractively designed buildings and landscaping.

7. The Project is consistent with Land Use Element Objective LU5-6 to "encourage a mix office and light industrial uses in industrial areas," in that it provides for approximately 29,706 square feet of office/industrial space and a 45,152 square-foot facility.

8. The Project is consistent with Economic Development Element Goal ED1 "to create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit," in that it will develop a vacant piece of property with approximately 29,706 square feet of office/industrial space and a 45,152 square-foot facility. The office/industrial buildings will fill a need that is not currently being satisfied in the City, causing tenants to locate outside of the City's boundaries. The USDA facility will be required to make an in lieu payment to the City for loss of taxes which will contribute to the public welfare. The Project will create jobs within the city which will benefit other businesses in the City. Any new infrastructure that is required will be installed
as part of the development so there will be no impact on the current infrastructure capacity.

9. The Project is consistent with Circulation Element Goal C1 to “provide a safe, convenient, and cost-effective circulation system to serve the present and future circulation needs of the El Segundo Community.” The Project is designed with multiple driveway approaches and 25-foot wide drive aisles onsite, which provide for adequate emergency access and circulation. In addition, a traffic study conducted to evaluate the impacts of the Project concluded that it would not have any significant impacts. Furthermore, the developer will be required to pay a Traffic Impact Mitigation Fee to mitigate any potential impacts of the Project.

10. The Project is consistent with Circulation Element Policy C2-2.2 to “encourage new development to provide facilities for bicyclists to park and store their bicycles and provide shower and clothes changing facilities at or close to the bicyclist’s work destination,” in that it will provide at least 9 bicycle spaces for the proposed USDA facility and 6 bicycle spaces for the two proposed office buildings.

11. The Project is consistent with Circulation Element Objective C3-2 to “ensure the consideration of the impacts of land use decisions on the City’s parking situation,” in that both the USDA facility and the office/industrial buildings in the north portion of the site will exceed the minimum parking requirements. The minimum number of parking spaces required is 95 for the USDA facility and 91 for the office/industrial buildings. The Project will provide 108 parking spaces for the USDA facility and 103 parking spaces for the office/industrial buildings. An additional 21 parking spaces will be provided in the northeast portion of the site to serve as overflow vehicle storage and parking for an existing auto-repair facility across Grand Avenue.

12. The Project is consistent with Conservation Element Goal CN2 to “assist in the maintenance of a safe and sufficient water supply and distribution system that provides for all water needs within the community,” in that the proposed buildings will be at a minimum, constructed to LEED Certified standards in compliance with the U.S. Green Building Council standards in effect as of the Effective Date, or such equivalent standard.

13. The Project is consistent with Air Quality Element Objective AQ10-1 to “control particulate emissions by paving roads and
parking lots or by adopting alternative methods to control particulates,” in that it proposes to pave, construct buildings, and install landscaping over a currently vacant 4.83-acre property. Particulate emissions during construction will be minimized through the implementation of mitigation measures included in the Initial Study and Mitigated Negative Declaration (IS/MND) approved for the Project.

14. The Project is consistent with Noise Element Objective N1-2 to “ensure that City residents are not exposed to stationary noise levels in excess of El Segundo’s Noise Ordinance standards,” in that the proposed uses are primarily office and industrial in nature and are anticipated to have less than significant noise impacts. Noise impacts during construction will be minimized through the implementation of mitigation measures included in the Initial Study and Mitigated Negative Declaration (IS/MND) for the Project.

B. The Project will not have an adverse impact on the public health, safety, or the general welfare. The design of the Project has incorporated design and safety measures to minimize any adverse impact on the neighboring properties in the vicinity.

C. The proposed Site Plan is consistent with the 222 Kansas Street Specific Plan in that the proposed development consists of a 45,152 square-foot 1-story building, two 2-story office/industrial buildings that will total approximately 12,655 square feet and 17,051 square feet respectively, and an overflow vehicle storage parking lot containing 21 parking spaces for an existing auto-repair facility off-site.

D. The proposed Site Plan complies with the development standards as identified for the 222 Kansas Street Specific Plan (222 KSSP) Zone. Specifically, the Project is consistent with the following standards:

1. **222 KSSP § 4.3 (A) - Lot Area.** The proposed lots exceed the minimum lot area requirements, which are 11,200 square feet for all lots, with the exception of the lot fronting Grand Avenue on the northeastern portion of the site (Lot No. 4) which minimum lot area may be 5,000 gross square feet.

2. **222 KSSP § 4.3 (B) – Height.** The proposed buildings are consistent with the maximum height limit of 40 feet in the north portion of the site and 35 feet in the south portion of the site.
The proposed buildings will not exceed 37'-6" and 24'-8" in the north and south portions respectively.

3. **222 KSSP § 4.3 (C) – Setbacks.** The proposed buildings are consistent with the minimum setback requirements, which are 10 feet on Grand Avenue, 8 feet on Franklin Avenue, 5 feet on Kansas Street, and 0 feet from interior property lines. The proposed buildings provide minimum setbacks of 10 feet on Grand Avenue, 17'-4" on Franklin Avenue, 5 feet on Kansas Street, and 5 feet from interior property lines.

4. **222 KSSP § 4.3 (E) – Building Area/Floor Area Ratio (FAR).** The proposed Site Plan is consistent with the maximum FAR requirement of 0.60. The combined net floor area of all the proposed buildings is 68,975 square feet and the net area of the site is 202,454 square feet, which results in a FAR of 0.34.

5. **222 KSSP § 4.3 (F) – Off-Street Parking and Loading Spaces.** The proposed Site Plan exceeds the minimum parking requirements for each portion of the development, which are 91 parking spaces for the office/industrial buildings in the north portion of the site and 95 parking spaces for the USDA facility in the south portion. The proposed Site Plan provides 124 and 108 parking spaces in the north and south portions respectively.

6. **222 KSSP § 4.3 (G) – Landscaping.** The proposed Site Plan exceeds the minimum landscaping requirement, which is seven percent (7%) of the total site area or 14,172 square feet. The proposed Site Plan provides approximately 29,960 square feet of landscaping or 29.6 percent (29.8%) of the total site area.

7. **222 KSSP § 4.3 (H) – Walls and Fences.** The proposed Site Plan provides block wall and decorative wrought iron fencing six to eight feet in height along the interior property lines and portions of the street frontage, which is consistent with the 222 Kansas Street Specific Plan fencing standards.

8. **222 KSSP § 4.3 (I) – Access.** The proposed Site Plan provides adequate pedestrian, vehicular, and emergency access through the use of 5-foot wide sidewalks around the site perimeter, walkways onsite ranging from four to ten feet in width at building entrances and between buildings, multiple driveway approaches ranging from 20 to 40 feet in width, and 25-foot wide drive aisles in the parking areas.
E. The proposed Site Plan is consistent with the 222 Kansas Street Specific Plan design standards in that:

1. The colors, textures, and materials on the exterior elevations will be coordinated to achieve a continuity of design throughout the site, while individual buildings will have contrasting accent features that use multiple exterior building materials and colors. The proposed USDA facility in the south portion of the site will be a one-story building approximately 18 feet tall above finished grade. The siding material will consist of concrete panels that will be painted burnt orange and grey. The burnt orange color will be used as an accent color along the base of the building and as a frame around window and door openings. The elevations will be articulated through the use of multiple windows on all the elevations, vertical architectural reveals at regular intervals, and a decorative cornice along the roofline. The west and east elevations use projecting metal canopies painted a dark brown color to further break up the mass of the elevations. The rooftop mechanical equipment screening is also metal and painted the same color as the canopies to provide a coordinated and consistent appearance.

The proposed office buildings in the north portion of the site will be two stories and approximately 37 feet tall above finished grade. The siding material will vary and consist primarily of red brick or block and smooth plaster painter grey and white. The elevations will be articulated through the use of multiple large windows with green tint and metal canopies painted a dark grey/green color. The elevations of Building A will be further articulated through the use of pop-out windows and changes in the wall planes. The elevations of Building B will be further articulated through the use of plaster siding and exterior walkways on the second level. Overall the office buildings in the north portion of the site will have a consistent theme. In conclusion, the buildings in the north and south portion of the site will use similar materials and colors to achieve continuity of design throughout the site, while individual buildings will provide visual interest through the use of contrasting accent features and multiple exterior materials and colors.

2. The proposed USDA facility and the office buildings will make use of low reflective glass and glazings for the windows to reduce visual impacts on neighboring properties and uses.

3. The architectural design of the proposed USDA facility and office buildings avoids long, plain building elevations and
provide sufficient articulation. As indicated above, the elevations are sufficiently articulated through the use of rooflines with variable height and decorative cornices, through architectural projections such as decorative awnings, projecting window frames, and through the use of exterior walkways, variable building setbacks, and the use of different colors and materials.

SECTION 10: Zoning Map. The current Zoning Map is amended by changing the Project site from Medium Manufacturing (MM) Zone to "222 Kansas Street Specific Plan." The corresponding changes to the Zoning Map are set forth in attached Exhibit "A," which is incorporated into this Ordinance by reference.

SECTION 11: Zone Text Amendment. ESMC § 15-3-2(A) is amended to add subsection 8 to read as follows:

"8. 222 Kansas Street Specific Plan

There is one zone intended to be used within the boundaries of the 222 Kansas Street Specific Plan:

222 KSSP - 222 Kansas Street Specific Plan"

SECTION 12: Specific Plan Amendment. ESMC § 15-11-1(A)(1) is amended to read as follows:

"Smoky Hollow is a light industrial/manufacturing region located in central El Segundo. The Project area encompasses approximately one hundred twenty three (123) one hundred nineteen gross acres or over ninety one (91) net acres and is more than ninety five percent (95%) developed. The majority of the present buildings are single or two (2) story and twenty (20) years old or older."

SECTION 13: Exhibit Amendments. ESMC Chapter 15-11 Exhibit II-2 "Block Conditions Survey;" Exhibit II-3 "Target of Opportunity;" Exhibit II-4 "Base District;" Exhibit II-5 "Circulation Plan;" Exhibit II-6 "Cooperative Parking Opportunities;" Exhibit II-7 "Sewer Master Plan;" Exhibit II-8 "Flood Control and Drainage;" Exhibit III-1 "Land Use;" and Exhibit III-2 "Floating Zones," are amended to remove the Project site from the boundaries of the Smoky Hollow Specific Plan in conformance with the revised Exhibits II-2; II-3; II-4; II-5; II-6; II-7; II-8; III-1; and III-2 as depicted in attached Exhibit "B," which is incorporated by reference.

SECTION 14: Additional Specific Plan Amendment. ESMC § 15-11-5 "Appendix A: Boundary Description" is amended to remove the property described in
attached Exhibit "C," which is incorporated by reference, from the boundaries of the Smoky Hollow Specific Plan.

SECTION 15: Adopting 222 Kansas Street Specific Plan. The "222 Kansas Street Specific Plan" is adopted as set forth in attached Exhibit "D," which is incorporated into this Ordinance by reference.

SECTION 16: Development Agreement. The Development Agreement by and between the City of El Segundo and SMPO Lab, LLC, as set forth in attached Exhibit "E," and incorporated into this Ordinance by reference, is approved. The Mayor is authorized to execute the Development Agreement in a form approved by the City Attorney.

SECTION 17: Additional Approvals. To the extent they are not otherwise adopted or approved by this Ordinance, and subject to the conditions listed on attached Exhibit "F," which are incorporated into this Ordinance by reference, the City Council approves Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement No. 12-01, Subdivision No. 12-02 (Vesting Tentative Map No. 71903), and Site Plan Review No. 12-01.

SECTION 18: Reliance on Record. Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the Project. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 19: Limitations. The City Council's analysis and evaluation of the Project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the Project will not exist. One of the major limitations on analysis of the Project is the City Council's knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 20: 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 21: Effectiveness of ESMC. Repeal or amendment of any provision of the ESMC will not affect any penalty, forfeiture, or liability incurred before or
preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 22: Memorialization: The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 23: 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 24: Effective Date. This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED, APPROVED AND ADOPTED this 21st day of August 2012.

__________________________
Carl Jacobson, 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 7th day of August 2012, 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 21st day of August 2012, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________
Tracy Weaver, City Clerk

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

By:  
Karl H. Berger, Assistant City Attorney
Smoky Hollow Specific Plan Boundary Description

Add the following subsection E in a separate paragraph immediately below subsection 15-11-5(D) - Eastern Boundary description:

"E. Boundary Amendment: As part of Environmental Assessment No. EA-959, General Plan Amendment No. GPA 12-01, Specific Plan Amendment No. SPA 12-01, Zone Change No. ZC 12-01, Zone Text Amendment No. ZTA 12-01, Subdivision No. SUB 12-02, and Development Agreement No. DA 12-01 the following area was removed from the Smoky Hollow Specific Plan:

Parcel A

All of Parcel 4 of Parcel Map No. 7707, in the City of El Segundo, County of Los Angeles, State of California, as per map filed in book 100, page 78 of parcel maps; together with that portion of Parcels 1 and 2 of Parcel Map No. 10427, in said City, County and State, as per map filed in book 113, page 25 of parcel maps, both in the office of the county recorder of said county, lying westerly, southerly and southwesterly of the following described line:

Commencing at the westerly terminus of the northerly line of said Parcel 1 of said Parcel Map No. 10427, said northerly line being shown on said Parcel Map as bearing north 89° 53' 52" east, 158.66 feet; said northerly line also being the southerly right of way line of Grand Avenue, 60 feet wide, as shown on said Parcel Map No. 10427; said southerly right of way line also being the northerly line of said Parcel 4 of said Parcel Map No. 7707 and the northerly line of said Parcel 2 of said Parcel Map No. 10427, all as shown on said Parcel Map No. 10427;

thence along said northerly line of said Lot 1 of Parcel Map No. 10427 and continuing along the northerly lines of said Parcel 4 of said Parcel Map No. 7707 and said Parcel 2 of said Parcel Map No. 10427, North 89° 53' 52" East, 308.01 feet to the true point of beginning;

thence leaving said northerly line, South 00° 06' 08" East, 152.16 feet;

thence North 89° 53' 52" East, 60.48 feet to the southwesterly line of said Lot 2 of said Parcel Map No. 10427; said southwesterly line shown as bearing North 54° 09' 12" West on said Parcel Map;
thence along said southwesterly line, South 54° 09' 12" East, 95.11 feet to the point of intersection with a line that is parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427.

Excepting therefrom that portion of said Parcel 1 of said Parcel Map No. 10427 lying southerly of said line that is parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427.

**Parcel B**

That portion of Parcel 1 of Parcel Map No. 10427, in the City of El Segundo, County of Los Angeles, State of California, as per map filed in book 113, page 25 of parcel maps, lying southerly of a line, parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427.”
222 KANSAS STREET SPECIFIC PLAN

1.0 SUMMARY

This Specific Plan was prepared to provide guidance and to allow flexibility in developing the 4.83 gross acre property located at 222 Kansas Street (the "Project Site") consistent with the adjoining uses. The Specific Plan guides the build-out of the Project Site in a manner that is consistent with City and State policies and standards and ensures that the Project is developed in a coordinated manner.

Under this Specific Plan, the Project Site will be split into two sections, a southerly 3.1 net acre parcel and a northerly 1.55 net acre parcel which may be divided into four parcels, for a total of 5 parcels. An additional .18 acres of street frontage will be dedicated to the City along Grand Avenue (10 feet), Kansas Street (5 feet), and Franklin Avenue (5 feet); an additional 9 feet of the 1.55 acre parcel along Grand Avenue will be irrevocably offered to the City for dedication. The entire Project Site can be used for any of the uses set forth in this Specific Plan. On the northerly portion of the property, a .14 acre parcel will be created out of the 1.55 acres on the eastern side (1600 East Grand Avenue) for a reconfigured storage lot for the existing Jim and Jack's Collision Center. With this reconfiguration, the parking facility will be screened in and hidden from public view.

A site plan was developed for the Project Site and is attached as Exhibits 2 - 8 and incorporated into the Specific Plan by this reference ("Approved Site Plan"). Under the Approved Site Plan, the southerly 3.1 acres will initially be developed for the United States Department of Agriculture ("USDA") as its new Animal and Plant Health Inspection Services ("APHIS") and the northerly 1.55 acre parcel will be subdivided into 4 separate parcels, one of which (1600 East Grand Avenue) is the storage lot for the existing Jim and Jack's Collision Center. Two office/industrial buildings, to be divided into ten commercial condominiums each, will be built on the remaining 1.41 acres, along with parking spaces for 103 vehicles. Detailed text and exhibits which more fully describe the Approved Site Plan are included at Section 5.7 of this Specific Plan.

The Specific Plan does not require that the Project Site be developed pursuant to the Approved Site Plan. An alternate site plan may be submitted and the Project Site can be utilized for any of the uses allowed in the Specific Plan in accordance with the development standards set forth herein.

1.1 PURPOSE AND AUTHORITY OF SPECIFIC PLAN

The purpose of this Specific Plan is to regulate land uses on the Project.

This Specific Plan was adopted in accordance with the provisions of Government Code §§ 65450 through 65457. These sections also identify the required contents of a Specific Plan and mandate consistency with the General Plan.

According to Government Code § 65450, a Specific Plan must include text and a diagram or diagrams which specify all of the following in detail:

- The distribution, location, and extent of the uses of land, including open space within the area covered by the plan.
• The proposed distribution, location, extent, and intensity of major components of public
and private transportation, sewage, water, drainage, solid waste disposal, energy and
other essential facilities proposed to be located within the land area covered by the plan
and needed to support the land uses described in the plan.

• Standards and criteria by which development will proceed, and standards for the
conservation, development, and utilization of natural resources, where applicable.

• A program of implementation measures including regulations, programs, public works
projects and financing measures necessary to carry out the above items.

• A discussion of the relationship of the Specific Plan to the General Plan.

A review of the El Segundo General Plan shows that this Specific Plan is compatible and
consistent with the goals and policies outlined in the General Plan. This Specific Plan will further
the goals and policies of the General Plan as more fully described below.

This Specific Plan reconciles the policies of the El Segundo General Plan and actual
development of the Project Site. By functioning as a regulatory document, the 222 Kansas
Street Specific Plan implements the goals, policies, and objectives of the El Segundo General
Plan. All future development plans and entitlements within the Specific Plan boundaries must
be consistent with the standards set forth in this document.

1.2 PROJECT GOALS

The goal of this Specific Plan is to develop the Project Site with office and industrial uses. This
Specific Plan provides regulations that allow for expanded office space – beyond that originally
contemplated for the site – in conjunction with industrial uses and allows construction and
operation of a federal government facility.

1.3 PROJECT LOCATION AND ADJACENT LAND USES

Regionally, the Project Site is located in the northwest quadrant of the City of El Segundo. It is
bordered by Grand Avenue to the north, Franklin Avenue to the south, and Kansas Street to the
west. The Property lies approximately 500 feet west of Sepulveda Boulevard. The Project Site
is located less than one mile south of Interstate 105, approximately 1.75 miles west of Interstate
405, and less than 1.75 miles east of the Pacific Ocean.

Surrounding land uses primarily consist of light industrial and commercial facilities. Multi-family
residential properties are located northwest of the site, across the intersection of Kansas Street
and Grand Avenue. Commercial uses occupy the building north of the site across Grand
Avenue. Light industrial/commercial uses are located northeast of the site across Grand
Avenue. The majority of the space east of the site is occupied by the Military Entrance
Processing Station ("MEPS"). Land south of the MEPS, but still to the east of the Project Site, is
occupied by additional commercial uses including the Grateful Dogs Clubhouse.
Commercial/industrial sites lie south and southeast of the Project Site. Commercial buildings lie
to the west of the project site across Kansas Street, between Franklin Avenue and Grand
Avenue. All of the surrounding property lies within the Medium Manufacturing District of the
Smoky Hollow Specific Plan area; portions of the surrounding property have the Grand Avenue Commercial Site Overlay.

**Exhibit 1 - Adjacent Properties**

![Adjacent Properties Image]

**1.4 Project Site History**

The Project Site formerly housed International Rectifier Corporation ("IRC") and was classified as a heavy manufacturing facility. Except for the parcel at 1600 East Grand Avenue which is being used as overflow storage for Jim and Jack’s Collision Center across the street, the Project Site is now undeveloped. There is a permanently capped oil well located on the southern portion of the Project Site.

In February 2009, the City approved an Initial Study/Mitigated Negative Declaration for the Segundo Business Park which was a proposed development that would have subdivided the Project Site into 55 commercial and light industrial condominium units to be located in six on-site buildings. The Business Park would have been subjected to the development restrictions of the Medium Manufacturing District of the Smoky Hollow Specific Plan, which contains limits on the amount of office space that could be developed. The Business Park would have had a gross FAR of 0.41 and the heights of the structures would have been limited to 35 feet. Office and restaurant uses would have occupied 32 of the units and light industrial uses would have occupied the remaining 23 units. The Business Park also included a lot line adjustment with adjacent parcels to the east of the site along Grand Avenue which would have allowed the triangular parking lot that handles the overflow storage of damaged vehicles awaiting repair at Jim and Jack’s Collision Center to be replaced with a walled-in parking lot. The Business Park was never financially feasible and the Project Site reverted to the bank.

In August 2010, the USDA began its search for a new facility for its Animal and Plant Housing Inspection Services with specific location criteria that required it to be in the proximity of LAX. In October 2011 SMPO Properties was awarded the project to build the APHIS facility on the vacant property on Kansas Street and SMPO acquired the Project Site that same month. A
short time later SMPO Properties and Mar Ventures, Inc. partnered to develop the entire 4.83 acres under a Specific Plan in order to allow the development of the APHIS facility and other buildings on the Site.

An application for this Specific Plan, along with related applications for discretionary land use approvals, was filed with the City in early 2012. Before these applications were considered, the City approved Lot Line Adjustment LLA 12-03 between SMPO Laq, LLC and the owners of the MEPS and Jim Jack's Collision Center properties to the east to realign the eastern boundary of the Project Site and divide the Project Site into the northerly 1.55 acre parcel and southerly 3.1 acre parcel.

1.5 Existing Site

The proposed Project Site is currently undeveloped. There are no uses on the Property except for the overflow storage for Jim and Jack's at 1600 East Grand Avenue. The site slopes from north to south. The only impervious surface on the Project Site is the overflow parking in the northeastern corner.

The Specific Plan area will encompass the entire 4.83 gross acre/4.65 net acre site.

1.6 CEQA Compliance

In compliance with CEQA the Mitigated Negative Declaration for the Segundo Business Park was used for this Project along with an Initial Study/Mitigated Negative Declaration Addendum prepared in June, 2012.

1.7 Project Description

The 222 Kansas Street Specific Plan will be developed in substantial conformance with the land use and development standards set forth in Section 4.0 below. The Specific Plan area will be limited to an overall FAR of 0.60 which would allow development of 121,474 net square feet area over the 4.65 net acres. The Project Site may be developed with any of the uses allowed under Section 4.1 and in conformance with the development standards of Section 4.3.

Northerly 1.55 acres – this portion of the Project Site will be divided into a minimum of two parcels, one of which will be a .14 acre parcel at 1600 East Grand Avenue which will house the reconfigured overflow storage for the existing Jim and Jack's Collision Center. With the reconfiguration the parcel will be fenced in and set back from Grand Avenue. The lot at 1600 East Grand Avenue will continue to take access off of Grand Avenue; the remaining 1.41 acres will take access off of a driveway on Kansas Street.

Southerly 3.1 acres – in addition to the uses allowed for the northerly portion, this portion of the Project Site may also be used for a facility to be leased by a governmental or other tax-exempt entity provided that the development does not exceed 50,000 square feet and is subject to a Development Agreement. Access to this portion of the Project Site will be taken from a second driveway on Kansas Street and up to two driveways on Franklin Avenue, one of which may be up to 40 feet wide.

Remaining 0.18 acre – the remaining acreage would be dedicated to the City as follows: 10 feet along Grand Avenue; 5 feet along Kansas Street; and 5 feet along Franklin Avenue.
1.8 ENTITLEMENTS

The following entitlements were required for this Project.

- Environmental Assessment EA-959 – Initial Study/Mitigated Negative Declaration Addendum

- General Plan Amendment GPA 12-01 changing the land use designation of the Project Site from Smoky Hollow to 222 Kansas Street, adding language to the Land Use Element of the General Plan, and revising Exhibit LU-3 of the Land Use Element.

- Specific Plan Amendment SPA 12-01 deleting the Project Site from the Smoky Hollow Specific Plan Area and creating a new 222 Kansas Street Specific Plan Area.

- Zone Text Amendment ZTA 12-01 to: 1) amend ESMC § 15-11-1 to reflect the reduced acreage of the Smoky Hollow Specific Plan area; 2) amend ESMC § 15-11-5 to delete the 4.83 acre Project Site from the northern property description of the Smoky Hollow Specific Plan; 3) amend Exhibits II-4 through 11-8 and III-1 and III-2 to eliminate the 222 Kansas Street Specific Plan area from the Smoky Hollow Specific Plan maps; and 4) add a new ESMC § 15-3-2(A)(8) “222 KSSP - 222 Kansas Street Specific Plan.”

- Zone Change ZC 12-01 to reclassify Project Site from Smoky Hollow Specific Plan to 222 Kansas Street Specific Plan.

- Development Agreement DA 12-01 between the City of El Segundo and SMPO Lab, LLC, a Delaware Limited Liability Company.

- Vesting Tentative Map No. SUB 12-02- dividing the northerly 1.55 acres into 4 separate parcels.

- Site Plan Review SPR 12-01 for the site plan contained in this Specific Plan.
2.0 CONSISTENCY WITH THE GENERAL PLAN

Government Code § 65454 requires that the Specific Plan be consistent with the General Plan. Government Code § 65451 requires a statement of relationship between the Specific Plan and the General Plan. The two elements that are most related to the Project are the Land Use Element and the Economic Development Element; the consistency with these two elements is discussed below. A more detailed General Plan Consistency analysis is included at Appendix A.

The uses allowed under this Specific Plan are very similar to the uses that are allowed under the Smoky Hollow Specific Plan which previously encompassed the Project Site. The primary differences are as follows:

- The Medium Manufacturing District of the Smoky Hollow Specific Plan allows general offices, but with a square foot limitation as to the amount of office space that can be developed. This Specific Plan provides for office uses on all portions of the Project Site which will be limited in square footage only by development standards.

- The Grand Avenue Commercial Overlay Zone would allow medical and dental office if activated on the northern portion of the Project Site, but then industrial uses would not be allowed. The Specific Plan provides for these uses on all portions of the Project Site in conjunction with industrial uses.

- The Specific Plan allows for a governmental or non-profit entity to operate its facilities in the southerly portion of the Project Site area.

- The Specific Plan specifically allows automotive storage facilities in order to account for the existing Jim and Jack's overflow storage lot at 1600 East Grand Avenue.

- Eating establishments and retail businesses are prohibited uses under this Specific Plan.

2.1 ECONOMIC DEVELOPMENT ELEMENT

The Economic Development Element of the General Plan is concerned with the economic health of the commercial and industrial uses in the City. It focuses on the expansion and maintenance of El Segundo's economic base and on the enhancement of the City's business climate since economic development goals and policies help maximize the City's economic development potential. The Economic Development Element specifically recognizes the City's location as a "product" and the buyers are the businesses which wish to locate in this location which is close to LAX, ground transportation and freeways. The Economic Development Element also recognized the possibility of redeveloping large sites as they become vacant. One of the primary goals of the Economic Development Element is to create a strong, healthy economic community in which all stakeholders can benefit. With this goal in mind, the Economic Development Element sets policies of maintaining economic development as a top priority and maintaining and promoting land uses that improve the tax base while balancing economic growth and quality of life.

This Specific Plan achieves the goal of creating a strong and healthy economic community by providing the mechanism to redevelop a currently vacant and undeveloped piece of property.
The additional persons that will be employed in the Specific Plan development will further help to strengthen the City's economy as there will be more individuals to shop in the nearby commercial areas, including the Downtown area, and use the services in the surrounding community.

Under the Approved Site Plan, the southerly 3.1 acres will be developed with the 45,152 square foot USDA facility that will employ approximately 45 persons. The USDA chose this location precisely because of the location factors recognized in the Economic Development Element. Although the USDA would be exempt from several taxes, the Development Agreement that is tied to the Specific Plan will require payment to the City to offset this loss. Also under the Approved Site Plan, the northerly 1.55 acres will be developed with two buildings totaling slightly under 31,000 square feet. These buildings would fill a need for smaller office space in the South Bay area as most small tenants are forced to lease space in mid- and high-rise buildings rather than purchase their own space. It is estimated that these two buildings will provide employment opportunities for approximately 90 people.

2.2 LAND USE ELEMENT

The Land Use Element of the General Plan recognized the growing trends of office development and light manufacturing, research and development, wholesaling, distributing, and laboratories, rather than heavy manufacturing. The Project Site was previously designated as, and is surrounded by, the Smoky Hollow Specific Plan area which allows for primarily light industrial uses including light manufacturing, research and development, warehousing, and office uses. The maximum FAR for newly constructed projects in the Medium Manufacturing District of the Smoky Hollow Specific Plan area is 0.6. The Specific Plan development will be consistent with the uses and development standards of the surrounding Smoky Hollow Specific Plan as both Specific Plan areas allow an FAR of 0.6.

One of the goals of the Land Use Element is to provide an attractive place to live and work while maintaining the City's small town atmosphere. In order to accomplish this goal the Land Use Element sets the objective of preventing deterioration and blight. The Specific Plan implements this goal and objective by providing for development on a large, vacant parcel that is currently being used only for construction staging. The development standards set forth herein will ensure that the Project is of a high quality.

Another goal of the Land Use Element is to provide a stable tax base for the City without adversely impacting the Downtown area. This goal has a specific objective of providing for new office and research and development uses. The development allowed by the Specific Plan will contribute to the City's tax base through an increase in property taxes, an increase in sales taxes due to the influx of new employees as well as individuals patronizing new businesses, and compensation paid to the City for the loss of taxes that would have otherwise been paid if the southerly portion is developed by a tax-exempt entity. The uses allowed under the Specific Plan will not impact the Downtown area; instead these uses will help stimulate business in the Downtown area by the influx of new persons in the area.
2.3 OTHER ELEMENTS

As set forth above, the Specific Plan is very similar to the previous Smoky Hollow Specific Plan and therefore, the Specific Plan is consistent with the other elements of the General Plan just as the Smoky Hollow Specific Plan was consistent.

3.0 PHYSICAL DEVELOPMENT

3.1 CIRCULATION

Access to the northerly 1.55 acres of the Project Site will be from an entrance on Kansas Street. The overflow storage lot at 1600 East Grand Avenue will continue to take access from a driveway on Grand Avenue. The southerly 3.1 acres will take access from a second driveway on Kansas Street and up to two driveways on Franklin Avenue. All parking lots will be designed to provide adequate circulation and emergency access as well as comply with or exceed all other City standards, except as modified by this Specific Plan. The Director of Planning and Building Safety may allow parking areas not to be interconnected as part of the site plan review process.

3.2 UTILITIES AND INFRASTRUCTURE

A. Water Service

Water service is provided by the City of El Segundo and is currently available within the Specific Plan Area. Water to the buildings will be provided by an 8" water line in Franklin Avenue. The Project would maintain this connection, add connections as necessary if the existing line does not have adequate capacity, and provide for on-site domestic and fire water services.

B. Sewer Service

Sewer service within the Project Area, which is west of Sepulveda Boulevard, is provided by underground sewers maintained by the City of El Segundo. The site is currently served by an 8" sewer line in Franklin Avenue. If an existing sewer lateral exists on the property and is sized to handle the capacity of the proposed sewage flow, then a connection will be made to the lateral. If no existing lateral is found, or if it is undersized, then a new sewer later will be installed to the existing 8" sewer line in Franklin Avenue.

C. Solid Waste Disposal

Solid waste disposal is provided to commercial users by a variety of private haulers. Landfill capacity is adequate for the assumed population and commercial growth within Los Angeles County. The 222 Kansas Street Specific Plan would not exceed any assumptions for commercial growth in the region.

D. Gas Service

Gas service is provided by Southern California Gas Company. A 6" service line is available in Franklin Avenue.
E. Electric/Telephone and Cable Service

Electric service is provided by Southern California Edison. Telephone service is provided by AT&T, Verizon and Sprint via existing lines in adjacent streets and cable service is provided by Time Warner Cable, Direct TV and Dish Network.

F. Fire Suppression

The El Segundo Fire Department (ESFD) provides fire protection services and emergency medical service to the City. The Specific Plan area is approximately 1 mile from Station 1 located at 314 Main Street in Downtown El Segundo and approximately 1.6 miles from Fire Station 2 located at 2261 Mariposa Avenue. Water for fire suppression is available from existing water lines via hydrants adjacent to the Project Site. Private hydrants will be installed if required to provide coverage for approved structures.

G. Police Services

The El Segundo Police Department provides police protection services to the City. The Specific Plan area is approximately 1 mile from the police station located at 348 Main Street.

H. Storm Drains

All storm drainage from the site will be collected, treated and diverted to an on-site retention system sized to meet the Los Angeles County SUSMP requirements. Overflow from this system will drain through the curb face on Franklin Avenue. If there is not adequate slope for the runoff to drain through the curb face, a connection will be made to an existing curb inlet catch basin on Kansas Street, just north of the intersection with Franklin Avenue. The catch basin connects to an existing 66" line that is owned and maintained by the Los Angeles County Flood Control District.
4.0 Land Use And Development Standards

4.1 Uses

Permitted Uses:

A. Art studios
B. Automotive storage in relation to an automobile repair facility
C. General and/or multimedia related offices
D. Medical and dental offices
E. Light assembly and processing
F. Light industrial
G. Manufacturing
H. Mixed use projects including commercial (other than retail), office and light industrial uses
I. Parking structures and parking lots
J. Public facilities, public utilities
K. Research and development
L. Warehousing and distribution
M. For the southerly portion of the property only, facilities to be leased by governmental or other tax-exempt entity up to 50,000 square feet, subject to the requirement of a Development Agreement
N. Other similar uses approved by the Director of Planning and Building Safety, as provided by ESMC Chapter 15-22.

Permitted Accessory Uses:

A. Any use customarily incidental to a permitted use
B. Employee recreation facilities and play areas
C. Open storage incidental to a principal use
D. Single caretaker units at the ratio of one per legal building site or business establishment whichever is larger
E. Other similar uses approved by the Director of Planning and Building Safety, as provided by ESMC Chapter 15-22

**USES SUBJECT TO ADMINISTRATIVE USE PERMIT:**

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

**USES SUBJECT TO CONDITIONAL USE PERMIT:**

The following uses are allowed subject to obtaining a conditional use permit, as provided by ESMC Chapter 15-23:

A. Automobile service uses, if a three hundred foot (300') minimum distance from any residentially zoned property is provided

B. Service stations, if a five hundred foot (500') minimum distance from any residentially zoned property is provided

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

**PROHIBITED USES:**

A. Automobile dismantling businesses

B. Retail sales, restaurants and cafes

C. Automobile service uses located within three hundred feet (300') of any residentially zoned property

D. Drive-through restaurants

**4.2 DISTRIBUTION AND LOCATION OF LAND USE**

The northerly 1.55 acres will be developed with four separate parcels in order to create a 0.14 acre parcel at 1600 East Grand Avenue for the relocated storage for Jim and Jack's Collision Center along the eastern portion of the property. Land uses may be distributed anywhere on the Project Site provided they fall within the uses allowed by Section 4.1 and meet the remaining development standards of this Section 4.0.

The southerly 3.1 acres will be developed as one parcel with the USDA's 45,152 square foot APHIS facility initially occupying the building. The operations will include office, lab, and warehouse uses. Approximately 97 parking spaces will be provided.
4.3 Site Development Standards

Except as otherwise provided, this Specific Plan must be administered pursuant to the ESMC. The development standards in this Specific Plan are intended to provide flexibility in the development while providing consistency with adjacent uses.

A. Lot Area

The minimum lot area is 11,200 square feet with the exception of the lot fronting Grand Avenue on the northeastern portion of the site (Lot No. 4) which minimum lot area may be 5,000 gross square feet.

B. Height

Northerly 1.55 acres

No building or structure can exceed forty (40) feet in height, with the exceptions of parapets and other auxiliary structures that cannot exceed forty-five (45) feet in height.

Southerly 3.1 acres

No building or structure can exceed thirty-five (35) feet in height, with the exceptions of parapets and other auxiliary structures that cannot exceed forty-five (45) feet in height.

C. Setbacks

Front Yard: No parking is allowed in the setback area. The setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9' irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

Side Yard: no side yard setback is required unless the side yard abuts one of the following dedicated streets, in which case the setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9' irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

Rear Yard: No rear yard setback is required, unless the rear yard abuts one of the following dedicated streets, in which case the setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9’ irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

Fences and gates may encroach in the setback areas.
D. Lot Frontage

No requirement.

E. Building Area/Floor Area Ratio (FAR)

The FAR of the entire Project Site, as opposed to individual parcels, cannot exceed 0.60. The FAR is to be based on net square footage of the buildings and the net square footage of the Project Site.

F. Off-Street Parking and Loading Spaces

Off street parking and loading are provided as required by ESMC Chapter 15-15, with the exception of the following:

1. Up to 35% of the parking spaces may be compact spaces;

2. Emergency generators may be allowed in the parking area provided that they do not reduce required parking and they are decoratively screened;

3. The landscaped setback for the auto storage lot needs to only be 10 feet to the first parking space;

4. The requirement that parking areas be connected may be modified as part of the site plan review process; and

5. The number of required loading areas may be modified as part of the site plan review process.

G. Landscaping

Landscaping requirements are as follows:

1. A minimum of seven percent (7%) of the total site's square footage must be devoted to landscaping;

2. Landscaping is not required in side yard setbacks unless the side yard abuts a dedicated street or abuts a different zone;

3. Landscaping must consist of trees, shrubs, vines, bushes, flowers, ground coverings or any combination thereof;

4. Landscaping cannot consist solely of artificial plants, artificial turf, crushed rock, redwood bark or decorative pavement;

5. In the front yard setback, an at-grade or raised planter landscaping must be employed. A permanent evergreen ground cover (turf, ivy) and trees are the basic material recommended. One fifteen (15) gallon tree must be provided for every twenty five feet (25') of lot frontage on a dedicated street;
6. All landscaped areas must be provided with permanent watering facilities;

7. Landscaping along Grand Avenue is only required to be ten (10) feet;

8. Patios may encroach within the setback areas and no landscaping is required in such areas;

9. Emergency generators may be located in the landscaping area, but must be decoratively screened with opaque material.

H. Walls and Fences

All walls and fences must comply with ESMC § 15-2-4. Decorative masonry, open work wrought iron and similar materials are permitted. The use of chain link and razor wire is prohibited.

I. Access

1. All development projects must provide adequate access for emergency vehicles. In addition, all development projects must provide pedestrian access between buildings and transit facilities located on site and/or off site, if within adjoining public rights-of-way.

2. The lot at 1600 East Grand Avenue may continue to take access from Grand Avenue.

3. Driveways of up to 40 feet on Franklin Street may be allowed as part of the site plan review process.

J. Signs

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

K. Energy Standards

The development must be built to a minimum of LEED Certified standard or such other equivalent standard determined by the Director of Planning and Building Safety. Actual LEED certification is not required, however, the applicant must demonstrate that the project is built to a minimum of LEED Certified standard or such other equivalent standard using the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The Director of Planning and Building Safety will determine if the items identified on the scorecard and report, show a good faith effort to meet such standard. LEED stands for the Leadership in Energy and Environmental Design (LEED) Green Building Rating System developed by the United States Green Building Council (USGBC) and provides a suite of standards for environmentally sustainable construction.
L. Design Standards

The following minimum design standards must be incorporated in all projects within the Plan area:

1. All colors, textures, and materials on exterior elevation(s) must be coordinated to achieve a continuity of design throughout the 4.83 acre portion of the Project Site, regardless of whether the buildings are developed at the same time;

2. The buildings must have contrasting accent features that use at least two primary exterior building materials (including, without limitation, concrete, stucco, stone, rock, and brick) and/or two exterior colors;

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

5. Plans must be reviewed and approved by the Director of Planning and Building Safety for compliance with these Design Standards. If the Director finds that such plans are non-compliant, an applicant may appeal that decision in accordance with the ESMC.

M. Phasing

Rough grading will occur over the entire Specific Plan area at one time. The Project Site may be developed in one or more phases which may occur concurrently.

N. Transportation Demand Management (TDM)

Except as provided by this Specific Plan, development is required to comply with the TDM requirements of ESMC Chapter 15.16. In determining the size of the development, the northerly and southerly developments must be treated as two separate developments absent submission of a different site plan which shows a combined development over the two portions. All development on the northerly portion, with the exception of the auto storage lot, must be treated as one development.

Regardless of the size of the development, bicycle racks must be provided for each phase of development.

Regardless of the size of the development, each development must provide a bulletin board, display case or kiosk displaying transportation information located where it is visible to the greatest number of employees. Information in the area must include, without limitation, the following:

1. Current maps, routes and schedules for public transit routes serving the site;

2. Telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators;
3. Ridesharing promotional material supplied by commuter-oriented organizations;

4. Bicycle route and facility information including regional/local bicycle maps and bicycle safety information; and

5. A list of facilities available for carpoolers, vanpoolers, bicyclists, transit riders, residents and pedestrians at the site.

4.4 Modifications

A. Major Modifications

The following modifications constitute a Major Modification and require an amendment to this Specific Plan:

1. Any decrease in the required building setbacks;

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

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

4. Any decrease in the minimum required lot area;

5. Any change in use to a use which is not permitted herein;

6. Any deviation from the uses and development standards or limitations set forth in Sections 4.1 through Section 4.3 of this Specific Plan, except to the extent these Sections specifically provide for the Council or Director of Planning and Building Safety to approve such changes;

7. Any material modification to Developer’s obligation to build to LEED standards, or such other alternative as determined by the Director of Planning and Building Safety for the Project; or

8. Any material modification that requires modification to the MND, other than an Addendum.

9. Other than the Major Modifications listed above, all other modifications to the Project are considered “Minor Modifications.”

B. Minor Modifications/Administrative Approvals

Any modification to the Project or Project Approvals not listed in subsection A above, including a use approved subject to an Administrative Use Permit, is a Minor Modification. The Developer may make Minor Modifications without amending this Specific Plan upon the administrative approval of the Director of Planning and Building Safety or designee, provided that such modifications are consistent with the Development Standards, Applicable Rules and Project Approvals.
5.0  SITE PLAN REVIEW

The following procedures shall apply for development of any site plan, with the exception that
the Approved Site Plan approved concurrently with this Specific Plan does not require any
separate approval other than the Director of Planning and Building Safety reviewing the
submitted building plans to ensure conformance with the Approved Site Plan. Absent a change
triggering a major modification under Section 4.4A, revisions to the Approved Site Plan or the
submission of a new Site Plan that is in accordance with the provisions of Section 4.0 does not
require an amendment to this Specific Plan.

5.1  OVERVIEW

In order to develop a project that is in conformance with the uses, density and FAR approved in
this Specific Plan, a site plan review ("SPR") application must be filed with the Department of
Planning and Building Safety.

5.2  APPLICATION FOR SITE PLAN REVIEW - CONTENTS

The site plan review application must be submitted in conformance with applicable City
application requirements and must include all information deemed necessary by the Director of
Planning and Building Safety to address site plan review criteria.

5.3  SITE PLAN REVIEW – PROCEDURE

A. The Director of Planning and Building Safety must review an application to ensure there
   is consistency with the Specific Plan within 30 days after it is submitted.

B. CEQA Review, if required, must be conducted within the time frames set forth in the
   Public Resources Code and the California Code of Regulations.

C. The Director of Planning and Building Safety must review site plan applications within 30
days after the completion of the public review period of the environmental
documentation, if any, or within 30 days from the date the application is deemed complete if no further environmental review is required. The Director of Planning and
Building Safety must render his decision in writing, approving, approving with conditions,
or denying the site plan review application, stating the reasons for such action.

D. The decision of the Director of Planning and Building Safety is final unless appealed to
   the Planning Commission in accordance with ESMC Chapter 15-25. Such decision of
   the Planning Commission may be appealed to the City Council in accordance with this
   same Chapter. Decisions of the Director of Planning and Building Safety and/or
   Planning Commission are considered final unless timely appealed.

E. The site plan is valid for two years from the date of approval. If construction has not
   commenced within such time, but the applicant has diligently pursued the project plan
   review process, the Director of Planning and Building Safety may extend the site plan
   approval for up to one additional year.
F. After the site plan is approved, the Director of Planning and Building Safety may approve minor changes in the site plan or the conditions thereof if the Director finds that there are practical reasons for such changes, that such changes do not substantially vary from the previously approved site plan and applicable ESMC regulations and that such changes do not involve deviations from the design's intent.

5.4 SITE PLAN REVIEW CRITERIA

The purpose of the site plan review procedure is to ensure that the development provides a cohesive visual identity and coordinated design character for the Specific Plan area of high quality. The overall coordinated design character must be expressed in the site planning, architecture, landscaping, lighting, and signage. The architectural design is to be compatible in character, massing and materials consistent with the site plan depicted in this Specific Plan. The architectural design must provide a character that complements the surrounding uses.

In approving the site plan review the Director of Planning and Building Safety, or the Planning Commission or City Council on appeal, must consider the following factors:

A. The dimensions, shape and orientation of the parcel;
B. The placement of buildings and structures on the parcel;
C. The height, setbacks, and bulk of buildings;
D. The building materials and design;
E. The distance between buildings or structures;
F. The location, number and layout of off-street parking and loading spaces;
G. The internal traffic patterns and pedestrian safety features;
H. The location, amount and type of landscaping materials and the sustainability of the landscaping material with the El Segundo climate in compliance with the applicable climate zone;
I. The placement, height and direction of illumination of light standards;
J. The location, number, size and height of signs;
K. The location, height and materials of walls, fences or hedges; and
L. The location and method of screening refuse and storage areas, roof equipment, pipes, vents, utility equipment and all equipment not contained in the main buildings of the development.
5.5 APPROVAL CRITERIA

The Director of Planning and Building Safety, or Planning Commission or City Council on appeal, will approve the site plan if it finds that the site plan, architecture and landscape design, with conditions if necessary, are consistent with the Project Description and development standards set forth herein.

5.6 EXEMPT ACTIVITIES

The following is a list of activities which are exempt from the site plan review process. This list is not all inclusive; the Director of Planning and Building Safety may exempt other special activities not covered by this example listing:

A. All interior changes, alterations, construction
B. Demolition
C. Exterior mechanical (heating, air conditioning, water heater)
D. Minor exterior repairs costing less than $50,000.00
E. Reglazing, new mullions
F. Relandscaping of existing site
G. Repainting
H. Reroofing with similar style roofing materials

5.7 THE APPROVED SITE PLAN

As set forth above, the approval of this Specific Plan also includes approval of the Approved Site Plan, Exhibits 2 - 8 incorporated into this Specific Plan. The Approved Site Plan proposes a total of 68,975 net square feet (75,182 gross square feet) of development for an overall FAR of 0.34 over the net 4.65 acres.

Under the Approved Site Plan, construction of Phase I, the USDA facility, will take approximately twelve months to complete and construction of Phase II, the buildings on the northerly portion of the Project Site, will take approximately 9 months to complete.

Nothing requires the Project Site to be built in accordance with the Approved Site Plan. A new site plan may be approved in accordance with the provisions of Section 5.
A. Northerly 1.55 Acres (Exhibits 2 - 5)

The Approved Site Plan provides for the division of this portion of the Project Site into 4 parcels. Development of two buildings of approximately 12,655 gross/11,496 net square feet and 18,005 gross/15,797 net square feet for a total of 30,660 gross/27,293 net square feet will be placed on two separate parcels and a third parcel will be developed with shared parking of 103 spaces for the two buildings. (See Exhibits 2 [entire site] and 4 [northerly portion].) Only one loading area is required. The buildings will be able to be utilized for any of the allowed uses in this Specific Plan.

The fourth parcel will be the .14 acre parcel at 1600 East Grand Avenue for the existing Jim and Jack's overflow storage on the eastern portion of this parcel. Access to the parcel at 1600 East Grand Avenue will continue to be from Grand Avenue and access to the remainder of the northerly portion will be from a driveway on Kansas Street.
Exhibit 3 – Northerly Portion Site Plan

Exhibit 4 – Northerly Portion Building “A” Color Elevations
Exhibit 5 – Northerly Portion Building “B” Color Elevations
B. Southerly 3.1 Acres (Exhibits 2 and 6 - 8)

The Approved Site Plan provides for the development of this portion of the Project Site as one parcel with the USDA's APHIS facility. The facility will be approximately 45,152 gross/41,682 net square feet and the uses in the facility will be broken down between: office space (37% - 16,920 s.f.); industrial/labs (29% - 12,978 s.f.); and warehouse (26% - 11,784 s.f.). The remaining square footage would be restrooms, electrical/mechanical rooms, and exterior walls (8% - 3,470 s.f.).

Access to this portion of the Project Site will be from a second driveway on Kansas Street and two driveways on Franklin Avenue; the most easterly driveway may be up to 40 feet. There will be two separate parking areas with a total of 97 parking spaces; interconnectivity of the two parking areas on this portion is not required. At such time as USDA no longer occupies the facility, it may be utilized for any of the allowed uses in this Specific Plan.

Exhibit 6 - Southerly Portion Site Plan
Exhibit 7 – Southerly Portion USDA Building Color Elevations

SHEET: KANSAS STREET ELEVATION

SOUTHE: FRANKLIN AVENUE ELEVATION

EAST ELEVATION

NORTH ELEVATION
Exhibit 8 – Southerly Portion USDA Building Color Renderings
6.0 GENERAL ADMINISTRATION

Unless regulated by this Specific Plan, development will be administered and enforced by the City in accordance with the ESMC. This Specific Plan supersedes any conflicts with ESMC zoning regulations.

A. The Director of Planning and Building Safety may grant administrative use permits in accordance with ESMC Chapter 15-22.

B. The Director of Planning and Building Safety may make other administrative determinations using the same procedures set forth in ESMC Chapter 15-22.

C. The Director of Planning and Building Safety may grant adjustments and administrative adjustments in accordance with ESMC Chapter 15-24.

7.0 AMENDMENT

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

This Specific Plan may be amended as necessary in the same manner as it was originally adopted; a change to the Approved Site Plan or submission of a new site plan does not in and of itself trigger the need for an amendment to the Specific Plan. Said amendment or amendments do not require a concurrent General Plan amendment unless the Director of Planning and Building Safety determines that the proposed amendment would substantially affect General Plan goals, policies, objectives or programs.
APPENDIX A
GENERAL PLAN CONSISTENCY

ECONOMIC DEVELOPMENT ELEMENT

Goal ED1: Economic Base

To create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit.

Objective ED1-1

To build support and cooperation among the City of El Segundo and its business and residential communities for the mutual benefits derived from the maintenance and expansion of El Segundo's economic base.

Policy ED1-1.1

Maintain economic development as one of the City's and the business and residential communities' top priorities.

Policy ED1-1.2

Focus short-run economic development efforts on business retention and focus longer-run efforts on the diversification of El Segundo's economic base in order to meet quality of life goals.

Objective ED1-2

Center diversification efforts on targeted industries that meet the City's criteria for job creation, growth potential, fiscal impact, and fit with local resources.

Policy ED1-2.1

Seek to expand El Segundo's retail and commercial base so that the diverse needs of the City's business and residential communities are met.

Policy ED1-2.2

Maintain and promote land uses that improve the City's tax base, balancing economic development and quality of life goals.
Policy ED1-2.3

Seek to balance the City's economic development program with the City's resources and infrastructure capacity.

The 222 Kansas Street project will enhance the economic community of El Segundo by developing a vacant piece of property. The office/industrial buildings will fill a need that is not currently being satisfied in the City, causing tenants to locate outside of the City's boundaries. The USDA, or other government facility, will be required to make an in lieu payment to the City for loss of taxes which will help the economics of the City. The project will create jobs within the city which will benefit other businesses in the City. Any new infrastructure that is required will be installed as part of the development so there will be no stress on the current infrastructure capacity.

**LAND USE ELEMENT**

**Goal LU1: Maintenance of El Segundo's "Small Town" Atmosphere**

**Objective LU1-1**

Maintain El Segundo's "small town" atmosphere, and provide an attractive place to live and work.

Preserve and maintain the City's low-medium density residential nature, with low building height profile and character, and minimum development standards.

*The height of the buildings in this area will not exceed 40 feet, thereby maintaining a low building height profile.*

**Goal LU4: Provision of a Stable Tax Base for El Segundo**

**Through Commercial Uses**

Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.
The proposed project will allow new commercial uses, but will not impact Downtown as the uses would be non-competing to those located in the Downtown area. The 222 Kansas Street Specific Plan actually reduces competition from existing Smoky Hollow Specific Plan as retail uses and eating establishments are not allowed in the Project area. Further, the development will bring in new employees to support the Downtown.

Policy LU4-1.1

Require landscaping, its maintenance, and permanent upkeep on all new commercial developments.

The 222 Kansas Street Specific Plan will include landscaping and maintenance requirements.

Policy LU4-1.2

All commercial facilities shall be built and maintained in accordance with Health and Safety Code requirements and shall meet seismic safety regulations and environmental regulations.

The 222 Kansas Street development will be required to comply with all current Code requirements.

Policy LU4-1.4

New commercial developments shall meet seismic safety standards and regulations, as well as comply with all noise, air quality, water, and environmental regulations.

The 222 Kansas Street development will be required to comply with all current seismic safety standards and regulations as well as comply with all other regulations and any mitigation measures required by the Mitigated Negative Declaration.

Objective LU4-3

Provide for new office and research and development uses.

Policy LU4-3.6
Require landscaping, its maintenance, and permanent upkeep in all new office and mixed-use developments.

_The 222 Kansas Street Specific Plan will have landscaping and maintenance requirements._

**Goal LU5: Attraction of Clean and Beneficial Industrial Uses**

Retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City.

**Objective LU5-1**

Attract the kinds of industrial uses which will be economically beneficial to the community as well as enhance the environmental quality of the City.

_The 222 Kansas Street Specific Plan will allow light industrial uses on a vacant piece of property. The Specific Plan requires that the development be built to a minimum of LEED Certified standards._

**Objective LU5-2**

Encourage the construction of high-quality, well designed industrial developments through adoption of property development standards and provisions of community services and utilities.

**Policy LU5-2.1**

New industrial developments shall provide landscaping in parking areas and around the buildings. This landscaping is to be permanently maintained.

_The 222 Kansas Street Specific Plan will require landscaping which will be maintained._

**Policy LU5-2.2**

All outdoor storage shall be properly screened by masonry walls and landscaping.

_The 222 Kansas Street Specific Plan will result in the current outdoor overflow parking facility for Jim & Jack’s auto repair to be screened in an attractive manner._
Policy LU5-2.3

New industrial developments shall comply with seismic, noise, air, water, and environmental regulations.

*The 222 Kansas Street development will be required to comply with all current regulations and applicable mitigation measures.*

Policy LU5-2.4

New industries should have good accessibility to secondary or major transportation routes.

*The 222 Kansas Street project is located in close proximity to Grand Avenue and Sepulveda Blvd., both of which are designated as recommended Truck Routes in the City’s Circulation Element.*

Objective LU5-3

Encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors.

Policy LU5-3.1

Revitalize and upgrade industrial areas which contain aesthetic or functional deficiencies in such areas as landscaping, off-street parking, or loading areas.

*The City’s approval of the entitlement requests for the 222 Kansas Street Specific Plan project will lead to development of a currently vacant piece of property and will result in improved aesthetics in the area due to attractively designed buildings and landscaping.*

Objective LU5-5

Establish policies and guidelines to guide light industrial development near residential areas.

*The 222 Kansas Street Specific Plan will include development standards.*
Objective LU5-6

Encourage a mix of office and light industrial uses in industrial areas.

The 222 Kansas Street Specific Plan specifically allows the development of office and industrial uses.

Goal LU7: Provision of Quality Infrastructure

Objective LU7-1

Provide the highest quality public facilities, services, and public infrastructure possible to the community.

Provide the highest and most efficient level of public services and public infrastructure financially possible.

Policy LU7-1.1

Continue the excellent public safety programs, including fire and police protection, currently enjoyed by the City.

The 222 Kansas Street development will be required to pay police and fire mitigation fees which will fund the public safety programs.

Policy LU7-1.2

No new development shall be allowed unless adequate public facilities are in place or provided for.

The 222 Kansas Street development will be required to install any needed public facilities.

Policy LU7-1.4

Storm drain and flood control facilities shall be maintained throughout the City to protect residents and structures from an anticipated 50-year flood.

The 222 Kansas Street development includes an on-site retention system.

Policy LU7-1.5

The adequacy of library services should be monitored annually and
The 222 Kansas Street project will be required to pay a Library Service mitigation fee to help maintain the library.

Objective LU7-2
Promote City appearance and cultural heritage programs.

Policy LU7-2.3
All new development shall place utilities underground.

The 222 Kansas Street development shall have utilities placed underground within the Project Site.

CIRCULATION ELEMENT

Goal C1: Provision for a Safe, Convenient, and Cost Effective Circulation System

Provide a safe, convenient, and cost-effective circulation system to serve the present and future circulation needs of the El Segundo Community.

Objective C-1
Provide a roadway system that accommodates the City's existing and project land use and circulation needs.

Policy C1-1.9
Provide all residential, commercial, and industrial areas with efficient and safe access for emergency vehicles.

All driveways in the 222 Kansas Street Specific Plan will be designed to allow safe access for emergency vehicles.

Policy C1-1.14
Require a full evaluation of potential traffic impacts associated with proposed new developments prior to project approval. Further require the implementation of appropriate mitigation measures prior to, or in conjunction with, project development. Mitigation measures may include new roadway links on segments that would
connect new development to the existing roadway system, intersection improvements, and other measures. Mitigation measures shall be provided by or paid for by the project developer.

A traffic analysis will be required as part of the environmental review of the 222 Kansas Street Specific Plan project. The applicant will comply with and pay for all required mitigation measures.

**Policy C1-1.15**

Pursue and protect adequate right-of-way to accommodate future circulation system improvements.

The 222 Kansas Street development will provide for a dedication of street frontage on Grand Avenue (10 feet plus an irrevocable offer of dedication for an additional 9 feet), on Kansas Street (5 feet) and Franklin Avenue (5 feet).

**Policy C1-1.16**

Encourage the widening of substandard streets and alleys to meet City standards wherever feasible.

The 222 Kansas Street development will provide for a dedication of street frontage on Grand Avenue (10 feet plus an irrevocable offer of dedication for an additional 9 feet), on Kansas Street (5 feet) and Franklin Avenue (5 feet).

**Goal C2: Provisions for Alternative Modes of Transportation**

Provide a circulation system that incorporates alternatives to the single-occupant vehicle, to create a balance among travel modes based on travel needs, costs, social values, user acceptance, and air quality considerations.

**Objective C2-2**

Provide a bikeway system throughout the City to support and encourage the use of the bicycle as a safe and convenient travel mode with the City's circulation system.
Policy C2-2.2

Encourage new development to provide facilities for bicyclists to park and store their bicycles and provide shower and clothes changing facilities at or close to the bicyclist's work destination.

*Bicycle racks will be provided as part of the 222 Kansas Street development. Other TDM measures may be required depending on the size of the development.*

Goal C3: Development of Circulation Policies that are Consistent with other City Policies

Develop a balanced General Plan, coordinating the Circulation Element with all other Elements, ensuring that the City's decision making and planning activities are consistent among all City departments.

Objective C3-1

Ensure that potential circulation system impacts are considered when the City's decision makers and staff are evaluating land use changes.

Policy C3-1.1

Require all new development to mitigate project-related impacts on the existing and future circulation system such that all Master Plan roadways and intersections are upgraded and maintained at acceptable levels of service through implementation of all applicable Circulation Element policies. Mitigation measures shall be provided by or paid for by the project developer.

*A traffic analysis will be completed as part of the environmental review for the project and the developer will construct any needed mitigation measures. Additionally, the developer is dedicating 10 feet along Grand Avenue with an additional 9 feet irrevocable offer of dedication; Grand Avenue is listed as a secondary arterial in the City's Master Plan of Streets.*

Objective C3-2

Ensure the consideration of the impacts of land use decisions on the City's parking situation.

Policy C3-2.1
Ensure the provision of sufficient on-site parking in all new development.

*The 222 Kansas Street Specific Plan will require that sufficient on-site parking be provided.*

**CONSERVATION ELEMENT**

**Goal CN2: Water Supply**

Assist in the maintenance of a safe and sufficient water supply and distribution system that provides for all the water needs within the community.

**Policy CN2-5**

Require new construction and development to install water-conserving fixtures and appliances to reduce the amount of new demand.

*The development in the 222 Kansas Street Specific Plan area will comply with all requirements of Title 24 of the Building Code which requires water-conserving fixtures.*

**Policy CN2-7**

Require new construction and development to incorporate the principles and practices of sound landscape design and management, particularly those conserving water and energy.

*The development in the 222 Kansas Street Specific Plan area will comply with the water conservation in landscaping requirements set forth in Chapter 10-2 of the ESMC. Additionally, the development will be built to LEED Certified standards.*

**AIR QUALITY ELEMENT**

**Goal AQ10: Reduction in Particulate Emissions from Paved and Unpaved Roads, Parking Lots, and Road and Building Construction**
Objective AQ10-1

Control particulate emissions by paving roads and parking lots or by adopting alternative methods to control particulates.

Policy AQ10-1.3

It is the policy of the City of El Segundo that all new development projects meet or exceed requirements of the South Coast Air Quality Management District for reducing PM10 standards.

*Development in the 222 Kansas Street Specific Plan will meet all SCAQMD requirements for reducing PM 10 standards.*

**NOISE ELEMENT**

Goal N1: Provision of a Noise-Safe Environment

Encourage a high quality environment within all parts of the City of El Segundo where the public's health, safety, and welfare are not adversely affected by excessive noise.

Objective N1-1

It is the objective of the City of El Segundo to ensure that City residents are not exposed to mobile noise levels in excess of the interior and exterior noise standards or the single event noise standards specified in the El Segundo Municipal Code.

Policy N1-1.9

Require review of all new development projects in the City for conformance with California Airport Noise Regulations and California Noise Insulation Standards (CCR Title 24) to ensure interior noise will not exceed acceptable levels.

*Development in the 222 Kansas Street project will meet all Title 24 requirements and will not exceed acceptable levels of interior noise.*

Objective N1-2

It is the objective of the City of El Segundo to ensure that City residents are not exposed to stationary noise levels in excess of El Segundo's Noise Ordinance standards.
Policy N1-2.1

Require all new projects to meet the City's Noise Ordinance Standards as a condition of building permit approval.

Program N1-2.1A

Address noise impacts in all environmental documents for discretionary approval projects, to insure that noise sources meet City Noise Ordinance standards. These sources may include: mechanical or electrical equipment, truck loading areas, or outdoor speaker systems.

Program N1-2.1C

The City shall strictly enforce the El Segundo Municipal Code's time-dependent noise standards for stationary sources. Two of the major sources which shall be closely monitored are industrial facilities and construction activities.

*Development in the 222 Kansas Street project will be required to meet the City’s noise ordinance standards and construction will only be allowed during the hours set forth in the ESMC.*

PUBLIC SAFETY ELEMENT

Goal PS1: Geology and Soils

Protect the public health and safety and minimize the social and economic impacts associated with geologic hazards.

Objective PS1-1

It is the objective of the City of El Segundo to reduce exposure to potentially hazardous geological conditions through land use planning and project review.

Policy PS1-1.1

Continue to review proposals for new development and for the expansion of existing development in areas of potential geological hazards.
Policy PS1-1.2

Enforce, monitor, and improve development standards which place the responsibility on the developer, with advice from qualified engineers and geologists, to develop and implement adequate mitigation measures as conditions for project approval.

*The environmental review process will cover the topic of geologic hazards and impose any mitigation that may be deemed necessary. Plans will be approved by qualified engineers.*

Goal PS2: Faulting and Seismicity/Structural Hazards

Minimize injury and loss of life, property damage, and social, cultural and economic impacts caused by earthquake hazards.

Objective PS2-1

It is the objective of the City of El Segundo that the City promote effective response to seismic disasters and maintenance of structurally safe facilities.

Policy PS2-1.1

Continue to cooperate with and support federal, state, and county agencies in the development and enforcement of regional and local health and safety laws and environmental controls, e.g., implementation of SB 547 (Alquist).

Program PS2-1.1A

*The City shall continue to enforce the Uniform Building Code.*

*The development of the 222 Kansas Street Specific Plan project will comply with all requirements of the most recent edition of the Uniform Building Code, as incorporated into the California Building Code.*

Goal PS3: Petroleum Resources/Hazardous Materials and Wastes

Reduce threats to public health and safety from hazardous materials, especially threats induced by earthquakes and
accidental leaks and spills.

**Objective PS3-1**

It is the objective of the City of El Segundo that the City insure safe and prudent use of hazardous materials, and reduce the quantity of hazardous materials handled within the City.

**Policy PS3-1.1**

Review proposed development projects involving the use, storage, and disposal of hazardous materials with the intent of minimizing the probability and magnitude of a hazardous event.

*An analysis of hazards and hazardous materials will be part of the environmental review process and the developer will comply with all mitigation measures, including those pertaining to the operation of the temporarily capped oil well.*

**Goal PS6: Urban Fire Hazard**

**A fire safe community.**

**Objective PS6-1**

It is the objective of the City of El Segundo that the City minimize threats to public safety and protect property from wildland and urban fires.

**Policy PS6-1.1**

Review projects and development proposals, and upgrade fire prevention standards and mitigation measures in areas of high urban fire hazard.

*The 222 Kansas Street Specific Plan development will be built in accordance with the most recent fire code standards.*
DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF EL SEGUNDO,
AND SMPO LAB, LLC

(222 KANSAS STREET SITE)

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

EXEMPT FROM RECORDER'S FEES
Pursuant to Government Code § 6103
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DEVELOPMENT AGREEMENT

This Development Agreement is made and entered into by and between the CITY OF EL SEGUNDO ("City"), a municipal corporation, and SMPO Lab, LLC ("SMPO"), as of this ___ day of __________, 2012. City and SMPO are referred to hereinafter individually as "Party" and collectively as "Parties." In consideration of the mutual covenants and agreements contained in this Agreement, the Parties agree as follows:

1. Definitions. Unless the contrary is stated or clearly appears from the context, the following definitions govern the construction of words and phrases used in this Agreement:

   "Agreement" means this Development Agreement between the City and the Developer.

   "Applicable Rules" means:

   • The El Segundo General Plan, as it existed on the Effective Date, as modified by the Project Approvals;
   • The El Segundo Municipal Code, as it existed on the Effective Date, as modified by the Project Approvals;
   • The 222 Kansas Street Specific Plan as adopted by the City Council;
   • Such other laws, ordinances, rules, regulations, and official policies governing permitted uses of the Property, density, design, improvement, development fees, and construction standards and specifications applicable to the development of the Property in force at the time of the Effective Date, which are not in conflict with this Agreement.

   "Approved Plans" means a plan for any aspect of the Project, including, without limitation, the Site Plan, signage plans, and landscaping and irrigation plans, which have been approved by City in accordance with the Development Standards, Applicable Rules and Project Approvals.


   "City" means the City of El Segundo and every successor in interest thereto.

   "City Council" means the City Council of the City of El Segundo.

   "Developer" means SMPO and every successor in interest thereto.

   "Development Standards" means the design and development standards that are applicable to the Project.

   "Director" means the Director of Planning and Building Safety of the City of El Segundo.
“Discretionary Actions; Discretionary Approvals” means actions which require the exercise of judgment or a decision, and which contemplate and authorize the imposition of revisions or conditions, by the City, including any board, commission, or department of the City and any officer or employee of the City, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission, or department of the City and any officer or employee of the City, to determine whether there has been compliance with applicable statutes, ordinances, regulations, or conditions of approval. The Project Approvals are included with these terms.

“Effective Date” means the date on which the Enabling Ordinance becomes effective in accordance with Government Code § 36937.

“Enabling Ordinance” means Ordinance No. __ , approving this Development Agreement.

“Future Approvals” means such other discretionary and ministerial entitlements, including permits, which are required to develop the Project in addition to the Project Approvals, and which are applied for by Developer and approved by City.

“Minor Modification” means a minor change to the Project or Project Approvals that is consistent with the Development Standards, Applicable Rules and Project Approvals.

“Major Modification” means a major change to the Project or Project Approvals as defined in Section 4.6.3 of this Agreement.

“Project” means the development of the Property in accordance with the uses set forth in the 222 Kansas Street Specific Plan and the other Project Approvals.

“Project Approvals” means:

- Final Mitigated Negative Declaration and Addendum to Mitigated Negative Declaration (EA-959), as approved by Resolution No. ____;
- Mitigation Monitoring Program for Final Mitigated Negative Declaration and Addendum to Mitigated Negative Declaration, as approved by Resolution No. ____;
- General Plan Amendment GPA 12-01, as approved by Resolution No. ____;
- 222 Kansas Street Specific Plan SPA 12-01, as approved by Ordinance No. ____;
- Zone Change ZC 12-01, as approved by Ordinance No. ____;
- Zone Text Amendment ZTA 12-01, as approved by Ordinance No. ____;
- Vesting Tentative Map SUB 12-02, as approved by Resolution No. ____;
- Site Plan Review SPR 12-01, for the site plan contained in the 222 Kansas Street Specific Plan; and
- Development Agreement DA 12-01, as approved by Ordinance No. ____.

“Person” means a natural person or any entity.
“Property” means that 4.83 acre property located at 222 Kansas Street in El Segundo, California more particularly described in attached Exhibit “A,” which is incorporated by reference.

“Subsequent Rules” means any changes to the Applicable Rules, including, without limitation, any change by means of an ordinance, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City Council, the Planning Commission or any other board, agency, commission or department of the City, or any officer or employee thereof, or by the electorate, which would, absent this Agreement, otherwise be applicable to the Property.

“Transferee” means a Person which assumes the rights and obligations under this Agreement with respect to all or a portion of the Property.

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

2.1 Pursuant to Government Code §§ 65865, et seq., City is authorized to enter into a binding contractual agreement with any person having a legal or equitable interest in real property for the development of such property.

2.2 Developer is the owner of the Property.

2.3 Developer desires to develop the Property in accordance with the 222 Kansas Street Specific Plan.

2.4 By this Agreement, City desires to obtain the binding agreement of Developer to develop the Property in accordance with the Project Approvals and Applicable Rules. In consideration thereof, City agrees to limit the future exercise of certain of its governmental and proprietary powers to the extent specified in this Agreement.

2.5 By this Agreement, Developer desires to obtain the binding agreement of City to permit the development of the Property in accordance with the Project Approvals and Applicable Rules. In consideration thereof, Developer agrees to waive its rights to challenge legally the restrictions and obligations set forth in this Agreement.

2.6 City and Developer acknowledge and agree that the consideration that is to be exchanged pursuant to this Agreement is fair, just and reasonable.

2.7 This Agreement is intended to provide flexible entitlements, within the parameters set forth herein and subject to the terms and conditions hereof, to meet the changing market demands that are likely to occur throughout the life of this Agreement.

2.8 The Project uses are consistent with the City’s General Plan, as amended through General Plan Amendment No. 12-01.

2.9 Development of the Project will further the comprehensive planning objectives contained within the General Plan, and will result in public benefits, including, among others, the
development of the Property with viable commercial and industrial uses as specified in Section 5.3 below.

2.10 All of the Property is subject to this Agreement.

3. **Binding Effect.** The burdens of this Agreement are binding upon, and the benefits of the Agreement inure to, each Party and each successive successor in interest thereto and constitute covenants that run with the Property.

3.1 **Constructive Notice and Acceptance.** Every Person who acquires any right, title or interest in or to any portion of the Property in which Developer has a legal interest is conclusively deemed to have consented and agreed to be bound by this Agreement, whether or not any reference to this Agreement is contained in the instrument by which such person acquired such right, title or interest.

3.2 **Rights to Transfer.** Developer may assign or transfer its rights and obligations under this Agreement with respect to the Property, or any portion thereof, to any Transferee at any time during the term of this Agreement without approval of City, including through provision of a long-term ground lease. For purposes of this Agreement, the Transferee is considered the “owner” of that portion of the Property which is covered by such transfer.

3.3 **Liabilities Upon Transfer.** Upon the delegation of the duties and obligations under this Agreement and the sale, transfer or assignment of all or any portion of the Property, Developer will be released from its obligations under this Agreement with respect to the Property, or portion thereof, so transferred arising subsequent to the effective date of such transfer, if: (i) Developer has provided to City prior or subsequent written notice of such transfer; and (ii) Transferee has agreed in writing to be subject to all of the provisions hereof applicable to the portion of the Property so transferred by executing an Assignment and Assumption Agreement in the form of attached Exhibit “B.” Upon any transfer of any portion of the Property and the express assumption of Developer’s obligations under this Agreement by such Transferee, City agrees to look solely to Transferee for compliance by such Transferee with the provisions of this Agreement as such provisions relate to the portion of the Property acquired by such Transferee. Any such Transferee is entitled to the benefits of this Agreement as “Developer” and is subject to the obligations of this Agreement applicable to the parcel(s) transferred. A default by any Transferee only affects that portion of the Property owned by such Transferee and does not cancel or diminish in any way Developer’s rights with respect to any portion of the Property not owned by such Transferee. Transferees are responsible for satisfying the good faith compliance requirements set forth in Section 8 below relating to the portion of the Property owned by a Transferee, and any amendment to this Agreement between the City and a Transferee only affects the portion of the Property owned by such Transferee.

3.4 **Reassumption of Rights.** If Transferee defaults with respect to any provision of this Agreement, Developer may reassume Transferee’s obligations upon written notification to City.

4. **Development of the Property.** The following provisions govern the development and use of the Property.
4.1 Entitlement to Develop. Developer is granted the vested right to develop the Project on the Property subject to the Applicable Rules, the Project Approvals and any Future Approvals.

4.2 Permitted Uses, Density, Height and Dedication of Land for Public Purposes. The permitted and conditionally permitted uses of the Property as well as the density or intensity of use, the maximum height and size of buildings and provisions for reservation or dedication of land for public purposes are set forth in the Project Approvals and Applicable Rules.

4.3 Development Standards. The Development Standards applicable to the Property are set forth in the Project Approvals and Applicable Rules.

4.4 Building Regulations. Nothing in this Agreement precludes City from applying changes occurring from time to time in the Building Regulations, provided that such changes (a) are found by City to be necessary to the health or safety of the citizens of the City, (b) are generally applicable to all similar types of property in the City, and (c) do not prevent or unreasonably delay development of the Project in accordance with this Agreement.

4.5 Subsequent Rules. Subsequent Rules cannot be applied by City to any part of the Property unless Developer gives City written notice of its election to have such Subsequent Rule applied to the Property, in which case such subsequent change is deemed to be an Applicable Rule.

4.6 Future Approvals.

4.6.1 Minor Modifications to Project. Developer may make minor changes to the Project and Project Approvals ("Minor Modifications") without amending this Agreement upon the administrative approval of the Director or designee, provided that such modifications are consistent with the Development Standards, Applicable Rules and Project Approvals. The City cannot unreasonably withhold or delay approval of any Minor Modification. The City has the right to impose reasonable conditions in connection with Minor Modifications, provided, however, such conditions cannot: (i) be inconsistent with the Applicable Rules, the Project Approvals or with the development of the Project as contemplated by this Agreement; (ii) directly or indirectly, unreasonably hinder, delay, impede, obstruct, interfere with, or place unreasonably burdensome or restrictive measures or requirements upon development of the Project or the Property or any portion thereof; or (iii) impose additional dedications, infrastructure or public improvement obligations, fees, costs or exactions exceeding those identified in the Applicable Rules, the Project Approvals, or this Agreement.

4.6.2 Modification of Project Approvals. The Parties contemplate that Developer may, from time to time, pursuant to Section 4.6.1 seek Minor Modifications to the Project or one or more of the Project Approvals. Any such Minor Modifications are contemplated by the Parties as being within the scope of this Agreement as long as they are authorized pursuant to this Section 4.6.2 and must, upon approval by City, continue to constitute the Project Approvals as referenced herein. The Parties agree that any such amendments do not constitute an amendment to this Agreement nor require an amendment to this Agreement.
4.6.3 Modifications Requiring Amendment to this Agreement. Any proposed modification to the Project which is not authorized by Section 4.6.2 and results in any of the following does not constitute a Minor Modification but constitutes a Major Modification and requires an amendment to this Agreement pursuant to Section 14 below:

(a) Any decrease in the required building setbacks as set forth in the 222 Kansas Street Specific Plan;

(b) Any increase in the FAR of the entire Property as set forth in the 222 Kansas Street Specific Plan;

(c) Any increase in height of buildings or structures on the Property above the height specified in the 222 Kansas Street Specific Plan;

(d) Any decrease in the minimum required lot area as set forth in the 222 Kansas Street Specific Plan;

(e) Any change in use to a use which is not permitted under the 222 Kansas Street Specific Plan;

(f) Any deviation from the uses and development standards or limitations set forth in Sections 4.1 through Section 4.3 of this Agreement, except to the extent these Sections specifically provide for the Council or the Director to approve of such changes;

(g) Any material modification to Developer's obligation to build to LEED certification standards and provide certification for non-governmental buildings for the Project or such equivalent standard as approved by the Director; or

(h) Any material modification that requires modification to the MND, other than an Addendum.

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

4.6.4 Site Plan Review Approval. The Site Plan Review which must be submitted pursuant to the Specific Plan is not considered a Minor Modification to the Project or modification to the Project Approvals, provided it substantially conforms to the development standards of the 222 Kansas Street Specific Plan, and must be processed in accordance with the provisions set forth in the Specific Plan.

4.7 Plan Review. The Director will review site plans as well as plans for each building, signage, trash enclosures, screening and landscaping. After such review, the Director may issue a building permit, provided, however, that notwithstanding anything to the contrary contained in the Applicable Rules, the sole purpose of such review is to verify consistency with the Development Standards, Applicable Rules and Project Approvals. The Director must approve all features which are consistent with the Development Standards, Applicable Rules, Project Approvals, and Future Approvals and does not have authority to disapprove or conditionally
approve any features or matters which are consistent with or otherwise which have been specifically approved by this Agreement.

4.8 Fees, Exactions, Mitigation Measures, Conditions, Reservations and Dedications. All fees, exactions, mitigation measures, conditions, reservations and dedications of land for public purposes that are applicable to the Project or the Property are set forth in the Project Approvals, the Applicable Rules and this Agreement. Except as otherwise provided in this Agreement, and specifically excluding fees set by entities not controlled by City that are collected by City, City can only charge and impose those fees and exactions, including, without limitation, dedications and any other fee or tax (including excise, construction or any other tax) relating to development or the privilege of developing, which are in effect on a City-wide basis as of the Effective Date. This Section cannot be construed to limit the authority of City to charge normal and customary application, processing, and permit fees for land use approvals, building permits and other similar permits, for Future Approvals, which fees are designed to reimburse City's actual expenses attributable to such application, processing and permitting and are in force and effect on a City-wide basis at such time as applications for such approvals are filed with City.

4.9 Use of Easements. Notwithstanding the provisions of the Applicable Rules, easements dedicated for vehicular and pedestrian use are permitted to include easements for underground drainage, water, sewer, gas, electricity, telephone, cable, environmental remediation and other utilities and facilities so long as they do not unreasonably interfere with pedestrian and/or vehicular use.

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

In furtherance of the Parties’ intent, as set forth in this Section, no future amendment of any existing City ordinance or resolution, or future adoption of any ordinance, resolution or other action, that purports to limit the rate or timing of development over time or alter the sequencing of development phases, whether adopted or imposed by the City Council or through the initiative or referendum process, applies to the Property. However, nothing in this Section may be construed to limit City’s right to enforce Developer’s obligation pursuant to this Agreement to provide all infrastructure required by the Project Approvals and this Agreement.

4.11 Moratorium. No City-imposed moratorium or other limitation (whether relating to the rate, timing or sequencing of the development or construction of all or any part of the Property, whether imposed by ordinance, initiative, resolution, policy, order or otherwise, and whether enacted by the City Council, an agency of City, the electorate, or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), building permits, occupancy certificates or other entitlements to use or service (including, without limitation, water
and sewer) approved, issued or granted within City, or portions of City, applies to the Property to the extent such moratorium or other limitation is in conflict with this Agreement. However, the provisions of this Section do not affect City’s compliance with moratoria or other limitations mandated by other governmental agencies or court-imposed moratoria or other limitations.

4.12 **Infrastructure.**

4.12.1 **Infrastructure Capacity.** Subject to Developer’s installation of infrastructure in accordance with the requirements of the Project Approvals and any Future Approvals, City acknowledges that it will have sufficient capacity in its infrastructure, services and utility systems, including, without limitation, traffic circulation, storm drainage, flood control, electric service, sewer collection, sewer treatment, sanitation service and, except for reasons beyond City’s control, water supply, treatment, distribution and service, to accommodate the Project. To the extent that City renders such services or provides such utilities, City agrees that it will serve the Project and that there is no restriction on hookups or service for the Project except for reasons beyond City’s control.

4.12.2 **Infrastructure Phasing Flexibility.** Notwithstanding the provisions of any phasing requirements in the Project Approvals or any Future Approvals, Developer and City recognize that economic and market conditions may necessitate changing the order in which the infrastructure is constructed. Therefore, City and Developer agree that should it become necessary or desirable to develop any portion of the Project’s infrastructure in an order that differs from the order set forth in this Agreement, Developer and City will collaborate and City will permit any modification requested by Developer so long as the modification continues to ensure adequate infrastructure is available to serve that portion of the Project being developed and is in compliance with Section 4.14 of this Agreement.

4.12.3 **Infrastructure Completion.** No building permit, final inspection or Certificate of Occupancy will be unreasonably withheld, conditioned, or delayed by City if all infrastructure required to serve the portion of the Property covered by the building permit, final inspection or Certificate of Occupancy is in place or is suitably guaranteed to be completed (by covenant, bond, letter of credit or otherwise) to the reasonable satisfaction of the City before completion of construction and all of the other relevant provisions of the Project Approvals and any Future Approvals are satisfied.

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

4.13 **Term.** The term of this Agreement is ten (10) years from the Effective Date. However, Developer or City is entitled to, by written notice to the other Party before the Agreement’s expiration, one (1) five (5)-year extension, provided that the requesting Party is not in material default of this Agreement at such time. Before the expiration of such five (5)-year extension, the Parties may mutually agree to further extensions. In the event of litigation challenging this Agreement, the Term is automatically suspended for the duration of such litigation and resumes upon final disposition of such challenge and any appeal thereof upholding
the validity of this Agreement. In the event that a referendum petition concerning this Agreement is duly filed in such a manner that the ordinance approving this Agreement is suspended, then the Term is deemed to commence upon City Council certification of the results of the referendum election approving this Agreement.

4.14 Satisfaction of Mitigation Measures and Conditions. In the event that any of the mitigation measures or conditions required of Developer are implemented by others, Developer is conclusively deemed to have satisfied such mitigation measures or conditions, consistent with CEQA. If any such mitigation measures or conditions are rejected by a governmental agency with jurisdiction, Developer may implement reasonably equivalent substitute mitigation, consistent with CEQA, to the City’s satisfaction, in lieu of the rejected mitigation measures or conditions. Such substitution is deemed to be a Minor Modification pursuant to Section 4.6 above.

4.15 In Lieu Credits. Developer is granted in lieu credits for any off-site improvements relating to street improvements or traffic measures which Developer may be required to construct as part of this Project.

4.16 Performance of Director Duties. If City determines at any time during the term of this Agreement that the duties to be performed by the Director under this Agreement will be performed by one or more staff members other than the Director, City will endeavor to notify Developer of such change. The City must ensure that a person or persons are designated at all times to carry out the duties of the Planning and Building Safety Director set forth in this Agreement.

5. Developer Agreements

5.1 General. Developer must comply with: (i) this Agreement; (ii) the Project Approvals including, without limitation, all mitigation measures required by the determination made pursuant to CEQA; and (iii) all Future Approvals for which it is the applicant or a successor in interest to the applicant.

5.2 Development Fees. Subject to the provisions of Section 4.8 above, Developer must pay the development fee amounts identified in attached Exhibit “C,” which is incorporated by reference.

5.3 Processing Fees. Subject to the provisions of Section 4.8 above, on the Effective Date of this Agreement, Developer must pay all reasonable and outstanding City processing, legal and environmental processing costs related to the Project and the preparation of this Agreement, if any.

5.4 Maintenance Obligations. Developer must maintain all portions of the Property in its possession or control and any improvements thereon, in a clean, neat and orderly manner. Developer’s maintenance obligations survive any termination or expiration of this Agreement.

5.5 Term of Map(s) and Other Project Approvals. Pursuant to Government Code §§ 66452.6(a) and 65863.9, the term of any subdivision or parcel map that has been or in the future may be processed on all or any portion of the Property and the term of each of the Project
Approval will be extended for a period of time through the scheduled termination date of this Agreement as set forth in Section 4.13 above.

5.6 **Sales and Use Tax.**

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

5.6.2 Developer further agrees that if Developer retains contractors or subcontractors to perform a portion of work in the Project, and said contracts or subcontracts are valued at five million dollars ($5,000,000) or more, said contracts or subcontracts must contain the provisions set forth in Section 5.6.1 above.

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

5.7 **In Lieu Payment for USDA Facility**

5.7.1 Within 10 days of the Effective Date, SMPO must deposit an initial $225,000 with the City in lieu of the taxes. SMPO must deposit an additional $225,000 with the City in lieu of the taxes before the City issues a Certificate of Occupancy for any building.

5.7.2 City must reimburse $25,000 of the deposit to SMPO within 30 days of the completion of the overflow parking and storage for the lot at 1600 East Grand Avenue subject to review and approval of the landscaping and screening plan by the Director of Planning and Building Safety consistent with the materials used at the adjacent MEPS site at 1776 East Grand Avenue as approved by City Council Resolution No. 4559 and Ordinance No. 1419 for Environmental Assessment No. EA 769, Zone Change ZC 07-01, Specific Plan Amendment No. SPA 08-02, and Smoky Hollow Specific Plan Review No. SHSPR 07-04.

5.7.3 City must reimburse $25,000 of the deposit to SMPO if it issues a building permit for the northerly 1.41 acres in accordance with the Specific Plan and Site Plan Review approval within 24 months of the effective date of the adopted Specific Plan. City must reimburse SMPO within 30 days after issuing a building permit.

5.7.4 If for some reason the USDA facility is not developed or does not become operational and a non-exempt use utilizes the southerly portion of the Property, the entire deposit
of $450,000 must be returned to SMPO within 30 days of SMPO informing the City by written notification of such occurrence.

5.8 **LEED Certification.** Developer’s Project must be, at a minimum, built to LEED Certified standards in compliance with the U.S. Green Building Council standards in effect as of the Effective Date, or such equivalent standard as determined by the Director. Actual LEED certification is not required, however, the applicant must demonstrate that the project is built to a minimum of LEED certified standard or such other equivalent standard using the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The City can require peer review of the LEED report and GBCI scorecard by a qualified professional with a LEED AP credential hired by the City at the applicant’s expense to advise the Director of Planning and Building Safety in his or her determination. Additionally, the City can require inspections for grading, site improvements, and buildings for the project by a qualified professional with a LEED AP credential to verify that the project has been constructed in compliance with the LEED report and GBCI scorecard to advise the Director of Planning and Building Safety in his or her determination.

6. **City Agreements**

6.1 **Expedited Processing** The City must process in an expedited manner all plan checking, excavation, grading, building, encroachment and street improvement permits, Certificates of Occupancy, utility connection authorizations, and other ministerial permits or approvals necessary, convenient or appropriate for the grading, excavation, construction, development, improvement, use and occupancy of the Project in accordance with City’s accelerated plan check process under the Applicable Rules. Without limiting the foregoing, if requested by Developer, City agrees to utilize private planners and plan checkers (upon Developer’s request and at Developer’s cost) and any other available means to expedite the processing of Project applications, including concurrent processing of such applications by various City departments.

6.2 **Processing Cooperation and Assistance.** To the extent permitted by law, City must reasonably cooperate with Developer in securing any and all entitlements, authorizations, permits or approvals which may be required by any other governmental or quasi-governmental entity in connection with the development of the Project or the Property. Without limiting the foregoing, City must reasonably cooperate with the Developer in any dealings with federal, state and other local governmental and quasi-governmental entities concerning issues affecting the Property. City must keep Developer fully informed with respect to its communications with such agencies which could impact the development of the Property.

6.3 **Processing During Third Party Litigation.** The filing of any third party lawsuit(s) against City or Developer relating to this Agreement, the Project Approvals, any Future Approvals or to other development issues affecting any portion of the Property or the Project will not hinder, delay or stop the development, processing or construction of the Project, approval of applications for any Future Approvals, or issuance of ministerial permits or approvals, unless the third party obtains a court order preventing the activity. City does not stipulate to or cooperate in the issuance of any such order.
7. **Modification/Suspension.** Pursuant to Government Code § 65869.5, in the event that any state or federal law or regulation, enacted after the Effective Date, precludes compliance with any provision of this Agreement, such provision will be deemed modified or suspended to the extent practicable to comply with such state or federal law or regulation, as reasonably determined necessary by City. Upon repeal of said law or regulation or the occurrence of any other event removing the effect thereof upon the Agreement, the provisions hereof will be restored to their full original effect.

8. **Demonstration of Good Faith Compliance.**

8.1 **Review of Compliance.** In accordance with Government Code § 65865.1, this Section 8 and the Applicable Rules, once each year, on or before each anniversary of the Effective Date (“Periodic Review”), the Director will review the extent of Developer’s good faith substantial compliance with the terms and provisions of this Agreement as well as the performance by the City of its obligations under this Agreement.

8.2 **Good Faith Compliance.** During each Periodic Review, Developer must demonstrate that, during the preceding twelve (12) month period, it has been in good faith compliance with this Agreement. For purposes of this Agreement, the phrase “good faith compliance” means that Developer has demonstrated that it acted in a commercially reasonable manner (taking into account the circumstances which then exist) and in good faith in and has substantially complied with Developer’s material obligations under this Agreement.

8.3 **Information to be Provided to Developer.** At least fourteen (14) days before the annual Effective Date the City must deliver to Developer a copy of all staff reports prepared in connection with a Periodic Review, any prior staff reports generated during the review period, written comments from the public and, to the extent practical, all related exhibits concerning such Periodic Review.

8.4 **Developer's Report.** No later than the annual Effective Date, Developer must submit a written status report to the Director addressing the good faith compliance issue and any issues raised by the Information provided to Developer.

8.5 **Notice Of Non-Compliance: Cure Rights.** If, after reviewing the Developer’s Report, the Director reasonably concludes on the basis of substantial evidence that as to any parcel or parcels comprising the Property Developer has not demonstrated that it is in good faith compliance with this Agreement, the Director may issue and deliver to Developer a written Notice of Violation as set forth in Section 10 below.

8.6 **Public Notice of Finding.** Any appeal of the Director’s determination (including any appeal by Developer) must be filed within twenty (20) days following such decision. Filing such an appeal tolls the cure period specified in the Notice of Violation. Notwithstanding section 13.1, an appeal regarding the Notice of Violation must be heard directly by the City Council at a duly-noticed public hearing and the City Council must issue a final decision. Not in limitation of the foregoing, Developer retains the right to challenge City’s issuance of any final decision pursuant to Code of Civil Procedure § 1094.5 without complying with the procedures set forth in Section 10.4 below.
8.7 **Failure of Periodic Review.** The City’s failure to review, at least annually, compliance by Developer with the terms and conditions of this Agreement does not constitute nor can it be asserted by any Party as a breach by any other Party of this Agreement. If the City fails to provide a Review Letter within sixty (60) days of the annual Effective Date, Developer will be deemed to be in good faith compliance with this Agreement.

9. **Excusable Delays.** Performance by any Party of its obligations in this Agreement is excused during any period of "Excusable Delay," as defined, provided that the Party claiming the delay gives notice of the delay to the other Party as soon as reasonably possible after the same has been ascertained. For purposes hereof, Excusable Delay means delay that directly affects, and is beyond the reasonable control of, the Party claiming the delay, including without limitation: (a) civil commotion; (b) riot; (c) strike, picketing or other labor dispute; (d) shortage of materials or supplies; (e) damage to work in progress or delays by reason of fire, flood, including flood due to rains, earthquake, windstorm, or other casualty; (f) reasonably unforeseeable delay caused by a reasonably unforeseeable restriction imposed or mandated by a governmental entity other than City; (g) litigation brought by a third party attacking the validity of a Project Approval, a Future Approval or any other action necessary for development of the Property; (h) delays caused by any default by the other Party; or (i) delays due to the presence or remediation of hazardous materials. The Term of this Agreement, including any extensions, will automatically be extended by any period of Excusable Delay.

10. **Default Provisions.**

10.1 **Default.** Any Party to this Agreement will have breached this Agreement if it materially breaches any of the provisions of this Agreement and the same is not cured within the time set forth in a written notice of violation (the "Notice of Violation") from the non-breaching Party to the breaching Party, which period of time is not less than ten (10) days for monetary defaults, and not less than sixty (60) days for non-monetary defaults from the date that the notice is deemed received, provided if the breaching Party cannot reasonably cure a non-monetary default within the time set forth in the notice, then the breaching Party will not be in default if it commences to cure the default within such time limit and diligently effects such cure thereafter. If City determines that a default may have occurred, City may choose to terminate this Agreement as to that portion of the Property owned by the Developer in default in which case it must give written notice to Developer of its intention to terminate and comply with the notice and public hearing requirements of Government Code §§ 65867 and 65868. Notice must also be sent to any other Developer that owns Property subject to this Agreement. At the time and place set for the hearing on termination, Developer will be given an opportunity to be heard. If the City Council finds based upon the evidence that Developer is in breach of this Agreement, the City Council may modify or terminate this Agreement; provided, however, if Developer initiates a resolution of dispute in accordance with the provisions of Section 10.4 below within sixty (60) days following the City Council’s determination that Developer is in breach of this Agreement, the City Council’s decision to modify or terminate this Agreement is stayed until the issue has been resolved through informal procedures, mediation, or court proceedings.

10.2 **Content of Notice of Violation.** Every Notice of Violation must state with specificity that it is given pursuant to this Section of the Agreement, the nature of the alleged breach, (including references to the pertinent provisions of this Agreement), the portion of the
Property involved, and the manner in which the breach may be satisfactorily cured. Notice must be given in accordance with Section 18 hereof.

10.3 Remedies for Breach. The Parties agree that the remedies for breach of this Agreement are limited to the remedies expressly set forth in this subsection. The remedies for breach of this Agreement by Developer are limited to injunctive relief and/or specific performance; the remedies by City are limited to injunctive relief and/or specific performance, or termination of this Agreement in accordance with Section 10.1 above.

10.4 Resolution of Disputes.

City and Developer agree to attempt to settle any claim, dispute or controversy arising from this Agreement through consultation and negotiation in good faith and in a spirit of mutual cooperation. If those attempts fail, the dispute may be mediated by a mediator chosen jointly by City and Developer within thirty (30) days after notice by one of the parties demanding non-binding mediation. Neither party may unreasonably withhold consent to the selection of a mediator, and City and Developer will share the cost of the mediation equally. The parties may agree to engage in some other form of non-binding alternate dispute resolution ("ADR") procedure in lieu of mediation. Any dispute that cannot be resolved between the parties through negotiation or mediation within two months after the date of the initial demand for non-binding mediation may then be submitted to a court of competent jurisdiction in the County of Los Angeles, California.

10.5 Attorneys' Fees and Costs.

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

11. Mortgagee Protection. This Agreement does not prevent or limit the Developer, in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvements thereon by any mortgage, deed of trust or other security device. City acknowledges that the lender(s) providing such financing ("Mortgagee") may require certain Agreement interpretations and agrees, upon request, from time to time, to meet with Developer and representatives of such lender(s) to provide within a reasonable time period City's response to such requested interpretations. City will not unreasonably withhold its consent to any such requested interpretation, provided that such interpretation is consistent with the intent and purposes of this Agreement. Any Mortgagee of a mortgage or a beneficiary of a deed of trust or any successor or assign thereof including, without limitation, the purchaser at a judicial or non-judicial foreclosure sale or a person or entity who obtains title by deed-in-lieu of foreclosure on the Property is entitled to the following rights and privileges:

11.1 Mortgage Not Rendered Invalid. Neither entering into this Agreement nor a breach of this Agreement will defeat, render invalid, diminish, or impair the priority of the lien of any mortgage or deed of trust on the Property made in good faith and for value. No Mortgagee has an obligation or duty under this Agreement to perform Developer's obligations, or to guarantee such performance, before taking title to all or a portion of the Property.
11.2 **Request for Notice to Mortgagee.** The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, who has submitted a request in writing to the City in the manner specified herein for giving notices, is entitled to receive a copy of any Notice of Violation delivered to the Developer.

11.3 **Mortgagee’s Time to Cure.** City must provide a copy of any Notice of Violation to the Mortgagee within ten (10) days of sending the Notice of Violation to Developer. The Mortgagee has the right, but not the obligation, to cure the default for a period of thirty (30) days after receipt of such Notice of Violation or such longer period of time as may be specified in the Notice. Notwithstanding the foregoing, if such default is a default which can only be remedied by such Mortgagee obtaining possession of a Property, or any portion thereof, and such Mortgagee seeks to obtain possession, such Mortgagee has until thirty (30) days after the date of obtaining such possession to cure or, if such default cannot reasonably be cured within such period, to commence to cure such default, provided that such default is cured no later than one (1) year after Mortgagee obtains such possession.

11.4 **Cure Rights.** Any Mortgagee who takes title to all of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or a deed in lieu of foreclosure, will succeed to the rights and obligations of Developer under this Agreement as to the Property or portion thereof so acquired; provided, however, in no event is such Mortgagee liable for any defaults or monetary obligations of Developer arising before acquisition of title to the Property by such Mortgagee, except that any such Mortgagee is not entitled to a building permit or occupancy certificate until all delinquent and current fees and other monetary or non-monetary obligations due under this Agreement for the Property, or portion thereof acquired by such Mortgagee, have been satisfied.

11.5 **Bankruptcy.** If any Mortgagee is prohibited from commencing or prosecuting foreclosure or other appropriate proceedings in the nature of foreclosure by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceedings involving Developer, the times specified in Section 11.3 above will be extended for the period of the prohibition, except that any such extension cannot extend the term of this Agreement.

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

12. **Estoppel Certificate.** At any time and from time to time. Developer may deliver written notice to City and City may deliver written notice to Developer requesting that such Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or if amended, the identity of each amendment; and (iii) the requesting Party is not in breach of this Agreement, or if in breach, a description of each such breach. The Party receiving such a request
must execute and return the certificate within twenty-one (21) days following receipt of the notice. The failure of City to deliver such a written notice within such time constitutes a conclusive presumption against City that, except as may be represented by Developer, this Agreement is in full force and effect without modification, and that there are no uncured defaults in the performance of the Developer. The Director is authorized to execute, on behalf of City, any Estoppel Certificate requested by Developer. City acknowledges that a certificate may be relied upon by successors in interest to Developer who requested the certificate and by holders of record of deeds of trust on the portion of the Property in which that Developer has a legal interest.

13. **Administration of Agreement.**

13.1 **Appeal of Determinations.** Any decision by City staff concerning the interpretation or administration of this Agreement or development of the Property in accordance herewith may be appealed by Developer to the Planning Commission, and thereafter, if necessary, to the City Council pursuant to the El Segundo Municipal Code. Developer cannot seek judicial review of any staff decision without first having exhausted its remedies pursuant to this Agreement. Final determinations by the City Council are subject to judicial review subject to the restrictions and limitations of California law.

13.2 **Operating Memoranda.** The provisions of this Agreement require a close degree of cooperation between City and Developer. During the Term of this Agreement, clarifications to this Agreement and the Applicable Rules may be appropriate with respect to the details of performance of City and Developer. If and when, from time to time, during the terms of this Agreement, City and Developer agree that such clarifications are necessary or appropriate, they will effectuate such clarification through Operating Memoranda approved in writing by City and Developer, which, after execution, will be attached hereto and become part of this Agreement and the same may be further clarified from time to time as necessary with future written approval by City and Developer. Operating Memoranda are not intended to and do not constitute an amendment to this Agreement but are mere ministerial clarifications, therefore public notices and hearings are not required. The City Attorney is authorized, upon consultation with, and approval of, the Developer, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute an amendment hereof which requires compliance with the provisions of Section 14 below. The authority to enter into such Operating Memoranda is hereby delegated to the Director, and the Director is hereby authorized to execute any Operating Memoranda hereunder without further City Council action.

13.3 **Certificate of Performance.** Upon the completion of the Project, or the completion of development of any parcel within the Project, or upon completion of performance of this Agreement or its earlier revocation and termination, City must provide Developer, upon Developer's request, with a statement ("Certificate of Performance") evidencing said completion or revocation and the release of Developer from further obligations hereunder, except for any ongoing obligations hereunder. The Certificate of Performance must be signed by the appropriate agents of Developer and City and be recorded in the official records of Los Angeles County, California. Such Certificate of Performance is not a notice of completion as referred to in Civil Code § 3093.
14. **Amendment or Termination by Mutual Consent.** Except as otherwise set forth herein, this Agreement may only be amended or terminated, in whole or in part, by mutual consent of City and Developer, and upon compliance with the provisions of Government Code §§ 65867 and 65867.5.

15. **Indemnification/Defense.**

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

15.2 **Defense of Agreement.** If City accepts Developer’s indemnification and defense as provided in Section 15.1 above, City agrees to and must timely take all actions which are necessary or required to uphold the validity and enforceability of this Agreement, the Discretionary Approvals, Project Approvals, Development Standards and the Applicable Rules. This Section 15 will survive the termination of this Agreement.

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

17. **Effective Date.** This Agreement becomes operative on the Effective Date.

18. **Notices.** Any notice that a party is required or may desire to give the other must be in writing and may be sent by: i) personal delivery; or ii) by deposit in the United States mail, postage paid, registered or certified mail, return receipt requested; or iii) by overnight delivery using a nationally recognized overnight courier, providing proof of delivery; or iv) by facsimile, evidenced by confirmed receipt, addressed as follows (subject to the right of a party to designate a different address for itself by notice similarly given):

If to City: City of El Segundo  
350 Main Street  
El Segundo, California 90245  
Attention: City Manager

With a Copy to: City of El Segundo  
350 Main Street  
El Segundo, California 90245  
Attention: Director of Planning and Building Safety

With a Copy to: Jenkins & Hogin, LLP
Any notice given by mail is deemed to have been given as of the date of delivery (whether accepted or refused) established by United States Post Office, return receipt, or the overnight carrier’s proof of delivery, as the case may be. Notices given in any other manner are effective only if and when received by the party to be notified between the hours of 8:00 a.m. and 5:00 p.m., local time of the recipient, of any business day with delivery made after such hours deemed received the following business day. A party’s address may be changed by written notice to the other party effective upon actual receipt of such notice. After a transfer of all or a portion of the Property pursuant to Sections 3.2 and 3.3, District must be copied on all correspondence whether by City or Transferee relating to such transferred property.

19. Entire Agreement. This Agreement contains the entire agreement between the Parties regarding the subject matter hereof, and supersedes in its entirety all prior agreements or understandings, oral or written. This Agreement cannot be amended, except as expressly provided herein.

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

21. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement is effective to the extent the remaining provisions are not rendered impractical to perform, taking into consideration the purposes of this Agreement.

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

23. No Third Party Beneficiaries. This Agreement is made and entered into for the sole benefit of the Parties and their successors in interest. No other person or party has any right of action based upon any provision of this Agreement.
24. **Recordation of Agreement and Amendments.** This Agreement and any amendment thereof must be recorded with the County Recorder of the County of Los Angeles by the City Clerk of City.

25. **Cooperation Between City and Developer.** City and Developer will execute and deliver to the other all such other and further instruments and documents as may be reasonably necessary to carry out the purposes of this Agreement. Upon satisfactory performance by Developer, and subject to the continuing cooperation of the Developer, City will commence and in a timely manner proceed to complete all steps necessary for the implementation of this Agreement and development of the Project or Property in accordance with the terms of this Agreement.

26. **Rules of Construction.** The captions and headings of the various sections and subsections of this Agreement are for convenience of reference only, and they do not constitute a part of this Agreement for any other purpose or affect interpretation of the Agreement. Should any provision of this Agreement be found to be in conflict with any provision of the Applicable Rules or the Project Approvals or any Future Approvals, the provisions of this Agreement control.

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

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

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

30. **Weekend/Holiday Dates.** Whenever any determination is to be made or action to be taken on a date specified in this Agreement, if such date falls upon a Saturday, Sunday or other holiday specified in Government Code § 6700, the date for such determination or action will be extended to the first business day immediately thereafter.

31. **Not a Public Dedication.** Except as otherwise expressly provided herein, nothing herein contained is a gift or dedication of the Property, or of the Project, or any portion thereof, to the general public, for the general public, or for any public use or purpose whatsoever, it being the intention and understanding of the Parties that this Agreement be strictly limited to and for the purposes herein expressed for the development of the Project as private property. Developer has the right to prevent or prohibit the use of the Property, or the Project, or any portion thereof, including common areas and buildings and improvements located thereon, by any person for any purpose which is not consistent with the development of the Project. Any portion of the Property conveyed to the City by the Developer as provided herein can be held and used by the City only for the purposes contemplated herein or otherwise provided in such conveyance, and the City will not take or permit to be taken (if within the power or authority of the City) any action or activity with respect to such portion of the Property that would deprive the Developer of the
material benefits of this Agreement, or would in any manner interfere with the development of the Project as contemplated by this Agreement.

32. **Releases.** City agrees that upon written request of Developer and payment of all fees and performance of the requirements and conditions required by Developer by this Agreement, the City must execute and deliver to Developer appropriate release(s) of further obligations imposed by this Agreement in form and substance acceptable to the Los Angeles County Recorder's Office or as otherwise may be necessary to effect the release.

33. **Consent.** Where the consent or approval of City or Developer is required or necessary under this Agreement, the consent or approval will not be unreasonably withheld, delayed or conditioned.

34. **Exhibits.** All exhibits attached hereto are incorporated by this reference.

**IN WITNESS WHEREOF,** Developer and City of El Segundo have executed this Development Agreement on the date first above written.

**CITY:**

**CITY OF EL SEGUNDO,** a municipal corporation

By: __________________________________________

Carl Jacobson, Mayor

**ATTEST:**

________________________

Tracy Weaver
City Clerk

**APPROVED AS TO FORM:**

By: __________________________________________

Mark D. Hensley, City Attorney
DEVELOPER:

SMPO LAB, LLC, a Delaware limited liability company

By: ________________________________

Steve Williams

Its: ________________________________
EXHIBIT A

PROPERTY DESCRIPTION

PARCEL A

ALL OF PARCEL 4 OF PARCEL MAP NO. 7707, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 100, PAGE 78 OF PARCEL MAPS; TOGETHER WITH THAT PORTION OF PARCELS 1 AND 2 OF PARCEL MAP NO. 10427, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 113, PAGE 25 OF PARCEL MAPS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING W ESTERLY, S OUTHERLY AND SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE W ESTERLY TERMINUS OF THE NORTHERLY LINE OF SAID PARCEL 1 OF SAID PARCEL MAP NO. 10427, SAID NORTHERLY LINE BEING SHOWN ON SAID PARCEL MAP AS BEARING NORTH 89° 53' 52" EAST, 158.66 FEET; SAID NORTHERLY LINE ALSO BEING THE SOUTHERLY RIGHT OF WAY LINE OF GRAND AVENUE, 60 FEET WIDE, AS SHOWN ON SAID PARCEL MAP NO. 10427; SAID SOUTHERLY RIGHT OF WAY LINE ALSO BEING THE NORTHERLY LINE OF SAID PARCEL 4 OF SAID PARCEL MAP NO. 7707 AND THE NORTHERLY LINE OF SAID PARCEL 2 OF SAID PARCEL MAP NO. 10427, ALL AS SHOWN ON SAID PARCEL MAP NO. 10427;

THENCE ALONG SAID NORTHERLY LINE OF SAID LOT 1 OF PARCEL MAP NO. 10427 AND CONTINUING ALONG THE NORTHERLY LINES OF SAID PARCEL 4 OF SAID PARCEL MAP NO. 7707 AND SAID PARCEL 2 OF SAID PARCEL MAP NO. 10427, NORTH 89° 53' 52" EAST, 308.01 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00° 06' 08" EAST, 152.16 FEET;

THENCE NORTH 89° 53' 52" EAST, 60.48 FEET TO THE SOUTHWESTERLY LINE OF SAID LOT 2 OF SAID PARCEL MAP NO. 10427; SAID SOUTHWESTERLY LINE SHOWN AS BEARING NORTH 54° 09' 12" WEST ON SAID PARCEL MAP;

THENCE ALONG SAID SOUTHWESTERLY LINE, SOUTH 54° 09' 12" EAST, 95.11 FEET TO THE POINT OF INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 1 OF SAID PARCEL MAP NO. 10427 LYING SOUTHERLY OF SAID LINE THAT IS PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.
PARCEL B

THAT PORTION OF PARCEL 1 OF PARCEL MAP NO. 10427, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 113, PAGE 25 OF PARCEL MAPS, LYING SOUTHERLY OF A LINE, PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.

END LEGAL DESCRIPTION
ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made and entered into by and between__________________________, ("Assignor"), and ____________________________, a ______________________ ("Assignee").

RECITALS

A. The City of El Segundo ("City") and Assignor entered into that certain Development Agreement dated _____________, 2012 (the "Development Agreement"), with respect to the real property located in the City of El Segundo, State of California more particularly described in Exhibit "A" attached hereto (the "Project Site"), and

B. Assignor has obtained from the City certain development approvals and permits with respect to the development of the Project Site, including without limitation, approval of ______________________________ for the Project Site (collectively, the "Project Approvals").

C. Assignor intends to sell, and Assignee intends to purchase that portion, of the Project Site more particularly described in Exhibit "B" attached hereto (the "Transferred Property").

D. In connection with such purchase and sale, Assignor desires to transfer all of the Assignor's right, title, and interest in and to the Development Agreement and the Project Approvals with respect to the Transferred Property. Assignee desires to accept such assignment from Assignor and assume the obligations of Assignor under the Development Agreement and the Project Approvals with respect to the Transferred Property.

THEREFORE, the parties agree as follows:

1. Assignment. Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, and interest in and to the Development Agreement and the Project Approvals with respect to the Transferred Property. Assignee hereby accepts such assignment from Assignor.

2. Assumption. Assignee expressly assumes and agrees to keep, perform, and fulfill all the terms, conditions, covenants, and obligations required to be kept, performed, and fulfilled by Assignor under the Development Agreement and the Project Approvals with respect to the Transferred Property, including without limitation those obligations specifically allocated to the Transferred Parcel as set forth on Exhibit "C" attached hereto.
3. **Effective Date.** The execution by City of the attached receipt for this Agreement is considered as conclusive proof of delivery of this Agreement and of the assignment and assumption contained herein. This Agreement is effective upon its recordation in the Official Records of Los Angeles County, California, provided that Assignee has closed the purchase and sale transaction and acquired legal title to the Transferred Property.

4. **Remainder of Project.** Any and all rights or obligations pertaining to such portion of the Project Site other than the Transferred Property are expressly excluded from the assignment and assumption provided in Sections 1 and 2 above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth next to their signatures below.

"ASSIGNOR"

[Name of Developer]

Date: ________________, ___

By: _______________________________________

Its: _______________________________________

By: _______________________________________

Its: _______________________________________

"ASSIGNEE"

[Name of Assignee]

Date: ________________, ___

By: _______________________________________

Its: _______________________________________
RECEIPT BY CITY

The attached ASSIGNMENT AND ASSUMPTION AGREEMENT is received by the City of El Segundo on this ___ day of ________________, ________.

CITY OF EL SEGUNDO

By: ____________________________
   Director of Planning and Building Safety

STATE OF CALIFORNIA    )
   ) SS:
COUNTY OF ___________)

   On ________________, 20__, before me, ________________________, a Notary Public, personally appeared ______________________, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

   I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

   WITNESS my hand and official seal.

   Signature _______________________
   (Seal)

STATE OF CALIFORNIA    )
   ) SS:
COUNTY OF ___________)

   On ________________, 20__, before me, ________________________, a Notary Public, personally appeared ______________________, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ____________________________

(Seal)
EXHIBIT C

DEVELOPMENT FEE SCHEDULE

City of El Segundo Fees:

1. Police Service Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

2. Fire Service Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

3. Parks Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

4. Traffic Mitigation Fee
   Per City Council Resolution No. 4443 adopted on November 15, 2005.

5. Water Meter Installation Fees
   Per Title 11 of ESMC.
CITY COUNCIL RESOLUTION NO. ____ EXHIBIT G

CITY COUNCIL ORDINANCE NO. ____ EXHIBIT F

CONDITIONS OF APPROVAL

In addition to all applicable provisions of the El Segundo Municipal Code ("ESMC"), SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian of the Kizirian Trust agree to comply with the following provisions as conditions for the City of El Segundo's approval of an Addendum to a Mitigated Negative Declaration for Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement No. 12-01, Subdivision No. 12-02 (VTM 71903), and Site Plan Review No. 12-01 ("Project Conditions").

Planning and Building Safety Department

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

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

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

4. Any changes to the colors and materials of the exterior façade of the buildings must be in compliance with the 222 Kansas Street Specific Plan Section 4.3(L) Design Standards and approved to the satisfaction of the Director of Planning and Building Safety.

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

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

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

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

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

6. Employees must be provided current maps, routes and schedules for public transit routes serving the site; telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators; ridesharing promotional materials; and bicycle route and facility information.

7. Ground level mechanical equipment, refuse and recycling collectors, storage tanks, monitoring wells, generators, and other similar facilities must be screened from view with opaque walls of materials and finishes compatible with the overall design of the buildings in the project and provide dense landscaping to the satisfaction of the Planning and Building Safety Department.

8. Trash and recycling enclosures must be provided and shown on the site plan that are sufficiently large enough to store the necessary bins required for the regular collection of commercial solid waste and recyclable materials. The site plan with
the location and dimensions of the trash and recycling enclosure and an elevation view of the enclosure must be provided to the Planning and Building Safety Department for review and approval before the City issues building permits. Separate trash and recycling facilities must be provided for each phase of the project (Phase 1: USDA Facility; Phase 2: 2 office buildings).

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

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

11.  Before the City issues a Certificate of Occupancy the applicant must provide the Planning and Building Safety Department a status report on the Leadership in Energy and Environmental Design (LEED) that includes the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The Director of Planning and Building Safety will determine if the items identified on the scorecard and report, show a good faith effort to build to LEED standards and warrant release of this condition. The City can require peer review of the LEED report and GBCI scorecard by a qualified professional with a LEED AP credential hired by the City at the applicant’s expense to advise the Director of Planning and Building Safety in his or her determination. Additionally, the City can require inspections for grading, site improvements, and buildings for the project by a qualified professional with a LEED AP credential to verify that the project has been constructed in compliance with the LEED report and GBCI scorecard to advise the Director of Planning and Building Safety in his or her determination.

12.  Before the City issues a Certificate of Occupancy for Phase 2, the applicant must submit a reciprocal access and parking agreement for joint use of the driveway entrance, drive aisle, and parking area on Lot 3 with Lots 1 and 2 of the proposed Vesting Tentative Tract Map (VTMM) to the Planning Department for review and approval by the Director of Planning and Building Safety. The reciprocal access agreement must be reviewed and approved as to form by the Director of Planning and Building Safety and City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the Reciprocal Access Agreement before the City issues a Certificate of Occupancy. The reciprocal access agreement must be recorded before the City issues a Certificate of Occupancy.

13.  Before the City issues a Certificate of Occupancy for any buildings or site improvements, the applicant must complete all the conditions of approval of Environmental Assessment No. 966 and Lot Line Adjustment No. LLA 12-03.

14.  Vacation of the existing Edison easements is required before the City issues building permits for any buildings or structures within the easement area.
15. The project must meet all the design criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

16. Before the City issues a building permit, landscaping plans must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

17. Before the City issues a building permit, plans for walls, fences, lighting fixtures and accessory structures must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

18. Before the City issues any building permits for signs, a Master Sign Program must be reviewed and approved by the Director of Planning and Building Safety.

**Building Division Conditions**


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

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

22. Before building permits are issued, plans must show compliance with accessibility requirements per the 2010 California Building Code, as adopted by the ESMC.

23. A covenant and agreement or equivalent instrument must be recorded to allow the use of disabled parking spaces on Lot 3 to serve the buildings on Lot 1 and 2. The covenant and agreement must be reviewed and approved as to form by the Planning and Building Safety Department and the City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the covenant before the City issues a final building permit. The covenant must also be recorded before the City issues a final building permit.
24. A minimum slope of 2% must be provided at the north side of the Phase 1 building for drainage away from the building and to the street via a non-erosive device.

25. A minimum slope of 2% must be provided for drainage away from the Phase 2 buildings and to the street via a non-erosive device. Site drainage from lot 3 must be conducted to the street via a non-erosive device at a minimum 1% slope.

26. A Stormwater Pollution Prevention Plan (SWPPP) and a Standard Urban Stormwater Mitigation Plan, (SUSMP) for each phase of development must be provided and approved by the Planning and Building Safety Department.

27. The Phase 1 building must demonstrate that the occupancy group for the S occupancy is a S-2 occupancy. The building must provide sprinklers in compliance with the El Segundo Municipal Code. The plans must clearly show that the maximum 250 foot exit travel distance is not exceeded for rooms P-03, P-04, P-05, and P-07. The percentage of openings for the Phase 1 building must comply with table 705.8 of the 2010 California Building Code, as measured from the north property line.

28. The Phase 2 buildings must comply with Section 1022 of the 2010 California Building Code for exit enclosures for the stairways. The exit enclosures must extend to the exterior of the building and must be of 1-hr construction. The percentage of openings for the Phase 2 buildings must comply with table 705.8 of the 2010 California Building Code, as measured from the interior property lines. Restroom facilities for men and women are required and the number of plumbing fixtures must comply with table 4-1 of the 2010 California Plumbing Code.

29. Both phases of the project require complete structural calculations and details, along with a civil grading plan, and architectural notes and details to be reviewed and approved by the Building Division before a building permit is issued.

30. Both phases of the project require a geotechnical report to be reviewed and approved by the Building Division before a building permit is issued.

31. Separate permit applications are required for accessory structures, such as light standards, walls, retaining walls, and equipment pad foundations.

32. Separate permit applications are required for each of the following permit types: signs, grading, mechanical, electrical, and plumbing.

**Fire Department Conditions**
33. The project must comply with all applicable requirements of the 2010 California Building and Fire Codes and the 2009 International Fire Code as adopted by the ESMC and El Segundo Fire Department Regulations.

34. Before a building permit is issued, the applicant must submit and obtain approval of a Fire/Life Safety Plan from the Fire Department. The Fire/Life Safety Plan must identify fire safety precautions during demolition and construction, emergency site access during construction, permanent fire department site access, fire water supply, fire hydrant locations, and any existing or proposed fire sprinkler systems and fire alarm systems.

35. A list of proposed chemicals for laboratory use must be provided to determine the types of hazards or permits necessary for the safe use or storage of lab chemicals to the satisfaction of the Fire Department.

36. If a second well is located during construction, the well must be abandoned in compliance with DOGGR requirements and DOGGR documentation of the abandonment must be provided to the Fire Department and the Planning Division.

Public Works Department Conditions

37. Before the City issues a Certificate of Occupancy and records the final map, the applicant must dedicate 10 feet along the entire Grand Avenue frontage of the subject property and provide an irrevocable offer to dedicate an additional 9 feet along the entire Grand Avenue frontage of the subject property to the satisfaction of the Public Works Department and the City Attorney. The City has the right to exercise its right to accept the property subject to the offer of dedication on or after, the earlier of, September 1, 2024, or 15 years following the date on which the certificate of occupancy was issued for the last building on the property. If the City amends its Circulation Element such that property that is subject to the offer of dedication is no longer required for public right-of-way purposes, then the offer of dedication will automatically expire. The applicant must enter into an agreement, in a form approved by the City Attorney, holding the City harmless and indemnifying it from any hazardous materials or contamination that may affect the property offered for dedication.

38. Before the City issues a Certificate of Occupancy the applicant must dedicate five feet along the entire Kansas Street and Franklin Avenue frontage of the property to the satisfaction of the Public Works Department.

39. Before the City issues a Certificate of Occupancy the applicant must eliminate the mid-block crossing on Kansas Street to the satisfaction of the Public Works Department.
40. Before the City issues a Certificate of Occupancy the applicant must provide a pedestrian countdown display on the signal pedestrian heads at the intersection of Grand Avenue and Kansas Street to the satisfaction of the Public Works Department.

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

42. The applicant must ensure that encroachment permits deemed to be required by the City are secured from the Public Works Department before commencing any and all work in the public right-of-way.

43. All construction related parking must be accommodated on-site. No construction related parking will be permitted off-site.

44. Before the City issues any Certificate of Occupancy, the applicant must construct curb and gutter, sidewalk, and driveway approaches per SPPWC standards along Franklin Avenue and Kansas Street by an appropriately license contractor to the satisfaction of the Public Works Department. Sidewalk must be a minimum of 5 feet wide on all three street frontages.

45. Before the City issues any Certificate of Occupancy, the applicant must construct curb ramps per SPPWC standard Type 1 at the corner of Kansas Street and Grand Avenue as well as at the corner of Kansas Street and Franklin Avenue. Developer to provide 5-foot wide sidewalk behind the curb ramps.

46. Before the City issues any Certificate of Occupancy, the applicant must resurface half of the street from the proposed curb and gutter to the centerline of the street along Kansas Street and Franklin Avenue to the satisfaction of the Public Works Department.

47. Before the City issues any Certificate of Occupancy, the applicant must install a minimum 5-foot wide parkway including landscaping and street trees on Grand Avenue, Kansas Street and Franklin Avenue, in compliance with the General Plan Circulation Element standards and the Master Street Tree Plan, to the satisfaction of the Public Works Department, Planning and Building Safety Department and the Parks and Recreation Department.

48. The applicant must provide a potable water service lateral and water meter for each new lot. Location and sizes of all proposed water meters must be approved by Public Works Department Water Division.

49. The applicant must provide sewer lateral with property cleanout on each lot.

50. Any unused water service lateral and sanitary sewer laterals must be abandoned at the City main.
51. The project must comply with the latest NPDES requirements and provide Best Management Practices (BMPs) for sediment control, construction material control and erosion control.

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

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

54. Before the City issues a building permit, a registered civil engineer must provide storm (hydrologic and hydraulic) calculations for appropriate storm drain facilities to control on-site drainage and mitigate off-site impacts, as follows, subject to review and approval from Public Works Department:
   a. The design must follow the criteria contained in both the Los Angeles County Department of Public Works Hydrology Manual 2006 and Standard Urban Storm Water Mitigation Plan or most recent editions. Flows shall not impact neighboring properties.
   b. New development must not increase the rate of flow (cubic feet per second) or velocity (feet per second) of site run-off water to any off-site drainage areas beyond the measured or calculated pre-project rate and velocity.

55. Location and sizes of existing public utilities (water, sewer, etc.) must be shown on the plans. Indicate the location of any proposed connection points for the utility service.

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

**Police Department Conditions**

57. Before the City issues a building permit, the applicant must submit a photometric light study to the Police Department for review and approval. A site plan must be provided showing buildings, parking areas, walkways, and the point-by-point photometric calculation of the required light levels. Foot candles must be measured on a horizontal plane and conform to a uniformity ratio of 4:1 average/minimum. The photometric study must be point-by-point and include the light loss factor (.7). Lighting levels must be adjusted to meet the minimum foot candle requirements within each area of the site. Street lighting shall not be included in the calculations. All interior or exterior corridors, passageways and pedestrian walkways and open parking lot shall be illuminated at all times with a minimum maintained one foot-candle of light on the walking surface.
58. Before the City issues a Certificate of Occupancy, lighting devices must be enclosed and protected by weather and vandal resistant covers. The lighting devices must be shown on plans to the satisfaction of the Police Department.

59. Before the City issues a Certificate of Occupancy, aisles, passageways and recesses related to and within all sides of the complex must be illuminated with a maintained minimum of .25 footcandles on the ground surface during hours of darkness. Compliance must be shown on plans to the satisfaction of the Police Department.

60. Before the City issues a Certificate of Occupancy, the addressing, all entry doors, open parking lots, shipping/loading dock doors, trash dumpsters and guest parking must be illuminated with a maintained minimum of one footcandle of light on the ground surface during hours of darkness.

61. Before the City issues a Certificate of Occupancy, street addressing must be a minimum of 6 inches high and must be visible from the street or driving surface, of contrasting color to the background and directly illuminated during hours of darkness. Addressing must also be shown on plan elevations.

62. Before the City issues a Certificate of Occupancy, light standards with lighting fixtures mounted at 12 to 14 feet in height must be installed for all walkways. Light standards and lighting fixtures must be shown on plans to the satisfaction of the Police Department.

63. Before the City issues a building permit, landscaping must be designed and shown on the plans to minimize obstruction of light fixtures to ensure maintenance of required lighting levels to the satisfaction of the Police Department.

64. Before the City issues a building permit, all landscaping must be shown on the plans to be low profile around perimeter fencing, windows, doors and entryways so as not to limit visibility or provide climbing access to the satisfaction of the Police Department. Bushes must be trimmed to 2 to 3 feet and away from buildings. Dense bushes cannot be clumped together in a manner that provides easy concealment.

65. Before the City issues a Certificate of Occupancy, all loading dock pedestrian doors must have a panoramic door viewer (190-200 degrees) installed. Notes must be provided on the plans demonstrating compliance with this requirement to the satisfaction of the Police Department.

66. Before the City issues a Certificate of Occupancy, a latch guard must be placed over all single swing entry door locks and secondary security astragals must be installed in all double swing entry doors.
67. Before the City issues a Certificate of Occupancy, bicycle racks must be located in well-lit highly visible locations. Bicycle rack locations must be shown on the plans to the satisfaction of the Police Department.

68. Before the City issues a Certificate of Occupancy, the USDA facility bicycle rack on Kansas Street must be relocated within the visitor parking lot in a secured area and shown on plans to the satisfaction of the Police Department.

Construction Conditions

69. Before any construction occurs the perimeter of the property must be fenced with a minimum 6-foot high fence. The fence must be covered with a material approved by the Planning and Building Safety Department to prevent dust from leaving the site.

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

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

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

73. Construction vehicles cannot use any route except the City’s designated Truck Routes.

74. The applicant must develop and implement a construction management plan, as approved by the Public Works Department before a building permit is issued, which includes the following measures recommended by the SCAQMD:

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

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

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

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

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

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

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

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

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

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

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

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

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

Service Fee Conditions

88. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time park facilities mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

89. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time fire services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

90. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time police services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

92. Pursuant to ESMC §§ 15-27A-1, et seq., and before the City issues a certificate of occupancy, the applicant must pay a one time traffic mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

Miscellaneous

94. SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, agree to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney’s fees), injuries, or liability, arising from the City's approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, or Development Agreement (DA) No. 12-01. Should the City be named in any suit, or should any claim be brought against it
by suit or otherwise, whether the same be groundless or not, arising out of the City approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement (DA) No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, SMPO Lab, LLC, agrees to defend the City (at the City’s request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section “the City” includes the City of El Segundo’s elected officials, appointed officials, officers, and employees.

By signing this document, Steve Williams on behalf of SMPO Lab, LLC, Allan Mackenzie on behalf of Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, certify that they have read, understood, and agree to the Project Conditions listed in this document.

______________________________
Steve Williams,
SMPO Lab, LLC

______________________________
Allan Mackenzie, President
Mar Canyon Grand, LLC

______________________________
Richard Kizirian,
Kizirian Trust
Exhibit 3

RESOLUTION NO. 2721

A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE AN ADDENDUM TO A MITIGATED NEGATIVE DECLARATION FOR ENVIRONMENTAL ASSESSMENT (EA) NO. 959; ADOPT GENERAL PLAN AMENDMENT (GPA) NO. 12-01, SPECIFIC PLAN AMENDMENT (SPA) NO. 12-01, ZONE CHANGE (ZC) NO. 12-01, ZONE TEXT AMENDMENT (ZTA) NO. 12-01; AND APPROVE DEVELOPMENT AGREEMENT (DA) NO. 12-01, SUBDIVISION (SUB) NO. 12-02 (VTM 71903), AND SITE PLAN REVIEW (SPR) NO. 12-01, FOR THE 222 KANSAS STREET SPECIFIC PLAN AND A DEVELOPMENT PROJECT AT 222 KANSAS STREET.

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

SECTION 1: The Planning Commission finds and declares that:

A. On February 26, 2009, the Planning Commission ("Commission") approved an Initial Study/Mitigated Negative Declaration (IS/MND) for an Environmental Assessment No. EA-788, Subdivision (SUB) No. 08-01, and Smoky Hollow Site Plan Review (SHSP) No. 08-01 to allow: a) the construction of five one and two-story buildings totaling 79,513 square feet and b) a subdivision into 55 condominium air space units. The project would have been constructed subject to the requirements of the Medium Manufacturing (MM) Zone; the proposed uses were light industrial, general office, and restaurant uses and the proposed floor area ration (FAR) was 0.37;

B. On January 19, 2012, Mar Ventures, Inc., filed an application on behalf of SMPO Lab, LLC, for an Environmental Assessment (EA No. 959), a General Plan Amendment to re-designate the 4.83-acre project site from Smoky Hollow Mixed Use to "222 Kansas Street Specific Plan" (222 KSSP); a Specific Plan Amendment to remove the subject property from the Smoky Hollow Specific Plan boundaries and to establish a new "222 Kansas Street Specific Plan" (222 KSSP) and to establish the development standards within the Specific Plan; a Zone Change to amend the Zoning Map to rezone the project site from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone; a Zone Text Amendment; to add a new ESMC § 15-3-2(A)(8) "222 Kansas Street Specific Plan"; and to modify ESMC Chapter 15-11; a Development Agreement to provide public benefits in exchange for development rights; a Subdivision of the "Phase 2" property into four parcels and 20 condominium units; and Site Plan Review for construction of a 45,152 square-foot facility operated by the USDA on the southern portion of the property (Phase 1), and two office buildings totaling 31,000 square feet in
floor area on the northern portion of the property (Phase 2) ("proposed project");

C. The applications from MarVentures, Inc. on behalf of SMPO Lab, LLC, were reviewed by the City of El Segundo Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code ("ESMC");

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

E. An Addendum to the Initial Study/Mitigated Negative Declaration (approved by the El Segundo Planning Commission on February 26, 2009) was prepared pursuant to the requirements of CEQA Guidelines § 15164. Pursuant to CEQA, the Addendum need not be circulated for public review (CEQA § 15164(c)) however, an addendum and the IS/MND is to be considered by the decision-making body before making a decision on the project (CEQA § 15164(d));

F. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for July 12, 2012;

G. On July 12, 2012, the Commission held a public hearing to receive public testimony and other evidence regarding the applications including, without limitation, information provided to the Commission by City staff and public testimony, and representatives of Mar Ventures, Inc.; and,

H. This Resolution and its findings are made based upon the testimony and evidence presented to the Commission at its July 12, 2012 hearing including, without limitation, the staff report submitted by the Planning and Building Safety Department.

SECTION 2: Factual Findings and Conclusions. The Commission finds that the following facts exist:

A. The subject property is located at 222 Kansas Street, between Grand Avenue and Franklin Avenue, currently in the Medium Manufacturing (MM) Zone of the Smoky Hollow Specific Plan (SHSP) and proposed in the 222 Kansas Street Specific Plan (222 KSSP) Zone;
B. The property is comprised of two parcels with a total area of 4.83 acres. The property is bounded by Grand Avenue to the north, Kansas Street to the west, Franklin Avenue to the south, and a Military Entrance Processing Station (MEPS) and light industrial uses to the east;

C. The surrounding land uses are primarily multi-family residential, general office, light industrial, and auto-repair uses to the north, medical offices, and light industrial uses to the east, office and light industrial uses to the south, and light industrial uses to the west;

D. The proposed project involves an Environmental Assessment (EA No. 959), a General Plan Amendment to re-designate the 4.83-acre project site from Smoky Hollow Mixed Use to “222 Kansas Street Specific Plan” (222 KSSP); a Specific Plan Amendment to remove the subject property from the Smoky Hollow Specific Plan boundaries and to establish a new “222 Kansas Street Specific Plan” (222 KSSP) and to establish the development standards within the Specific Plan; a Zone Change to amend the Zoning Map to rezone the project site from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone; a Zone Text Amendment to add a new ESMC § 15-3-2(A)(8) “222 Kansas Street Specific Plan”; and to modify ESMC Chapter 15-11; a Development Agreement to provide public benefits in exchange for development rights; a Subdivision of the “Phase 2” property into four parcels and 20 condominium units; and Site Plan Review for construction of a 45,152 square-foot facility operated by the USDA on the southern portion of the property (Phase 1), and two office buildings totaling 31,000 square feet in floor area on the northern portion of the property (Phase 2) (which site plan is incorporated into the 222 Kansas Street Specific Plan as Exhibits 2 - 8 (“Approved Site Plan”);

E. The subject site is roughly rectangular in shape, relatively flat with approximately a one percent slope from north to south, with the exception of a 15 to 25-foot tall stockpile of crushed rock in the southeast corner;

F. The majority of the 4.83-acre site is currently vacant and undeveloped. A 6,593 square-foot portion of the site at the northeast corner is paved and used as overflow vehicle parking and storage for the Jim and Jack’s auto repair facility across Grand Avenue;

G. Vehicular access to the proposed USDA facility would be provided from two driveway entrances on Franklin Avenue and a driveway entrance on Kansas Street. Vehicular access to the office/industrial buildings in the north portion of the site would be provided from a second driveway entrance on Kansas Street. The two office/industrial buildings would be located on separate lots and would share driveway access through a
Reciprocal Access Agreement. Vehicular access to the overflow vehicle parking and storage lot for Jim and Jack’s would be provided from a driveway entrance on Grand Avenue;

H. One hundred-eight parking spaces would be provided for the USDA facility in two separate parking areas and six loading spaces. One hundred-three parking spaces and one loading space would be provided for the two office/industrial buildings on a separate abutting lot. Twenty-one parking spaces would be provided on the Jim and Jack’s overflow vehicle parking and storage lot;

I. The proposed General Plan re-designation and rezoning of the Project Area would change the General Plan Land Use designation from Smoky Hollow Mixed Use to the 222 Kansas Street Specific Plan designation and rezone the area from the Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Zone Overlay District to the 222 Kansas Street Specific Plan (222 KSSP) Zone;

J. The proposed 222 Kansas Street Specific Plan incorporates a list of permitted uses, development standards, and architectural guidelines to guide development within the Specific Plan area;

K. The proposed 222 Kansas Street Specific Plan eliminates the Medium Manufacturing (MM) Zone 15,000 square-foot limit on general and/multimedia related office uses per site and permits office and other uses up to a floor area ratio (FAR) of 0.60;

L. The proposed Zone Text Amendment would amend the following: 1) ESMC § 15-3-2(A) to add the 222 Kansas Street Specific Plan (KSSP); 2) ESMC § 15-11-1(A)(1) to remove the Project Area from the Smoky Hollow Specific Plan area; 3) ESMC § 15-11-2(D)(8) to remove the Project Area from Exhibit II-2 (Smoky Hollow Block Conditions Survey Map); 4) ESMC § 15-11-2(D)(9) to remove the Project Area from Exhibit II-3 (Smoky Hollow Target of Opportunity Map); 5) ESMC § 15-11-2(E) to remove the Project Area from Exhibit II-4 (Smoky Hollow Specific Plan Base District Map); 6) ESMC § 15-11-2(F) to remove the Project Area from Exhibit II-5 (Smoky Hollow Specific Plan Circulation Plan Map); 7) ESMC § 15-11-2(F)(5) to remove the Project Area from the Exhibit II-6 (Smoky Hollow Specific Plan Cooperative Parking Opportunities Map); 8) ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-7 (Smoky Hollow Specific Plan Sewer Master Plan Map); 9) ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-8 (Smoky Hollow Specific Plan Flood Control & Drainage Map); 10) ESMC § 15-11-3(A) to remove the Project Area from Exhibit III-1 (Smoky Hollow Specific Plan Land Use Map); 11) ESMC § 15-11-3(D) to remove the Project Area from Exhibit III-2 (Smoky Hollow Specific Plan Floating Zone Map); and 12) ESMC § 15-
11-5 (Appendix A; Boundary Description) to remove the Project Area from the Smoky Hollow Specific Plan area;

M. The proposed Subdivision would divide the 1.55-acre parcel in Phase 2 into four separate lots. Lot 1 would be developed with a two-story, 12,655 square-foot office/industrial building; Lot 2 would be developed with a two-story, 17,051 square-foot office/industrial building; Lot 3 would be developed with a parking area for 103 parking spaces; and Lot 4 would be redeveloped into a 21-parking space vehicle parking and storage area for the Jim and Jack’s auto-repair facility. Lots 1 and 2 would each be further divided into ten condominium air space units. Lots 1, 2, and 3 would be tied to each other through shared access and parking restrictions on the property; and

N. The proposed project includes a dedication of 10 feet along Grand Avenue, 5 feet along Kansas Street, and 5 feet along Franklin Avenue to be used for public right-of-way improvements. The total area of this dedication is 7,920 square feet. Further, the project includes an irrevocable offer to dedicate an additional 9 feet along Grand Avenue.

SECTION 3: Environmental Assessment. The Planning Commission makes the following environmental findings:

A. Because of the facts identified in Section 2 of this Resolution, the proposed project was analyzed for its environmental impacts and an Addendum to the previously adopted Initial Study/Mitigated Negative Declaration (IS/MND) was prepared pursuant to CEQA Guidelines § 15164. Under CEQA, an Addendum to an adopted Negative Declaration or Mitigated Negative Declaration is needed if minor technical changes or additions to the proposed project occur (CEQA Guidelines §15164). An addendum is appropriate only if these minor technical changes or additions do not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts. The Addendum need not be circulated for public review (CEQA Guidelines §15164(c)); however, an addendum must be considered by the decision-making body before making a decision on the project (CEQA Guidelines §15164(d));

B. Before the July 12, 2012 Planning Commission meeting, an Addendum to the IS/MND was prepared and some of the mitigation measures in the IS/MND were modified or removed and new measures were added. The modified and new measures are listed below: 1) Mitigation Measure MM AQ-2 of the IS/MND required the use of low-VOC paints and coating. This mitigation measure was modified in the Addendum to require that all architectural coatings reduce VOC emissions by a minimum of 20 percent. This modification would reduce VOC emissions accordingly and the
proposed project would continue to result in a less-than-significant construction air quality impact, similar to the finding of the IS/MND. Accordingly, it is not considered new or substantially different mitigation; 2) Mitigation Measure MM CR-2 regarding Cultural Resources and the discovery of human remains during demolition or construction activities was updated to reflect the current industry standard language for this issue; however, the revised mitigation measure is equally, if not more, effective than the previous version of this mitigation measure. Accordingly, the revision to mitigation measure MM CR-2 is not considered new or substantially different mitigation under CEQA; 3) Mitigation Measure MM HAZ-3 regarding the location and distance requirements between the proposed buildings and the existing oil well has been eliminated and replaced with a new Mitigation Measure MM HAZ-3 regarding the requirements for compliance with the DOGGR guidelines for abandonment of a second oil well on site; The slightly modified MM HAZ-3 is substantially similar to the original mitigation measure in the previous IS/MND and therefore does not constitute new mitigation under CEQA. 4) Mitigation Measures MM HAZ-4 and MM HAZ-5 associated with the operation of identified oil wells were removed, because since the approval of the Original Project the existing oil well on the subject site was abandoned in accordance with Department of Conservation Division of Oil, Gas, and Geothermal Resources (DOGGR) guidelines. Furthermore, under the proposed Specific Plan operation of an oil well on site would not be allowed; 5) Mitigation Measure MM PS-6 was modified to address future development within proximity to a potential second oil well on the project site (location currently unidentified). However, this mitigation measure is substantially similar to Mitigation Measure MM PS-6 of the IS/MND and does not constitute new mitigation under CEQA. 6) Mitigation Measure PS-9 regarding the payment of the City of El Segundo Unified School District Development Impact Fee was added to the Addendum. However, it is not considered new or substantially different mitigation since this fee is always collected before the City issues a building permit for a project; 7) Mitigation Measure PS-10 regarding the payment of the City of El Segundo Parks Facility Fee was added to the Addendum. However, it is not considered new or substantially different mitigation since the impacts to the City's park facilities from the proposed project would not be substantially different from those of the Original Project; 8) previous Mitigation Measure PS-9 regarding the payment of a Library Mitigation Fee was removed from the Addendum. Since the preparation of the IS/MND, it was determined that payment of this fee is not required, therefore the previous Mitigation Measure PS-9 would no longer be applicable. The Addendum makes minor technical changes and corrections to the adopted Mitigation Monitoring and Reporting Checklist, merely adds new information to the MND and no new significant impacts or increase in impacts are identified; further, all of the mitigation measures that have been deleted or substituted have been reviewed at a public
hearing, and the new mitigation measures are equivalent or more effective in mitigating or avoiding potential significant impacts and will not cause any potentially significant impacts on the environment. Therefore, pursuant to CEQA Guidelines §§ 15704.1 and 15164(c), recirculation of the document is not required; and

C. The Addendum to the IS/MND demonstrated that the environmental analysis, impacts, and mitigation requirements identified in the IS/MND remain substantially unchanged despite the proposed project revisions, and supports the finding that the proposed project makes minor technical changes or additions and does not exceed the level of impacts identified in the IS/MND. The mitigation measures listed in the IS/MND, including the revised mitigation measures added by the Addendum, are sufficient to reduce all identified environmental impacts to less than significant levels. Accordingly, based upon the evidence presented to the Commission, the City need not prepare an environmental impact report for the project and need only consider the IS/MND and the Addendum before making a decision on the project (CEQA Guidelines § 15164).

SECTION 4: General Plan and Specific Plan Findings. The proposed project conforms with the City’s General Plan and the 222 Kansas Street Specific Plan (which incorporates the Approved Site Plan as noted above) as follows:

A. The existing General Plan Land Use designation of the project site is Smoky Hollow Mixed Use. This Land Use designation “permits primarily light industrial uses, including light manufacturing, research and development, warehousing, and office uses. The existing maximum floor area ratio (FAR) for newly constructed projects is 0.6.” The proposed General Plan Land Use designation of the project site is 222 Kansas Street Specific Plan. This Land Use designation “permits office development and light manufacturing, research and development, wholesaling and distribution, laboratories, and government offices. The proposed maximum floor area ratio (FAR) for newly constructed projects is 0.6.” The proposed General Plan Amendment and Specific Plan are consistent with this designation since the proposed Specific Plan will permit similar uses and the same floor area ratio;

B. The General Plan contains a number of relevant Goals, Objectives, and Policies in the Land Use Element. Land Use Element Goal LU4 aims to “provide a stable tax base for the City though development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The proposed Specific Plan is consistent since the plan will result in the development of new commercial uses on a vacant property and improve the City’s tax base. The proposed project will not adversely affect the viability of Downtown,
because it prohibits retail restaurant uses, which could compete with similar uses in the Downtown;

C. The proposed project is consistent with Land Use Element Objective LU4-3 to "provide for new office and research and development uses," because it permits general, medical, and multimedia offices, and research and development uses;

D. The proposed project is consistent with Land Use Element Goal LU5 to "retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City," because it permits and will result in the development of office and light industrial uses on a vacant property. In addition, the Specific Plan requires that development within the Specific Plan area be built according to the minimum standards for Leadership in Energy and Environmental Design (LEED) certification;

E. The proposed project is consistent with Land Use Element Objective LU5-3 to "encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors," since it will lead to development of a vacant industrial property;

F. The proposed project is consistent with Land Use Element Objective LU5-5 to "establish policies and guidelines to guide light industrial development near residential areas," because it contains a list of permitted uses, development standards, and architectural guidelines to guide development within the Specific Plan area;

G. The proposed project is consistent with Economic Development Element Goal ED1 "to create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit," because it will lead to development of a vacant property with office and light industrial uses which will help expand the City's economic base;

H. The proposed project is consistent with Economic Development Goal ED2 "to provide a supportive and economically profitable environment as the foundation of a strong local business community," because it will permit more office space in the Specific Plan area than is permitted under the current General Plan Land Use designation and the current Zoning designation;

I. The proposed Project is consistent with Circulation Element Goal C1 to "provide a safe, convenient, and cost-effective circulation system to serve the present and future circulation needs of the El Segundo community," because the proposed project is designed to accommodate safe access for emergency vehicles. In addition, the project includes dedication of
land along the street frontage of Grand Avenue, Kansas Street, and Franklin Avenue for public right-of-way improvements in compliance with the City’s Master Plan of Streets. Furthermore, a traffic study for the project found that the project would have less than significant traffic impacts. Finally, the project will be subject to the City’s traffic impact mitigation fee to help address any traffic related impacts;

J. The proposed project is consistent with Circulation Element Goal C2 "to provide a circulation system that incorporates alternatives to the single-occupant vehicle, to create a balance among travel modes based on travel needs, costs, social values, user acceptance, and air quality considerations," because the project will provide bicycle parking facilities consistent with the requirements of the 222 Kansas Street Specific Plan. In addition, the project will provide information regarding alternative modes of transportation onsite for tenants and employees consistent with the Transportation Demand Management (TDM) requirements of the 222 Kansas Street Specific Plan;

K. The proposed project is consistent with Circulation Element 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." The project includes dedication of land along the street frontage of Grand Avenue, Kansas Street, and Franklin Avenue for public right-of-way improvements in compliance with the City’s Master Plan of Streets. Furthermore, a traffic study for the project found that the project would have less than significant traffic impacts. Finally, the project will be subject to the City’s traffic impact mitigation fee to help address any traffic related impacts;

L. The proposed project is consistent with Conservation Element Goal CN2 to “assist in the maintenance of a safe and sufficient water supply and distribution system that provides for all the water needs within the community,” because it the project will comply with all the requirements of the 2010 California Building Code as adopted in the ESMC and with ESMC Chapter 10-2 regarding water conservation. Furthermore, the 222 Kansas Street Specific Plan requires all development within the Specific Plan area to meet the minimum LEED standards for certification;

M. The proposed project is consistent with Air Quality Element Goal to reduce “particulate emissions from paved and unpaved roads, parking lots, and road and building construction." The Addendum to the previously adopted Mitigated Negative Declaration (MND) for the project determined that with appropriate mitigation, the project will result in less than significant impacts to air quality;
N. The proposed project is consistent with Noise Element Goal N1 to "encourage a high quality environment within all parts of the City of El Segundo where the public's health, safety, and welfare are not adversely affected by excessive noise." The Addendum to the IS/MND for the project determined that with appropriate mitigation, the project will result in less than significant impacts to air quality;

O. The proposed project is consistent with Public Safety Element Goal PS1 to "protect the public health and safety and minimize the social and economic impacts associated with geologic hazards." The Addendum to the IS/MND for the project determined that the project will result in less than significant impacts related to geologic hazards;

P. The proposed project is consistent with Public Safety Element Goal PS2 to "minimize injury and loss of life, property damage, and social, cultural and economic impacts caused by earthquake hazards." The Addendum to the IS/MND for the project determined that the project will result in less than significant impacts related to earthquake hazards;

Q. The proposed project is consistent with Public Safety Element Goal PS3 to "reduce threats to public health and safety from hazardous materials, especially threats induced by earthquakes and accidental leaks and spills." The Addendum to the IS/MND for the project determined that with appropriate mitigation, the project will result in less than significant impacts related to hazardous materials;

SECTION 5: Zone Change Findings.

A. Based on the factual findings of this Resolution, the proposed Zone Change from Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Zone Overlay District to 222 Kansas Street Specific Plan (222 KSSP) Zone is necessary to maintain consistency with the proposed General Plan Land Use designation of 222 Kansas Street Specific Plan Specific Plan.

B. The purpose of Title 15 – Zoning Regulations is the primary tool for implementing the goals, objectives and policies of the El Segundo General Plan. The zone change is consistent with the General Plan goals, objectives and policies discussed in Section 4 of this resolution.

SECTION 6: Zone Text Amendment Findings. Based on the factual findings of this Resolution, the proposed Zone Text Amendment is necessary to carry out the proposed project to create the proposed 222 Kansas Street Specific Plan (KSSP) Zone, which would allow development of the project site with a USDA Animal and Plant Health Inspection Services ("APHIS") facility, office, and light industrial uses. An amendment to ESMC § 15-3-2(A)(8) to add the 222 Kansas Street Specific Plan (KSSP) is
necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-1(A)(1) to remove the Project Area from the Smoky Hollow Specific Plan area is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(D)(8) to remove the Project Area from Exhibit II-2 (Smoky Hollow Block Conditions Survey Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(D)(9) to remove the Project Area from Exhibit II-3 (Smoky Hollow Target of Opportunity Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(E) to remove the Project Area from Exhibit II-4 (Smoky Hollow Specific Plan Base District Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(F) to remove the Project Area from Exhibit II-5 (Smoky Hollow Specific Plan Circulation Plan Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(F)(5) to remove the Project Area from the Exhibit II-6 (Smoky Hollow Specific Plan Cooperative Parking Opportunities Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-7 (Smoky Hollow Specific Plan Sewer Master Plan Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-2(G)(3) to remove the Project Area from Exhibit II-8 (Smoky Hollow Specific Plan Flood Control & Drainage Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-3(A) to remove the Project Area from Exhibit III-1 (Smoky Hollow Specific Plan Land Use Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-3(D) to remove the Project Area from Exhibit III-2 (Smoky Hollow Specific Plan Floating Zone Map) is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan. An amendment to ESMC § 15-11-5 (Appendix A; Boundary Description) to remove the Project Area from the Smoky Hollow Specific Plan area is necessary for consistency with the General Plan and the 222 Kansas Street Specific Plan.

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

A. The project is consistent with the objectives, policies, general land uses, and programs specified in the general plan and any applicable specific plan. The Development Agreement would provide the following public benefits in exchange for valuable development rights (10-year entitlement with a 5-year extension option):

1. Development of a property that is currently vacant and underutilized.
2. Increasing and further stabilizing the City's tax base through development of a commercial development.
3. Increase in employment opportunities for the City's residents.
4. Increasing City revenues through the generation of taxes that outweigh the City cost of services.
5. Development of a project that is consistent with the Elements of the General Plan.
7. Improvements to roadways and intersections in the project vicinity.
8. Contribution of $450,000 to the City General Fund.
9. Contribution of police, fire, and parks mitigation fees to offset the impacts of the project on public services when the City issues a building permit.
10. Contribution of traffic impact mitigation fees to offset the impacts of the project on public roadway infrastructure when the City issues certificates of occupancy.

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

C. The project will not be detrimental to the health, safety and general welfare. The proposed project will not create any negative environmental impacts. The mitigation measures listed in the mitigated negative declaration are sufficient to reduce all identified environmental impacts to less than significant levels.

D. The project will not adversely affect the orderly development of property or the preservation of property values. The proposed 222 Kansas Street Specific Plan development standards and development agreement will ensure that the project will be developed in an orderly fashion. All mitigation measures will be implemented at the time and place impacts occur.

SECTION 8: Subdivision. The Planning Commission recommends adoption of the Addendum to the ISMND and recommends adoption of Vesting Tentative Map No. 71903 contingent upon the City Council approving all of the Recommended Actions set forth below in Section 9, because the Planning Commission cannot make any of the findings for denial set forth in ESMC § 14-1-6 for the following reasons:

A. The proposed map is consistent with applicable general and specific plans as specified in Government Code § 65451. As set forth in Section 4 of this Resolution, this project meets the goals and objectives of the General Plan, and it is consistent with the 222 Kansas Street Specific Plan.
Vesting Tentative Map (VTM) No. 71903 proposes four new lots and 20 condominium units. The proposed lots vary in size and meet the minimum lot sizes and minimum lot frontage required in the 222 Kansas Street Specific Plan.

B. The design of the proposed subdivision is consistent with applicable general and specific plans. As set forth in Section 4, this project meets the goals and objectives of the General Plan and is consistent with the 222 Kansas Street Specific Plan adopted concurrently.

C. The site is physically suitable for the proposed type of development in that it will be relatively flat after grading of the site occurs and the existing soil stockpile gets redistributed on the site. The proposed lots meet the size and frontage requirements to allow the subdivision of the one existing parcel into four parcels and 20 condominium units. The previous land use and zoning designation for the property was Smoky Hollow Mixed Use and Medium Manufacturing respectively. The new 222 Kansas Street Specific Plan is similar to the Smoky Hollow Specific Plan in that it permits office, light industrial, manufacturing, and research and development uses. The 222 Kansas Street Specific Plan differs from the Smoky Hollow Specific Plan in that it will also permit governmental uses on the southern parcel subject to a development agreement and it will prohibit commercial retail and restaurant uses.

D. The site is physically suitable for the proposed density of development. The proposed project involves a subdivision of a 4.83 gross acre parcel that will be a 4.65 net acre parcel after land dedications for right-of-way purposes. The proposed maximum density of 0.60 FAR is consistent with the 222 Kansas Street Specific Plan. Each new lot will meet or exceed the minimum size and dimension requirements.

E. The design of the subdivision or the proposed improvements is unlikely to cause substantial damage or substantially and avoidably injure fish or wildlife or their habitat. The proposed project site is an industrial property formerly occupied by International Rectifier Corporation located in an urbanized area surrounded predominantly by various commercial and industrial uses, including general office, medical office, auto repair and light industrial uses, with some multi-family residential uses northwest of the site. There are no fish or wildlife habitats on the site that could be damaged by the proposed subdivision or new development.

F. That the design of the subdivision or type of improvements are not likely to cause serious public health problems because as part of the review process an IS/MND and an Addendum to the IS/MND was prepared that evaluated the environmental impacts. The study concluded that with appropriate mitigation, the project would have less than significant impacts.
to air quality or hazards and hazardous materials. In addition, before the City issues grading or building permits, staff will review detailed plans to ensure compliance with applicable health and safety regulations. Thus, the proposed USDA facility project is unlikely to cause any serious public health problem.

G. The design of the subdivision will not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision upon completion of vacation of a known Edison easement. Various pipeline easements have been identified on the subject site. The proposed subdivision is not anticipated to conflict with any existing easements located at, or near the property once the Edison easement is vacated.

SECTION 9: Recommendations. The Planning Commission makes the following recommendations:

A. Subject to the conditions listed on the attached Exhibit “A,” which are incorporated into this Resolution by reference, the City Council should adopt the Addendum to the Initial Study/Mitigated Negative Declaration of Environmental Impacts for Environmental Assessment No. 959, and approving General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement (DA) No. 12-01, and Subdivision No. 12-02 (VTM 71903).

B. The City Council should amend the proposed Land Use Plan (“Land Use Designations – Commercial Designations” subsection) of the Land Use Element of the General Plan to reflect the addition of the 222 Kansas Street Specific Plan, including a description of the allowed uses and the maximum land use density allowed, to the Commercial Land Use Designations subsection. The corresponding changes as set forth in attached Exhibit B, which is incorporated into this Resolution by reference.

C. The City Council should amend the proposed Land Use Plan (“Northwest Quadrant” subsection) of the Land Use Element of the General Plan to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes as set forth in attached Exhibit C, which is incorporated into this Resolution by reference.

D. The City Council should amend the 1992 General Plan Summary of Existing Trends Buildout (Exhibit LU-3) of the Land Use Element to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes to the Land Use
Element as set forth in attached Exhibit D, which is incorporated into this Resolution by reference.

E. The City Council should amend the General Plan Land Use Map to reflect the change of the Project area from Smoky Hollow Mixed Use to 222 Kansas Street Specific Plan. The corresponding changes to the Land Use Map as set forth in attached Exhibit E, which is incorporated into this Resolution by reference.

F. The City Council should amend the current Zoning Map to reflect a change of the Project area from Medium Manufacturing (MM) Zone with a Grand Avenue Commercial (GAC) Zone Overlay District within the Smoky Hollow Specific Plan (SHSP) to 222 Kansas Street Specific Plan. The corresponding changes to the Zoning Map as set forth in attached Exhibit F, which is incorporated into this Resolution by reference.

G. The City Council should adopt the 222 Kansas Street Specific Plan (including the Approved Site Plan which is incorporated therein).

H. The City Council should adopt the Development Agreement by and between the City of El Segundo, and SMPO Lab, LLC, as set forth in attached Exhibit H, which is incorporated into this Resolution by reference.

I. The City Council should approve Subdivision No. 12-02 (VTM 71903) because the findings for denial cannot be made as set forth in Section 8 of this Resolution.

J. The City Council should, in accordance with the requirements of Public Resources Code §§21081(a) and 21081.6, adopt a Mitigation Monitoring and Reporting Program (MMRP) as set forth in attached Exhibit I, which is incorporated into this Resolution by reference and adopts each of the mitigation measures expressly set forth in the MMRP as conditions of approval of the project. The other project conditions of approval and compliance with applicable codes, policies, and regulations will further ensure that the environmental impacts of the proposed project will not be greater than set forth in the Addendum to the Mitigated Negative Declaration.

K. The City Council should add ESMC § 15-3-2(A)(8) to read as follows:

“8. 222 Kansas Street Specific Plan

There is only one zone intended to be used within the boundaries of the 222 Kansas Street Specific Plan:

222 KSSP - 222 Kansas Street Specific Plan”
L. The City Council should amend ESMC § 15-11-1(A)(1) to read as follows:

"Smoky Hollow is a light industrial/manufacturing region located in central EL Segundo. The project area encompasses approximately one-hundred-twenty three (123) one hundred nineteen gross acres or over ninety one (91) net acres and is more than ninety five percent (95%) developed. The majority of the present buildings are single or two (2) story and twenty (20) years old or older."

M. The City Council should delegate authority to the City Manager to amend the nine map exhibits in the Smoky Hollow Specific Plan ESMC Chapter 15-11 identified as Exhibit II-2 "Block Conditions Survey," Exhibit II-3 "Target of Opportunity," Exhibit II-4 "Base District," Exhibit II-5 "Circulation Plan," Exhibit II-6 "Cooperative Parking Opportunities." Exhibit II-7 "Sewer Master Plan," Exhibit II-8 "Flood Control and Drainage," Exhibit III-1 "Land Use," and Exhibit III-2 "Floating Zones," to remove the property from the boundaries of the Smoky Hollow Specific Plan in conformance with the revised Exhibit II-4 "Base District" map as depicted in attached Exhibit J; and

N. The City Council should amend the legal description in ESMC § 15-11-5 "Appendix A: Boundary Description" to remove the property from the boundaries of the Smoky Hollow Specific Plan as described in the legal description in attached Exhibit K.

SECTION 10: 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 Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 11: Limitations. The Planning Commission'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 Planning Commission'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 12: 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 13: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 14: A copy of this Resolution must be mailed to Steve Williams c/o SMPO Properties, Allan Mackenzie c/o Mar Canyon Grand, LLC, William Messori c/o Mar Ventures, Inc., Richard Kizirian, and to any other person requesting a copy.

SECTION 15: This Resolution is the Planning Commission's final decision and will become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED this 12th day of July, 2012.

________________________________________
David Wagner, Chairperson
City of El Segundo Planning Commission

ATTEST:

_______________________________________
Sam Lee, Secretary

Wagner  -
Baldino  -
Newman  -
Nisley    -

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

By: ______________________________________
Karl H. Berger, Assistant City Attorney
PLANNING COMMISSION RESOLUTION NO. 2721

Exhibit A

CONDITIONS OF APPROVAL

In addition to all applicable provisions of the El Segundo Municipal Code ("ESMC"), SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian of the Kizirian Trust agree to comply with the following provisions as conditions for the City of El Segundo’s approval of an Addendum to a Mitigated Negative Declaration for Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement No. 12-01, Subdivision No. 12-02 and Site Plan Review (SPR) No. 12-01 ("Project Conditions").

Planning and Building Safety Department

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

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

3. The applicant must comply with all mitigation measures identified in the Addendum to the Mitigated Negative Declaration of Environmental Impacts and the Errata to the Addendum. A Mitigation Measure Monitoring and Reporting Program (MMRP) was prepared as part of the environmental review for the project and is attached as Exhibit "I" to this Resolution. All mitigation measures in the Addendum to the Mitigated Negative Declaration of Environmental Impacts for the proposed project are incorporated by this reference into these conditions of approval. All mitigation measures and conditions of approval must be listed on the plans submitted for plan check and on the plans for which a building permit is issued.
4. Any changes to the colors and materials of the exterior façade of the buildings must be in compliance with the 222 Kansas Street Specific Plan Section 4.3(L) Design Standards and approved to the satisfaction of the Director of Planning and Building Safety.

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

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

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

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

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

6. Employees must be provided current maps, routes and schedules for public transit routes serving the site; telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators; ridesharing promotional materials; and bicycle route and facility information.
7. Ground level mechanical equipment, refuse and recycling collectors, storage tanks, monitoring wells, generators, and other similar facilities must be screened from view with opaque walls of materials and finishes compatible with the overall design of the buildings in the project and provide dense landscaping to the satisfaction of the Planning and Building Safety Department.

8. Trash and recycling enclosures must be provided and shown on the site plan that are sufficiently large enough to store the necessary bins required for the regular collection of commercial solid waste and recyclable materials. The site plan with the location and dimensions of the trash and recycling enclosure and an elevation view of the enclosure must be provided to the Planning and Building Safety Department for review and approval before the City issues building permits. Separate trash and recycling facilities must be provided for each phase of the project (Phase 1: USDA Facility; Phase 2: 2 office buildings).

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

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

11. Before the City issues a Certificate of Occupancy for Phase 2, the applicant must provide the Planning and Building Safety Department a status report on the Leadership in Energy and Environmental Design (LEED) that includes the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The Director of Planning and Building Safety will determine if the items identified on the scorecard and report, show a good faith effort to obtain LEED certification and warrant release of this condition. The City can require peer review of the LEED report and GBCI scorecard by a qualified professional with a LEED AP credential hired by the City at the applicant’s expense to advise the Director of Planning and Building Safety in his or her determination. Additionally, the City can require inspections for grading, site improvements, and buildings for the project by a qualified professional with a LEED AP credential to verify that the project has been constructed in compliance with the LEED report and GBCI scorecard to advise the Director of Planning and Building Safety in his or her determination.

12. Before the City issues a Certificate of Occupancy for Phase 2 buildings, the applicant must submit a reciprocal access and parking agreement for joint use of the driveway entrance, drive aisle, and parking area on Lot 3 with Lots 1 and 2 of the proposed Vesting Tentative Tract Map (VTTM) to the Planning Department for review and approval by the Director of Planning and Building Safety. The reciprocal access agreement must be reviewed and approved as to form by the Director of Planning and Building Safety and City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the Reciprocal Access Agreement before the City issues a Certificate of Occupancy for Phase 2 buildings. The reciprocal access
agreement must be recorded before the City issues a Certificate of Occupancy for Phase 2 buildings.

13. Before the City issues a Certificate of Occupancy for any buildings or site improvements, the applicant must complete all the conditions of approval of Environmental Assessment No. 966 and Lot Line Adjustment No. LLA 12-03.

14. Vacation of the existing Edison easements is required before the City issues building permits for any buildings or structures within the easement area.

15. The project must meet all the design criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

16. Before the City issues a building permit, landscaping plans must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

17. Before the City issues a building permit, plans for walls, fences, lighting fixtures and accessory structures must be reviewed and approved in compliance with the Site Plan Review criteria of the Specific Plan to the satisfaction of the Director of Planning and Building Safety.

18. Before the City issues any building permits for signs, a Master Sign Program must be reviewed and approved by the Director of Planning and Building Safety.

Building Division Conditions


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

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

22. Before building permits are issued, plans must show compliance with accessibility requirements per the 2010 California Building Code, as adopted by the ESMC.
23. Disabled access parking spaces are required on Lot 4, as it is on a separate lot in compliance with section 1129B of the 2010 California Building Code. A covenant and agreement or equivalent instrument must be recorded to allow the use of disabled parking spaces on Lot 3 to serve the buildings on Lot 1 and 2. The covenant and agreement must be reviewed and approved as to form by the Planning and Building Safety Department and the City Attorney before recordation. The applicant must pay for all fees incurred by the City as a result of the City Attorney’s review of the covenant before the City issues a final building permit. The covenant must also be recorded before the City issues a final building permit.

24. A minimum slope of 2% must be provided at the north side of the Phase 1 building for drainage away from the building and to the street via a non-erosive device.

25. A minimum slope of 2% must be provided for drainage away from the Phase 2 buildings and to the street via a non-erosive device. Site drainage from lot 3 must be conducted to the street via a non-erosive device at a minimum 1% slope.

26. A Stormwater Pollution Prevention Plan (SWPPP) and a Standard Urban Stormwater Mitigation Plan, (SUSMP) for each phase of development must be provided and approved by the Planning and Building Safety Department.

27. The Phase 1 building must demonstrate that the occupancy group for the S occupancy is a S-2 occupancy. The building must provide sprinklers in compliance with the El Segundo Municipal Code. The plans must clearly show that the maximum 250 foot exit travel distance is not exceeded for rooms P-03, P-04, P-05, and P-07. The percentage of openings for the Phase 1 building must comply with table 705.8 of the 2010 California Building Code, as measured from the north property line.

28. The Phase 2 buildings must comply with Section 1022 of the 2010 California Building Code for exit enclosures for the stairways. The exit enclosures must extend to the exterior of the building and must be of 1-hr construction. The percentage of openings for the Phase 2 buildings must comply with table 705.8 of the 2010 California Building Code, as measured from the interior property lines. Restroom facilities for men and women are required and the number of plumbing fixtures must comply with table 4-1 of the 2010 California Plumbing Code.

29. Both phases of the project require complete structural calculations and details, along with a civil grading plan, and architectural notes and details to be reviewed and approved by the Building Division before a building permit is issued.
30. Both phases of the project require a geotechnical report to be reviewed and approved by the Building Division before a building permit is issued.

31. Separate permit applications are required for accessory structures, such as light standards, walls, retaining walls, and equipment pad foundations.

32. Separate permit applications are required for each of the following permit types: signs, grading, mechanical, electrical, and plumbing.

**Fire Department Conditions**

33. For project clarification and to eliminate duplicate street addresses for emergency response, each project building must have a separate address assigned before the City issues a building permit.

34. The site plan does not identify any on-site fire hydrants to be installed. Before the City issues a building permit, the site plan must show at least two fire hydrants, depending on hydrant spacing, for Phase 1 and one fire hydrant for the Phase II buildings. The minimum fire flow required for the fire hydrants would be 2,250 GPM at 20 PSI residual pressure. The proposed Phase II buildings have a fire flow requirement of 1,500 GPM for Building A with a Type VB construction and a fire flow requirement of 1,750 GPM for Building B with a Type VB construction. A 50 percent reduction was included for installation of an automatic fire sprinkler system throughout the buildings. The minimum number of fire hydrants, depending on hydrant spacing, would be two for Phase I and one for the Phase II buildings.

35. The project must comply with all applicable requirements of the 2010 California Building and Fire Codes and the 2009 International Fire Code as adopted by the ESMC and El Segundo Fire Department Regulations.

36. Before a building permit is issued, the applicant must submit and obtain approval of a Fire/Life Safety Plan from the Fire Department. The Fire/Life Safety Plan must identify fire safety precautions during demolition and construction, emergency site access during construction, permanent fire department site access, fire water supply, fire hydrant locations, and any existing or proposed fire sprinkler systems and fire alarm systems.

37. A list of proposed chemicals for laboratory use must be provided to determine the types of hazards or permits necessary for the safe use or storage of lab chemicals to the satisfaction of the Fire Department.

38. If a second well is located during construction, the well must be abandoned in compliance with DOGGR requirements and DOGGR documentation of the abandonment must be provided to the Fire Department and the Planning Division.
Public Works Department Conditions

39. Before the City issues a Certificate of Occupancy and records the final map, the applicant must dedicate 10 feet along the entire Grand Avenue frontage of the subject property and provide an irrevocable offer to dedicate an additional 9 feet along the entire Grand Avenue frontage of the subject property to the satisfaction of the Public Works Department and the City Attorney. The City has the right to exercise its right to accept the property subject to the offer of dedication on or after, the earlier of, September 1, 2024, or 15 years following the date on which the certificate of occupancy was issued for the last building on the property. If the City amends its Circulation Element such that property that is subject to the offer of dedication is no longer required for public right-of-way purposes, then the offer of dedication will automatically expire. The applicant must enter into an agreement, in a form approved by the City Attorney, holding the City harmless and indemnifying it from any hazardous materials or contamination that may affect the property offered for dedication.

40. Before the City issues a Certificate of Occupancy the applicant must dedicate five feet along the entire Kansas Street and Franklin Avenue frontage of the property to the satisfaction of the Public Works Department.

41. Before the City issues a Certificate of Occupancy the applicant must eliminate the mid-block crossing on Kansas Street to the satisfaction of the Public Works Department.

42. Before the City issues a Certificate of Occupancy the applicant must provide a pedestrian countdown display on the signal pedestrian heads at the intersection of Grand Avenue and Kansas Street to the satisfaction of the Public Works Department.

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

44. The applicant must ensure that encroachment permits deemed to be required by the City are secured from the Public Works Department before commencing any and all work in the public right-of-way.

45. All construction related parking must be accommodated on-site. No construction related parking will be permitted off-site.

46. Before the City issues any Certificate of Occupancy, the applicant must construct curb and gutter, sidewalk, and driveway approaches per SPPWC standards along Franklin Avenue, Kansas Street and Grand Avenue by an appropriately
license contractor to the satisfaction of the Public Works Department. Sidewalk must be a minimum of 5 feet wide on all three street frontages.

47. Before the City issues any Certificate of Occupancy, the applicant must construct curb ramps per SPPWC standard Type 1 at the corner of Kansas Street and Grand Avenue as well as at the corner of Kansas Street and Franklin Avenue. Developer to provide 5-foot wide sidewalk behind the curb ramps.

48. Before the City issues any Certificate of Occupancy, the applicant must resurface half of the street from the proposed curb and gutter to the centerline of the street along Kansas Street and Franklin Avenue to the satisfaction of the Public Works Department.

49. Before the City issues any Certificate of Occupancy, the applicant must install a minimum 5-foot wide parkway including landscaping and street trees on Grand Avenue, Kansas Street and Franklin Avenue, in compliance with the General Plan Circulation Element standards and the Master Street Tree Plan, to the satisfaction of the Public Works Department, Planning and Building Safety Department and the Parks and Recreation Department.

50. The applicant must provide a potable water service lateral and water meter for each new lot. Location and sizes of all proposed water meters must be approved by Public Works Department Water Division.

51. The applicant must provide sewer lateral with property cleanout on each lot.

52. Any unused water service lateral and sanitary sewer laterals must be abandoned at the City main.

53. The project must comply with the latest NPDES requirements and provide Best Management Practices (BMPs) for sediment control, construction material control and erosion control.

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

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

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

   a. The design must follow the criteria contained in both the Los Angeles County Department of Public Works Hydrology Manual 2006 and
Standard Urban Storm Water Mitigation Plan or most recent editions. Flows shall not to impact neighboring properties.
b. New development must not increase the rate of flow (cubic feet per second) or velocity (feet per second) of site run-off water to any off-site drainage areas beyond the measured or calculated pre-project rate and velocity.

57. Location and sizes of existing public utilities (water, sewer, etc.) must be shown on the plans. Indicate the location of any proposed connection points for the utility service.

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

Police Department Conditions

59. Before the City issues a building permit, the applicant must submit a photometric light study to the Police Department for review and approval. A site plan must be provided showing buildings, parking areas, walkways, and the point-by-point photometric calculation of the required light levels. Foot candles must be measured on a horizontal plane and conform to a uniformity ratio of 4:1 average/minimum. The photometric study must be point-by-point and include the light loss factor (.7). Lighting levels must be adjusted to meet the minimum foot candle requirements within each area of the site. Street lighting shall not be included in the calculations. All interior or exterior corridors, passageways and pedestrian walkways and open parking lot shall be illuminated at all times with a minimum maintained one foot-candle of light on the walking surface.

60. Before the City issues a Certificate of Occupancy, lighting devices must be enclosed and protected by weather and vandal resistant covers. The lighting devices must be shown on plans to the satisfaction of the Police Department.

61. Before the City issues a Certificate of Occupancy, aisles, passageways and recesses related to and within all sides of the complex must be illuminated with a maintained minimum of .25 footcandles on the ground surface during hours of darkness. Compliance must be shown on plans to the satisfaction of the Police Department.

62. Before the City issues a Certificate of Occupancy, the addressing, all entry doors, open parking lots, shipping/loading dock doors, trash dumpsters and guest parking must be illuminated with a maintained minimum of one footcandle of light on the ground surface during hours of darkness.

63. Before the City issues a Certificate of Occupancy, street addressing must be a minimum of 6 inches high and must be visible from the street or driving surface,
of contrasting color to the background and directly illuminated during hours of darkness. Addressing must also be shown on plan elevations.

64. Before the City issues a Certificate of Occupancy, light standards with lighting fixtures mounted at 12 to 14 feet in height must be installed for all walkways. Light standards and lighting fixtures must be shown on plans to the satisfaction of the Police Department.

65. Before the City issues a building permit, landscaping must be designed and shown on the plans to minimize obstruction of light fixtures to ensure maintenance of required lighting levels to the satisfaction of the Police Department.

66. Before the City issues a building permit, all landscaping must be shown on the plans to be low profile around perimeter fencing, windows, doors and entryways so as not to limit visibility or provide climbing access to the satisfaction of the Police Department. Bushes must be trimmed to 2 to 3 feet and away from buildings. Dense bushes cannot be clumped together in a manner that provides easy concealment.

67. Before the City issues a Certificate of Occupancy, all loading dock pedestrian doors must have a panoramic door viewer (190-200 degrees) installed. Notes must be provided on the plans demonstrating compliance with this requirement to the satisfaction of the Police Department.

68. Before the City issues a Certificate of Occupancy, a latch guard must be placed over all single swing entry door locks and secondary security astragals must be installed in all double swing entry doors.

69. Before the City issues a Certificate of Occupancy, bicycle racks must be located in well-lit highly visible locations. Bicycle rack locations must be shown on the plans to the satisfaction of the Police Department.

70. Before the City issues a Certificate of Occupancy, the USDA facility bicycle rack on Kansas Street must be relocated within the visitor parking lot in a secured area and shown on plans to the satisfaction of the Police Department.

Construction Conditions

71. Before any construction occurs the perimeter of the property must be fenced with a minimum 6-foot high fence. The fence must be covered with a material approved by the Planning and Building Safety Department to prevent dust from leaving the site.

72. All haul trucks hauling soil, sand, and other loose materials must either be covered or maintain two feet of freeboard.
73. NOx emissions during construction must be reduced by limiting the operation of heavy-duty construction equipment to no more than 5 pieces of equipment at any one time.

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

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

76. The applicant must develop and implement a construction management plan, as approved by the Public Works Department before a building permit is issued, which includes the following measures recommended by the SCAQMD:

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

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

78. All leaks, drips and spills occurring during construction must be cleaned up promptly and in compliance with all applicable laws and regulations to prevent contaminated soil on paved surfaces that can be washed away into the storm drains.
79. If materials spills occur, they must be cleaned up in a way that will not affect the storm drain system.

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

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

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

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

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

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

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

87. The applicant must provide a telephone number for local residents to call to submit complaints associated with the construction noise. The number must be posted on the project site and must be easily viewed from adjacent public areas.

88. During construction, the contractor must store and maintain equipment as far as possible from adjacent residential property locations northwest of the site.

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

Service Fee Conditions

90. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time park facilities mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

91. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time fire services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

-29-
92. Pursuant to ESMC §§ 15-27A-1, et seq., and before building permits are issued, the applicant must pay a one-time police services mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

94. Pursuant to ESMC §§ 15-27A-1, et seq., and before the City issues a certificate of occupancy, the applicant must pay a one time traffic mitigation fee in accordance with Section 5.2 of the Development Agreement. The fee amount must be based upon the adopted fee at the time the building permit is issued.

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

Miscellaneous

96. SMPO Lab, LLC, Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, agree to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney’s fees), injuries, or liability, arising from the City’s approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, or Development Agreement (DA) No. 12-01. Should the City be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of the City approval of Environmental Assessment No. 959, General Plan Amendment No. 12-01, Specific Plan Amendment No. 12-01, Zone Change No. 12-01, Zone Text Amendment No. 12-01, Development Agreement (DA) No. 12-01, Subdivision No. 12-02, Site Plan Review No. 12-01, SMPO Lab, LLC, agrees to defend the City (at the City’s request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section “the City” includes the City of El Segundo’s elected officials, appointed officials, officers, and employees.
By signing this document, Steve Williams on behalf of SMPO Lab, LLC, Allan Mackenzie on behalf of Mar Canyon Grand, LLC, and Richard Kizirian, on behalf of the Kizirian Trust, certify that they have read, understood, and agree to the Project Conditions listed in this document.

Steve Williams,
SMPO Lab, LLC

Allan Mackenzie, President
Mar Canyon Grand, LLC

Richard Kizirian,
Kizirian Trust
Commercial Designations

Add the following text in a separate paragraph immediately below 199 North Continental Boulevard Specific Plan on page 3-8:

"222 Kansas Street Specific Plan
Permits primarily office, light industrial, manufacturing, and research and development uses. The southerly portion may be used for governmental purposes subject to a development agreement. Commercial retail and restaurant uses are prohibited. The area is approximately 4.83 gross acres and the maximum FAR is 0.6. This designation is not intended to be used elsewhere within the City."
El Segundo General Plan Land Use Element Excerpt Pages 3-9 and 3-10

Proposed Land Use Plan

Modify the following text on pages 3-9 and 3-10:

"The following is a discussion of the 1992 Land Use Plan, which indicates future land uses for the entire City. For ease of discussion, the City is divided into four quadrants and the proposed land use designations within that quadrant are discussed. To know what is allowed under each designation, please reference the land use definitions listed above.

Northwest Quadrant
The northwest quadrant of the City has the most varied mix of uses within the City. All of the City's residential units, the Downtown area, the Civic Center, and the older industrial area of Smoky Hollow, are located in this quadrant. The 1992 Plan retains the three residential designations found on the old Plan: single-family, two-family, and multi-family, plus a new designation of 540 East Imperial Avenue Specific Plan. The Plan shows 357.2 acres of single-family, 57.4 acres of two-family, 119.3 acres of multi-family and 5.65 acres of 540 East Imperial Avenue Specific Plan. This includes the re-designation of Imperial Avenue School, which is no longer used for educational purposes, from Planned Residential Development to 540 East Imperial Avenue Specific Plan. The total number of dwelling units projected by the Plan is 8,089. One of the major goals of the 1992 Plan is to preserve the residential neighborhoods.

The Smoky Hollow area, which houses many of the City's older industrial uses, has been designated Smoky Hollow Mixed-Use, in recognition of the existing Smoky Hollow Specific Plan. The Specific Plan allows a combination of industrial, retail, office, and residential uses. The Smoky Hollow area is approximately 92.2 acres.

The 222 Kansas Street Specific Plan (222 KSSP) consists of 4.83 acres, which were previously a part of the Smoky Hollow area. The 222 Kansas Street Specific Plan permits primarily office, light industrial, manufacturing, and research and development uses. The southerly portion

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1 The 540 East Imperial Avenue Specific Plan designation was added via General Plan Amendment 10-03.
2 The new total of 8,089 represents the maximum number of units developed under Option 1 of the 540 East Imperial Avenue Specific Plan. This number will be lower (7,843 units) if Option 2 is developed with a maximum of 58 units.
may be used for governmental purposes subject to a development agreement. Commercial retail and restaurant uses are prohibited.”

All other text in this section will remain unchanged.
### Planning Commission Resolution No. 2721
#### Exhibit D

#### 1992 General Plan
**Summary of Existing Trends Buildout**

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<th>Land Use Category</th>
<th>Acres</th>
<th>Dwelling Units</th>
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<td>Single-Family Residential</td>
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<tr>
<td>Two-Family Residential</td>
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<td>540 East Imperial Avenue Specific Plan</td>
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**Population Projection**

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<tr>
<td></td>
<td>17,287</td>
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1 Existing construction and recently constructed, renovated commercial centers and legal non-conforming residential uses at densities that are currently higher than allowed by the land use designations in this plan will not realistically be converted to mixed commercial/residential uses and these buildings are expected to remain for the life of the Plan.

2 The heavy industrial shown on this plan includes the Chevron Refinery and former Southern California Edison Generation Station. These facilities have processing equipment and tanks rather than buildings and are expected to remain for the life of the Plan. Therefore, no estimated building square footage is shown.

3 This number represents the maximum number of dwelling units that can be developed in Option 1 of the 540 East Imperial Avenue Specific Plan. If Option 1 is not built, the maximum number of units that can be developed in Option 2 of the 540 East Imperial Avenue Specific Plan is 58 residential dwelling units.
PLANNING COMMISSION RESOLUTION NO. 2721 EXHIBIT G
222 KANSAS STREET SPECIFIC PLAN

1.0 SUMMARY

This Specific Plan was prepared to provide guidance and to allow flexibility in developing the 4.83 gross acre property located at 222 Kansas Street (the "Project Site") consistent with the adjoining uses. The Specific Plan guides the build-out of the Project Site in a manner that is consistent with City and State policies and standards and ensures that the Project is developed in a coordinated manner.

Under this Specific Plan, the Project Site will be split into two sections, a southerly 3.1 net acre parcel and a northerly 1.55 net acre parcel which may be divided into four parcels, for a total of 5 parcels. An additional .18 acres of street frontage will be dedicated to the City along Grand Avenue (10 feet), Kansas Street (5 feet), and Franklin Avenue (5 feet); an additional 9 feet of the 1.55 acre parcel along Grand Avenue will be irrevocably offered to the City for dedication. The entire Project Site can be used for any of the uses set forth in this Specific Plan. On the northerly portion of the property, a .14 acre parcel will be created out of the 1.55 acres on the eastern side (1600 East Grand Avenue) for a reconfigured storage lot for the existing Jim and Jack's Collision Center. With this reconfiguration, the parking facility will be screened in and hidden from public view.

A site plan was developed for the Project Site and is attached as Exhibits 2 - 8 and incorporated into the Specific Plan by this reference ("Approved Site Plan"). Under the Approved Site Plan, the southerly 3.1 acres will initially be developed for the United States Department of Agriculture ("USDA") as its new Animal and Plant Health Inspection Services ("APHIS") and the northerly 1.55 acre parcel will be subdivided into 4 separate parcels, one of which (1600 East Grand Avenue) is the storage lot for the existing Jim and Jack's Collision Center. Two office/industrial buildings, to be divided into ten commercial condominiums each, will be built on the remaining 1.41 acres, along with parking spaces for 103 vehicles. Detailed text and exhibits which more fully describe the Approved Site Plan are included at Section 5.7 of this Specific Plan.

The Specific Plan does not require that the Project Site be developed pursuant to the Approved Site Plan. An alternate site plan may be submitted and the Project Site can be utilized for any of the uses allowed in the Specific Plan in accordance with the development standards set forth herein.

1.1 PURPOSE AND AUTHORITY OF SPECIFIC PLAN

The purpose of this Specific Plan is to regulate land uses on the Project.

This Specific Plan was adopted in accordance with the provisions of Government Code §§ 65450 through 65457. These sections also identify the required contents of a Specific Plan and mandate consistency with the General Plan.

According to Government Code § 65450, a Specific Plan must include text and a diagram or diagrams which specify all of the following in detail:

- The distribution, location, and extent of the uses of land, including open space within the area covered by the plan.
The proposed distribution, location, extent, and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy and other essential facilities proposed to be located within the land area covered by the plan and needed to support the land uses described in the plan.

Standards and criteria by which development will proceed, and standards for the conservation, development, and utilization of natural resources, where applicable.

A program of implementation measures including regulations, programs, public works projects and financing measures necessary to carry out the above items.

A discussion of the relationship of the Specific Plan to the General Plan.

A review of the El Segundo General Plan shows that this Specific Plan is compatible and consistent with the goals and policies outlined in the General Plan. This Specific Plan will further the goals and policies of the General Plan as more fully described below.

This Specific Plan reconciles the policies of the El Segundo General Plan and actual development of the Project Site. By functioning as a regulatory document, the 222 Kansas Street Specific Plan implements the goals, policies, and objectives of the El Segundo General Plan. All future development plans and entitlements within the Specific Plan boundaries must be consistent with the standards set forth in this document.

1.2 PROJECT GOALS

The goal of this Specific Plan is to develop the Project Site with office and industrial uses. This Specific Plan provides regulations that allow for expanded office space — beyond that originally contemplated for the site — in conjunction with industrial uses and allows construction and operation of a federal government facility.

1.3 PROJECT LOCATION AND ADJACENT LAND USES

Regionally, the Project Site is located in the northwest quadrant of the City of El Segundo. It is bordered by Grand Avenue to the north, Franklin Avenue to the south, and Kansas Street to the west. The Property lies approximately 500 feet west of Sepulveda Boulevard. The Project Site is located less than one mile south of Interstate 105, approximately 1.75 miles west of Interstate 405, and less than 1.75 miles east of the Pacific Ocean.

Surrounding land uses primarily consist of light industrial and commercial facilities. Multi-family residential properties are located northwest of the site, across the intersection of Kansas Street and Grand Avenue. Commercial uses occupy the building north of the site across Grand Avenue. Light industrial/commercial uses are located northeast of the site across Grand Avenue. The majority of the space east of the site is occupied by the Military Entrance Processing Station ("MEPS"). Land south of the MEPS, but still to the east of the Project Site, is occupied by additional commercial uses including the Grateful Dogs Clubhouse. Commercial/industrial sites lie south and southeast of the Project Site. Commercial buildings lie to the west of the project site across Kansas Street, between Franklin Avenue and Grand Avenue. All of the surrounding property lies within the Medium Manufacturing District of the
Smoky Hollow Specific Plan area; portions of the surrounding property have the Grand Avenue Commercial Site Overlay.

**Exhibit 1 - Adjacent Properties**

1.4 **PROJECT SITE HISTORY**

The Project Site formerly housed International Rectifier Corporation ("IRC") and was classified as a heavy manufacturing facility. Except for the parcel at 1600 East Grand Avenue which is being used as overflow storage for Jim and Jack’s Collision Center across the street, the Project Site is now undeveloped. There is a permanently capped oil well located on the southern portion of the Project Site.

In February 2009, the City approved an Initial Study/Mitigated Negative Declaration for the Segundo Business Park which was a proposed development that would have subdivided the Project Site into 55 commercial and light industrial condominium units to be located in six on-site buildings. The Business Park would have been subjected to the development restrictions of the Medium Manufacturing District of the Smoky Hollow Specific Plan, which contains limits on the amount of office space that could be developed. The Business Park would have had a gross FAR of 0.41 and the heights of the structures would have been limited to 35 feet. Office and restaurant uses would have occupied 32 of the units and light industrial uses would have occupied the remaining 23 units. The Business Park also included a lot line adjustment with adjacent parcels to the east of the site along Grand Avenue which would have allowed the triangular parking lot that handles the overflow storage of damaged vehicles awaiting repair at Jim and Jack’s Collision Center to be replaced with a walled-in parking lot. The Business Park was never financially feasible and the Project Site reverted to the bank.

In August 2010, the USDA began its search for a new facility for its Animal and Plant Housing Inspection Services with specific location criteria that required it to be in the proximity of LAX. In October 2011 SMPO Properties was awarded the project to build the APHIS facility on the vacant property on Kansas Street and SMPO acquired the Project Site that same month. A
short time later SMPO Properties and Mar Ventures, Inc. partnered to develop the entire 4.83 acres under a Specific Plan in order to allow the development of the APHIS facility and other buildings on the Site.

An application for this Specific Plan, along with related applications for discretionary land use approvals, was filled with the City in early 2012. Before these applications were considered, the City approved Lot Line Adjustment LLA 12-03 between SMPO Lab, LLC and the owners of the MEPS and Jim Jack’s Collision Center properties to the east to realign the eastern boundary of the Project Site and divide the Project Site into the northerly 1.55 acre parcel and southerly 3.1 acre parcel.

1.5 **EXISTING SITE**

The proposed Project Site is currently undeveloped. There are no uses on the Property except for the overflow storage for Jim and Jack’s at 1600 East Grand Avenue. The site slopes from north to south. The only impervious surface on the Project Site is the overflow parking in the northeastern corner.

The Specific Plan area will encompass the entire 4.83 gross acre/4.65 net acre site.

1.6 **CEQA COMPLIANCE**

In compliance with CEQA the Mitigated Negative Declaration for the Segundo Business Park was used for this Project along with an Initial Study/Mitigated Negative Declaration Addendum prepared in June, 2012.

1.7 **PROJECT DESCRIPTION**

The 222 Kansas Street Specific Plan will be developed in substantial conformance with the land use and development standards set forth in Section 4.0 below. The Specific Plan area will be limited to an overall FAR of 0.60 which would allow development of 121,474 net square feet area over the 4.65 net acres. The Project Site may be developed with any of the uses allowed under Section 4.1 and in conformance with the development standards of Section 4.3.

**Northerly 1.55 acres** – this portion of the Project Site will be divided into a minimum of two parcels, one of which will be a .14 acre parcel at 1600 East Grand Avenue which will house the reconfigured overflow storage for the existing Jim and Jack’s Collision Center. With the reconfiguration the parcel will be fenced in and set back from Grand Avenue. The lot at 1600 East Grand Avenue will continue to take access off of Grand Avenue; the remaining 1.41 acres will take access off of a driveway on Kansas Street.

**Southerly 3.1 acres** – in addition to the uses allowed for the northerly portion, this portion of the Project Site may also be used for a facility to be leased by a governmental or other tax-exempt entity provided that the development does not exceed 50,000 square feet and is subject to a Development Agreement. Access to this portion of the Project Site will be taken from a second driveway on Kansas Street and up to two driveways on Franklin Avenue, one of which may be up to 40 feet wide.

**Remaining 0.18 acre** – the remaining acreage would be dedicated to the City as follows: 10 feet along Grand Avenue; 5 feet along Kansas Street; and 5 feet along Franklin Avenue.
1.8 ENTITLEMENTS

The following entitlements were required for this Project.

- Environmental Assessment EA-959 – Initial Study/Mitigated Negative Declaration Addendum

- General Plan Amendment GPA 12-01 changing the land use designation of the Project Site from Smoky Hollow to 222 Kansas Street, adding language to the Land Use Element of the General Plan, and revising Exhibit LU-3 of the Land Use Element.

- Specific Plan Amendment SPA 12-01 deleting the Project Site from the Smoky Hollow Specific Plan Area and creating a new 222 Kansas Street Specific Plan Area.

- Zone Text Amendment ZTA 12-01 to: 1) amend ESMC § 15-11-1 to reflect the reduced acreage of the Smoky Hollow Specific Plan area; 2) amend ESMC § 15-11-5 to delete the 4.83 acre Project Site from the northern property description of the Smoky Hollow Specific Plan; 3) amend Exhibits II-4 through 11-8 and III-1 and III-2 to eliminate the 222 Kansas Street Specific Plan area from the Smoky Hollow Specific Plan maps; and 4) add a new ESMC § 15-3-2(A)(8) “222 KSSP - 222 Kansas Street Specific Plan.”

- Zone Change ZC 12-01 to reclassify Project Site from Smoky Hollow Specific Plan to 222 Kansas Street Specific Plan.

- Development Agreement DA 12-01 between the City of El Segundo and SMPO Lab, LLC, a Delaware Limited Liability Company.

- Vesting Tentative Map No. SUB 12-02- dividing the northerly 1.55 acres into 4 separate parcels.

- Site Plan Review SPR 12-01 for the site plan contained in this Specific Plan.
2.0 CONSISTENCY WITH THE GENERAL PLAN

Government Code § 65454 requires that the Specific Plan be consistent with the General Plan. Government Code § 65451 requires a statement of relationship between the Specific Plan and the General Plan. The two elements that are most related to the Project are the Land Use Element and the Economic Development Element; the consistency with these two elements is discussed below. A more detailed General Plan Consistency analysis is included at Appendix A.

The uses allowed under this Specific Plan are very similar to the uses that are allowed under the Smoky Hollow Specific Plan which previously encompassed the Project Site. The primary differences are as follows:

- The Medium Manufacturing District of the Smoky Hollow Specific Plan allows general offices, but with a square foot limitation as to the amount of office space that can be developed. This Specific Plan provides for office uses on all portions of the Project Site which will be limited in square footage only by development standards.

- The Grand Avenue Commercial Overlay Zone would allow medical and dental office if activated on the northern portion of the Project Site, but then industrial uses would not be allowed. The Specific Plan provides for these uses on all portions of the Project Site in conjunction with industrial uses.

- The Specific Plan allows for a governmental or non-profit entity to operate its facilities in the southerly portion of the Project Site area.

- The Specific Plan specifically allows automotive storage facilities in order to account for the existing Jim and Jack’s overflow storage lot at 1600 East Grand Avenue.

- Eating establishments and retail businesses are prohibited uses under this Specific Plan.

2.1 ECONOMIC DEVELOPMENT ELEMENT

The Economic Development Element of the General Plan is concerned with the economic health of the commercial and industrial uses in the City. It focuses on the expansion and maintenance of El Segundo’s economic base and on the enhancement of the City’s business climate since economic development goals and policies help maximize the City’s economic development potential. The Economic Development Element specifically recognizes the City’s location as a “product” and the buyers are the businesses which wish to locate in this location which is close to LAX, ground transportation and freeways. The Economic Development Element also recognized the possibility of redeveloping large sites as they become vacant. One of the primary goals of the Economic Development Element is to create a strong, healthy economic community in which all stakeholders can benefit. With this goal in mind, the Economic Development Element sets policies of maintaining economic development as a top priority and maintaining and promoting land uses that improve the tax base while balancing economic growth and quality of life.

This Specific Plan achieves the goal of creating a strong and healthy economic community by providing the mechanism to redevelop a currently vacant and undeveloped piece of property.
The additional persons that will be employed in the Specific Plan development will further help to strengthen the City's economy as there will be more individuals to shop in the nearby commercial areas, including the Downtown area, and use the services in the surrounding community.

Under the Approved Site Plan, the southerly 3.1 acres will be developed with the 45,152 square foot USDA facility that will employ approximately 45 persons. The USDA chose this location precisely because of the location factors recognized in the Economic Development Element. Although the USDA would be exempt from several taxes, the Development Agreement that is tied to the Specific Plan will require payment to the City to offset this loss. Also under the Approved Site Plan, the northerly 1.55 acres will be developed with two buildings totaling slightly under 31,000 square feet. These buildings would fill a need for smaller office space in the South Bay area as most small tenants are forced to lease space in mid- and high-rise buildings rather than purchase their own space. It is estimated that these two buildings will provide employment opportunities for approximately 90 people.

2.2 LAND USE ELEMENT

The Land Use Element of the General Plan recognized the growing trends of office development and light manufacturing, research and development, wholesaling, distributing, and laboratories, rather than heavy manufacturing. The Project Site was previously designated as, and is surrounded by, the Smoky Hollow Specific Plan area which allows for primarily light industrial uses including light manufacturing, research and development, warehousing, and office uses. The maximum FAR for newly constructed projects in the Medium Manufacturing District of the Smoky Hollow Specific Plan area is 0.6. The Specific Plan development will be consistent with the uses and development standards of the surrounding Smoky Hollow Specific Plan as both Specific Plan areas allow an FAR of 0.6.

One of the goals of the Land Use Element is to provide an attractive place to live and work while maintaining the City's small town atmosphere. In order to accomplish this goal the Land Use Element sets the objective of preventing deterioration and blight. The Specific Plan implements this goal and objective by providing for development on a large, vacant parcel that is currently being used only for construction staging. The development standards set forth herein will ensure that the Project is of a high quality.

Another goal of the Land Use Element is to provide a stable tax base for the City without adversely impacting the Downtown area. This goal has a specific objective of providing for new office and research and development uses. The development allowed by the Specific Plan will contribute to the City's tax base through an increase in property taxes, an increase in sales taxes due to the influx of new employees as well as individuals patronizing new businesses, and compensation paid to the City for the loss of taxes that would have otherwise been paid if the southerly portion is developed by a tax-exempt entity. The uses allowed under the Specific Plan will not impact the Downtown area; instead these uses will help stimulate business in the Downtown area by the influx of new persons in the area.
2.3 Other Elements

As set forth above, the Specific Plan is very similar to the previous Smoky Hollow Specific Plan and therefore, the Specific Plan is consistent with the other elements of the General Plan just as the Smoky Hollow Specific Plan was consistent.

3.0 Physical Development

3.1 Circulation

Access to the northerly 1.55 acres of the Project Site will be from an entrance on Kansas Street. The overflow storage lot at 1600 East Grand Avenue will continue to take access from a driveway on Grand Avenue. The southerly 3.1 acres will take access from a second driveway on Kansas Street and up to two driveways on Franklin Avenue. All parking lots will be designed to provide adequate circulation and emergency access as well as comply with or exceed all other City standards, except as modified by this Specific Plan. The Director of Planning and Building Safety may allow parking areas not to be interconnected as part of the site plan review process.

3.2 Utilities and Infrastructure

A. Water Service

Water service is provided by the City of El Segundo and is currently available within the Specific Plan Area. Water to the buildings will be provided by an 8” water line in Franklin Avenue. The Project would maintain this connection, add connections as necessary if the existing line does not have adequate capacity, and provide for on-site domestic and fire water services.

B. Sewer Service

Sewer service within the Project Area, which is west of Sepulveda Boulevard, is provided by underground sewers maintained by the City of El Segundo. The site is currently served by an 8” sewer line in Franklin Avenue. If an existing sewer lateral exists on the property and is sized to handle the capacity of the proposed sewage flow, then a connection will be made to the lateral. If no existing lateral is found, or if it is undersized, then a new sewer later will be installed to the existing 8” sewer line in Franklin Avenue.

C. Solid Waste Disposal

Solid waste disposal is provided to commercial users by a variety of private haulers. Landfill capacity is adequate for the assumed population and commercial growth within Los Angeles County. The 222 Kansas Street Specific Plan would not exceed any assumptions for commercial growth in the region.

D. Gas Service

Gas service is provided by Southern California Gas Company. A 6” service line is available in Franklin Avenue.
E. Electric/Telephone and Cable Service

Electric service is provided by Southern California Edison. Telephone service is provided by AT&T, Verizon and Sprint via existing lines in adjacent streets and cable service is provided by Time Warner Cable, Direct TV and Dish Network.

F. Fire Suppression

The El Segundo Fire Department (ESFD) provides fire protection services and emergency medical service to the City. The Specific Plan area is approximately 1 mile from Station 1 located at 314 Main Street in Downtown El Segundo and approximately 1.6 miles from Fire Station 2 located at 2261 Mariposa Avenue. Water for fire suppression is available from existing water lines via hydrants adjacent to the Project Site. Private hydrants will be installed if required to provide coverage for approved structures.

G. Police Services

The El Segundo Police Department provides police protection services to the City. The Specific Plan area is approximately 1 mile from the police station located at 348 Main Street.

H. Storm Drains

All storm drainage from the site will be collected, treated and diverted to an on-site retention system sized to meet the Los Angeles County SUSMP requirements. Overflow from this system will drain through the curb face on Franklin Avenue. If there is not adequate slope for the runoff to drain through the curb face, a connection will be made to an existing curb inlet catch basin on Kansas Street, just north of the intersection with Franklin Avenue. The catch basin connects to an existing 66" line that is owned and maintained by the Los Angeles County Flood Control District.
4.0 **LAND USE AND DEVELOPMENT STANDARDS**

4.1 **USES**

**PERMITTED USES:**

A. Art studios
B. Automotive storage in relation to an automobile repair facility
C. General and/or multimedia related offices
D. Medical and dental offices
E. Light assembly and processing
F. Light industrial
G. Manufacturing
H. Mixed use projects including commercial (other than retail), office and light industrial uses
I. Parking structures and parking lots
J. Public facilities, public utilities
K. Research and development
L. Warehousing and distribution
M. For the southerly portion of the property only, facilities to be leased by governmental or other tax-exempt entity up to 50,000 square feet, subject to the requirement of a Development Agreement

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

**PERMITTED ACCESSORY USES:**

A. Any use customarily incidental to a permitted use
B. Employee recreation facilities and play areas
C. Open storage incidental to a principal use
D. Single caretaker units at the ratio of one per legal building site or business establishment whichever is larger
E. Other similar uses approved by the Director of Planning and Building Safety, as provided by ESMC Chapter 15-22

**USES SUBJECT TO ADMINISTRATIVE USE PERMIT:**

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

**USES SUBJECT TO CONDITIONAL USE PERMIT:**

The following uses are allowed subject to obtaining a conditional use permit, as provided by ESMC Chapter 15-23:

A. Automobile service uses, if a three hundred foot (300') minimum distance from any residentially zoned property is provided

B. Service stations, if a five hundred foot (500') minimum distance from any residential zoned property is provided

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

**PROHIBITED USES:**

A. Automobile dismantling businesses

B. Retail sales, restaurants and cafes

C. Automobile service uses located within three hundred feet (300') of any residentially zoned property

D. Drive-through restaurants

### 4.2 DISTRIBUTION AND LOCATION OF LAND USE

The northerly 1.55 acres will be developed with four separate parcels in order to create a 0.14 acre parcel at 1600 East Grand Avenue for the relocated storage for Jim and Jack's Collision Center along the eastern portion of the property. Land uses may be distributed anywhere on the Project Site provided they fall within the uses allowed by Section 4.1 and meet the remaining development standards of this Section 4.0.

The southerly 3.1 acres will be developed as one parcel with the USDA's 45,152 square foot APHIS facility initially occupying the building. The operations will include office, lab, and warehouse uses. Approximately 97 parking spaces will be provided.
4.3 **SITE DEVELOPMENT STANDARDS**

Except as otherwise provided, this Specific Plan must be administered pursuant to the ESMC. The development standards in this Specific Plan are intended to provide flexibility in the development while providing consistency with adjacent uses.

A. **Lot Area**

The minimum lot area is 11,200 square feet with the exception of the lot fronting Grand Avenue on the northeastern portion of the site (Lot No. 4) which minimum lot area may be 5,000 gross square feet.

B. **Height**

_Northerly 1.55 acres_

No building or structure can exceed forty (40) feet in height, with the exceptions of parapets and other auxiliary structures that cannot exceed forty-five (45) feet in height.

_Southerly 3.1 acres_

No building or structure can exceed thirty-five (35) feet in height, with the exceptions of parapets and other auxiliary structures that cannot exceed forty-five (45) feet in height.

C. **Setbacks**

*Front Yard:* No parking is allowed in the setback area. The setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9' irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

*Side Yard:* no side yard setback is required unless the side yard abuts one of the following dedicated streets, in which case the setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9' irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

*Rear Yard:* No rear yard setback is required, unless the rear yard abuts one of the following dedicated streets, in which case the setbacks are as follows:

- Grand Avenue: 10 foot minimum (includes 9' irrevocable offer of dedication)
- Franklin Avenue: 8 foot minimum
- Kansas Street: 5 foot minimum

Fences and gates may encroach in the setback areas.
D. **Lot Frontage**

No requirement.

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

The FAR of the entire Project Site, as opposed to individual parcels, cannot exceed 0.60. The FAR is to be based on net square footage of the buildings and the net square footage of the Project Site.

F. **Off-Street Parking and Loading Spaces**

Off street parking and loading are provided as required by ESMC Chapter 15-15, with the exception of the following:

1. Up to 35% of the parking spaces may be compact spaces;

2. Emergency generators may be allowed in the parking area provided that they do not reduce required parking and they are decoratively screened;

3. The landscaped setback for the auto storage lot needs to only be 10 feet to the first parking space;

4. The requirement that parking areas be connected may be modified as part of the site plan review process; and

5. The number of required loading areas may be modified as part of the site plan review process.

G. **Landscaping**

Landscaping requirements are as follows:

1. A minimum of seven percent (7%) of the total site’s square footage must be devoted to landscaping;

2. Landscaping is not required in side yard setbacks unless the side yard abuts a dedicated street or abuts a different zone;

3. Landscaping must consist of trees, shrubs, vines, bushes, flowers, ground coverings or any combination thereof;

4. Landscaping cannot consist solely of artificial plants, artificial turf, crushed rock, redwood bark or decorative pavement;

5. In the front yard setback, an at-grade or raised planter landscaping must be employed. A permanent evergreen ground cover (turf, ivy) and trees are the basic material recommended. One fifteen (15) gallon tree must be provided for every twenty five feet (25’) of lot frontage on a dedicated street;
6. All landscaped areas must be provided with permanent watering facilities;

7. Landscaping along Grand Avenue is only required to be ten (10) feet;

8. Patios may encroach within the setback areas and no landscaping is required in such areas;

9. Emergency generators may be located in the landscaping area, but must be decoratively screened with opaque material.

H. Walls and Fences

All walls and fences must comply with ESMC § 15-2-4. Decorative masonry, open work wrought iron and similar materials are permitted. The use of chain link and razor wire is prohibited.

I. Access

1. All development projects must provide adequate access for emergency vehicles. In addition, all development projects must provide pedestrian access between buildings and transit facilities located on site and/or off site, if within adjoining public rights-of-way.

2. The lot at 1600 East Grand Avenue may continue to take access from Grand Avenue.

3. Driveways of up to 40 feet on Franklin Street may be allowed as part of the site plan review process.

J. Signs

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

K. Energy Standards

The development must be built to a minimum of LEED Certified standard or such other equivalent standard determined by the Director of Planning and Building Safety. Actual LEED certification is not required, however, the applicant must demonstrate that the project is built to a minimum of LEED Certified standard or such other equivalent standard using the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The Director of Planning and Building Safety will determine if the items identified on the scorecard and report, show a good faith effort to meet such standard. LEED stands for the Leadership in Energy and Environmental Design (LEED) Green Building Rating System developed by the United States Green Building Council (USGBC) and provides a suite of standards for environmentally sustainable construction.
L. Design Standards

The following minimum design standards must be incorporated in all projects within the Plan area:

1. All colors, textures, and materials on exterior elevation(s) must be coordinated to achieve a continuity of design throughout the 4.83 acre portion of the Project Site, regardless of whether the buildings are developed at the same time;

2. The buildings must have contrasting accent features that use at least two primary exterior building materials (including, without limitation, concrete, stucco, stone, rock, and brick) and/or two exterior colors;

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

4. Long, plain building elevations must be avoided; sufficient articulation must be provided;

5. Plans must be reviewed and approved by the Director of Planning and Building Safety for compliance with these Design Standards. If the Director finds that such plans are non-compliant, an applicant may appeal that decision in accordance with the ESMC.

M. Phasing

Rough grading will occur over the entire Specific Plan area at one time. The Project Site may be developed in one or more phases which may occur concurrently.

N. Transportation Demand Management (TDM)

Except as provided by this Specific Plan, development is required to comply with the TDM requirements of ESMC Chapter 15.16. In determining the size of the development, the northerly and southerly developments must be treated as two separate developments absent submission of a different site plan which shows a combined development over the two portions. All development on the northerly portion, with the exception of the auto storage lot, must be treated as one development.

Regardless of the size of the development, bicycle racks must be provided for each phase of development.

Regardless of the size of the development, each development must provide a bulletin board, display case or kiosk displaying transportation information located where it is visible to the greatest number of employees. Information in the area must include, without limitation, the following:

1. Current maps, routes and schedules for public transit routes serving the site;

2. Telephone numbers for referrals on transportation information including numbers for the regional ridesharing agency and local transit operators;
3. Ridesharing promotional material supplied by commuter-oriented organizations;

4. Bicycle route and facility information including regional/local bicycle maps and bicycle safety information; and

5. A list of facilities available for carpoolers, vanpoolers, bicyclists, transit riders, residents and pedestrians at the site.

4.4 MODIFICATIONS

A. Major Modifications

The following modifications constitute a Major Modification and require an amendment to this Specific Plan:

1. Any decrease in the required building setbacks;

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

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

4. Any decrease in the minimum required lot area;

5. Any change in use to a use which is not permitted herein;

6. Any deviation from the uses and development standards or limitations set forth in Sections 4.1 through Section 4.3 of this Specific Plan, except to the extent these Sections specifically provide for the Council or Director of Planning and Building Safety to approve such changes;

7. Any material modification to Developer's obligation to build to LEED standards, or such other alternative as determined by the Director of Planning and Building Safety for the Project; or

8. Any material modification that requires modification to the MND, other than an Addendum.

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

B. Minor Modifications/Administrative Approvals

Any modification to the Project or Project Approvals not listed in subsection A above, including a use approved subject to an Administrative Use Permit, is a Minor Modification. The Developer may make Minor Modifications without amending this Specific Plan upon the administrative approval of the Director of Planning and Building Safety or designee, provided that such modifications are consistent with the Development Standards, Applicable Rules and Project Approvals.
5.0 SITE PLAN REVIEW

The following procedures shall apply for development of any site plan, with the exception that the Approved Site Plan approved concurrently with this Specific Plan does not require any separate approval other than the Director of Planning and Building Safety reviewing the submitted building plans to ensure conformance with the Approved Site Plan. Absent a change triggering a major modification under Section 4.4A, revisions to the Approved Site Plan or the submission of a new Site Plan that is in accordance with the provisions of Section 4.0 does not require an amendment to this Specific Plan.

5.1 OVERVIEW

In order to develop a project that is in conformance with the uses, density and FAR approved in this Specific Plan, a site plan review ("SPR") application must be filed with the Department of Planning and Building Safety.

5.2 APPLICATION FOR SITE PLAN REVIEW - CONTENTS

The site plan review application must be submitted in conformance with applicable City application requirements and must include all information deemed necessary by the Director of Planning and Building Safety to address site plan review criteria.

5.3 SITE PLAN REVIEW - PROCEDURE

A. The Director of Planning and Building Safety must review an application to ensure there is consistency with the Specific Plan within 30 days after it is submitted.

B. CEQA Review, if required, must be conducted within the time frames set forth in the Public Resources Code and the California Code of Regulations.

C. The Director of Planning and Building Safety must review site plan applications within 30 days after the completion of the public review period of the environmental documentation, if any, or within 30 days from the date the application is deemed complete if no further environmental review is required. The Director of Planning and Building Safety must render his decision in writing, approving, approving with conditions, or denying the site plan review application, stating the reasons for such action.

D. The decision of the Director of Planning and Building Safety is final unless appealed to the Planning Commission in accordance with ESMC Chapter 15-25. Such decision of the Planning Commission may be appealed to the City Council in accordance with this same Chapter. Decisions of the Director of Planning and Building Safety and/or Planning Commission are considered final unless timely appealed.

E. The site plan is valid for two years from the date of approval. If construction has not commenced within such time, but the applicant has diligently pursued the project plan review process, the Director of Planning and Building Safety may extend the site plan approval for up to one additional year.
F. After the site plan is approved, the Director of Planning and Building Safety may approve minor changes in the site plan or the conditions thereof if the Director finds that there are practical reasons for such changes, that such changes do not substantially vary from the previously approved site plan and applicable ESMC regulations and that such changes do not involve deviations from the design's intent.

5.4 Site Plan Review Criteria

The purpose of the site plan review procedure is to ensure that the development provides a cohesive visual identity and coordinated design character for the Specific Plan area of high quality. The overall coordinated design character must be expressed in the site planning, architecture, landscaping, lighting, and signage. The architectural design is to be compatible in character, massing and materials consistent with the site plan depicted in this Specific Plan. The architectural design must provide a character that complements the surrounding uses.

In approving the site plan review the Director of Planning and Building Safety, or the Planning Commission or City Council on appeal, must consider the following factors:

A. The dimensions, shape and orientation of the parcel;
B. The placement of buildings and structures on the parcel;
C. The height, setbacks, and bulk of buildings;
D. The building materials and design;
E. The distance between buildings or structures;
F. The location, number and layout of off-street parking and loading spaces;
G. The internal traffic patterns and pedestrian safety features;
H. The location, amount and type of landscaping materials and the sustainability of the landscaping material with the El Segundo climate in compliance with the applicable climate zone;
I. The placement, height and direction of illumination of light standards;
J. The location, number, size and height of signs;
K. The location, height and materials of walls, fences or hedges; and
L. The location and method of screening refuse and storage areas, roof equipment, pipes, vents, utility equipment and all equipment not contained in the main buildings of the development.
5.5 APPROVAL CRITERIA

The Director of Planning and Building Safety, or Planning Commission or City Council on appeal, will approve the site plan if it finds that the site plan, architecture and landscape design, with conditions if necessary, are consistent with the Project Description and development standards set forth herein.

5.6 EXEMPT ACTIVITIES

The following is a list of activities which are exempt from the site plan review process. This list is not all inclusive; the Director of Planning and Building Safety may exempt other special activities not covered by this example listing:

A. All interior changes, alterations, construction
B. Demolition
C. Exterior mechanical (heating, air conditioning, water heater)
D. Minor exterior repairs costing less than $50,000.00
E. Reglazing, new mullions
F. Relandscaping of existing site
G. Repainting
H. Reroofing with similar style roofing materials

5.7 THE APPROVED SITE PLAN

As set forth above, the approval of this Specific Plan also includes approval of the Approved Site Plan, Exhibits 2 - 8 incorporated into this Specific Plan. The Approved Site Plan proposes a total of 68,975 net square feet (75,182 gross square feet) of development for an overall FAR of 0.34 over the net 4.65 acres.

Under the Approved Site Plan, construction of Phase I, the USDA facility, will take approximately twelve months to complete and construction of Phase II, the buildings on the northerly portion of the Project Site, will take approximately 9 months to complete.

Nothing requires the Project Site to be built in accordance with the Approved Site Plan. A new site plan may be approved in accordance with the provisions of Section 5.
A. Northerly 1.55 Acres (Exhibits 2 - 5)

The Approved Site Plan provides for the division of this portion of the Project Site into 4 parcels. Development of two buildings of approximately 12,655 gross/11,496 net square feet and 18,005 gross/15,797 net square feet for a total of 30,660 gross/27,293 net square feet will be placed on two separate parcels and a third parcel will be developed with shared parking of 103 spaces for the two buildings. (See Exhibits 2 [entire site] and 4 [northerly portion].) Only one loading area is required. The buildings will be able to be utilized for any of the allowed uses in this Specific Plan.

The fourth parcel will be the .14 acre parcel at 1600 East Grand Avenue for the existing Jim and Jack's overflow storage on the eastern portion of this parcel. Access to the parcel at 1600 East Grand Avenue will continue to be from Grand Avenue and access to the remainder of the northerly portion will be from a driveway on Kansas Street.
Exhibit 5 – Northerly Portion Building "B" Color Elevations
B. Southerly 3.1 Acres (Exhibits 2 and 6 - 8)

The Approved Site Plan provides for the development of this portion of the Project Site as one parcel with the USDA's APHIS facility. The facility will be approximately 45,152 gross/41,682 net square feet and the uses in the facility will be broken down between: office space (37% - 16,920 s.f.); industrial/labs (29% - 12,978 s.f.); and warehouse (26% - 11,784 s.f.). The remaining square footage would be restrooms, electrical/mechanical rooms, and exterior walls (8% - 3,470 s.f.).

Access to this portion of the Project Site will be from a second driveway on Kansas Street and two driveways on Franklin Avenue; the most easterly driveway may be up to 40 feet. There will be two separate parking areas with a total of 97 parking spaces; interconnectivity of the two parking areas on this portion is not required. At such time as USDA no longer occupies the facility, it may be utilized for any of the allowed uses in this Specific Plan.

Exhibit 6 - Southerly Portion Site Plan
Exhibit 7 – Southerly Portion USDA Building Color Elevations
Exhibit 8 – Southerly Portion USDA Building Color Renderings
6.0 **General Administration**

Unless regulated by this Specific Plan, development will be administered and enforced by the City in accordance with the ESMC. This Specific Plan supersedes any conflicts with ESMC zoning regulations.

A. The Director of Planning and Building Safety may grant administrative use permits in accordance with ESMC Chapter 15-22.

B. The Director of Planning and Building Safety may make other administrative determinations using the same procedures set forth in ESMC Chapter 15-22.

C. The Director of Planning and Building Safety may grant adjustments and administrative adjustments in accordance with ESMC Chapter 15-24.

7.0 **Amendment**

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

This Specific Plan may be amended as necessary in the same manner as it was originally adopted; a change to the Approved Site Plan or submission of a new site plan does not in and of itself trigger the need for an amendment to the Specific Plan. Said amendment or amendments do not require a concurrent General Plan amendment unless the Director of Planning and Building Safety determines that the proposed amendment would substantially affect General Plan goals, policies, objectives or programs.
APPENDIX A
GENERAL PLAN CONSISTENCY

ECONOMIC DEVELOPMENT ELEMENT

Goal ED1: Economic Base

To create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit.

Objective ED1-1

To build support and cooperation among the City of El Segundo and its business and residential communities for the mutual benefits derived from the maintenance and expansion of El Segundo's economic base.

Policy ED1-1.1

Maintain economic development as one of the City's and the business and residential communities' top priorities.

Policy ED1-1.2

Focus short-run economic development efforts on business retention and focus longer-run efforts on the diversification of El Segundo's economic base in order to meet quality of life goals.

Objective ED1-2

Center diversification efforts on targeted industries that meet the City's criteria for job creation, growth potential, fiscal impact, and fit with local resources.

Policy ED1-2.1

Seek to expand El Segundo's retail and commercial base so that the diverse needs of the City's business and residential communities are met.

Policy ED1-2.2

Maintain and promote land uses that improve the City's tax base, balancing economic development and quality of life goals.
Policy ED1-2.3

Seek to balance the City's economic development program with the City's resources and infrastructure capacity.

The 222 Kansas Street project will enhance the economic community of El Segundo by developing a vacant piece of property. The office/industrial buildings will fill a need that is not currently being satisfied in the City, causing tenants to locate outside of the City's boundaries. The USDA, or other government facility, will be required to make an in lieu payment to the City for loss of taxes which will help the economics of the City. The project will create jobs within the city which will benefit other businesses in the City. Any new infrastructure that is required will be installed as part of the development so there will be no stress on the current infrastructure capacity.

LAND USE ELEMENT

Goal LU1: Maintenance of El Segundo's "Small Town" Atmosphere

Objective LU1-1

Maintain El Segundo's "small town" atmosphere, and provide an attractive place to live and work.
Preserve and maintain the City's low-medium density residential nature, with low building height profile and character, and minimum development standards.

The height of the buildings in this area will not exceed 40 feet, thereby maintaining a low building height profile.

Goal LU4: Provision of a Stable Tax Base for El Segundo

Through Commercial Uses

Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.
The proposed project will allow new commercial uses, but will not impact Downtown as the uses would be non-competing to those are located in the Downtown area. The 222 Kansas Street Specific Plan actually reduces competition from existing Smoky Hollow Specific Plan as retail uses and eating establishments are not allowed in the Project area. Further, the development will bring in new employees to support the Downtown.

Policy LU4-1.1

Require landscaping, its maintenance, and permanent upkeep on all new commercial developments.

The 222 Kansas Street Specific Plan will include landscaping and maintenance requirements.

Policy LU4-1.2

All commercial facilities shall be built and maintained in accordance with Health and Safety Code requirements and shall meet seismic safety regulations and environmental regulations.

The 222 Kansas Street development will be required to comply with all current Code requirements.

Policy LU4-1.4

New commercial developments shall meet seismic safety standards and regulations, as well as comply with all noise, air quality, water, and environmental regulations.

The 222 Kansas Street development will be required to comply with all current seismic safety standards and regulations as well as comply with all other regulations and any mitigation measures required by the Mitigated Negative Declaration.

Objective LU4-3

Provide for new office and research and development uses.

Policy LU4-3.6
Require landscaping, its maintenance, and permanent upkeep in all new office and mixed-use developments.

*The 222 Kansas Street Specific Plan will have landscaping and maintenance requirements.*

**Goal LU5: Attraction of Clean and Beneficial Industrial Uses**

Retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City.

**Objective LU5-1**

Attract the kinds of industrial uses which will be economically beneficial to the community as well as enhance the environmental quality of the City.

*The 222 Kansas Street Specific Plan will allow light industrial uses on a vacant piece of property. The Specific Plan requires that the development be built to a minimum of LEED Certified standards.*

**Objective LU5-2**

Encourage the construction of high-quality, well designed industrial developments through adoption of property development standards and provisions of community services and utilities.

**Policy LU5-2.1**

New industrial developments shall provide landscaping in parking areas and around the buildings. This landscaping is to be permanently maintained.

*The 222 Kansas Street Specific Plan will require landscaping which will be maintained.*

**Policy LU5-2.2**

All outdoor storage shall be properly screened by masonry walls and landscaping.

*The 222 Kansas Street Specific Plan will result in the current outdoor overflow parking facility for Jim & Jack’s auto repair to be screened in an attractive manner*
Policy LU5-2.3

New industrial developments shall comply with seismic, noise, air, water, and environmental regulations.

The 222 Kansas Street development will be required to comply with all current regulations and applicable mitigation measures.

Policy LU5-2.4

New industries should have good accessibility to secondary or major transportation routes.

The 222 Kansas Street project is located in close proximity to Grand Avenue and Sepulveda Blvd., both of which are designated as recommended Truck Routes in the City’s Circulation Element.

Objective LU5-3

Encourage the rehabilitation of existing substandard blighted industrial areas through the combined efforts of private and public sectors.

Policy LU5-3.1

Revitalize and upgrade industrial areas which contain aesthetic or functional deficiencies in such areas as landscaping, off-street parking, or loading areas.

The City’s approval of the entitlement requests for the 222 Kansas Street Specific Plan project will lead to development of a currently vacant piece of property and will result in improved aesthetics in the area due to attractively designed buildings and landscaping.

Objective LU5-5

Establish policies and guidelines to guide light industrial development near residential areas.

The 222 Kansas Street Specific Plan will include development standards.
Objective LU5-6

Encourage a mix of office and light industrial uses in industrial areas.

The 222 Kansas Street Specific Plan specifically allows the development of office and industrial uses.

Goal LU7: Provision of Quality Infrastructure

Provide the highest quality public facilities, services, and public infrastructure possible to the community.

Objective LU7-1

Provide the highest and most efficient level of public services and public infrastructure financially possible.

Policy LU7-1.1

Continue the excellent public safety programs, including fire and police protection, currently enjoyed by the City.

The 222 Kansas Street development will be required to pay police and fire mitigation fees which will fund the public safety programs.

Policy LU7-1.2

No new development shall be allowed unless adequate public facilities are in place or provided for.

The 222 Kansas Street development will be required to install any needed public facilities.

Policy LU7-1.4

Storm drain and flood control facilities shall be maintained throughout the City to protect residents and structures from an anticipated 50-year flood.

The 222 Kansas Street development includes an on-site retention system.

Policy LU7-1.5

The adequacy of library services should be monitored annually and
maintained.

The 222 Kansas Street project will be required to pay a Library Service mitigation fee to help maintain the library.

Objective LU7-2

Promote City appearance and cultural heritage programs.

Policy LU7-2.3

All new development shall place utilities underground.

The 222 Kansas Street development shall have utilities placed underground within the Project Site.

CIRCULATION ELEMENT

Goal C1: Provision for a Safe, Convenient, and Cost Effective Circulation System

Provide a safe, convenient, and cost-effective circulation system to serve the present and future circulation needs of the El Segundo Community.

Objective C-1

Provide a roadway system that accommodates the City's existing and project land use and circulation needs.

Policy C1-1.9

Provide all residential, commercial, and industrial areas with efficient and safe access for emergency vehicles.

All driveways in the 222 Kansas Street Specific Plan will be designed to allow safe access for emergency vehicles.

Policy C1-1.14

Require a full evaluation of potential traffic impacts associated with proposed new developments prior to project approval. Further require the implementation of appropriate mitigation measures prior to, or in conjunction with, project development. Mitigation measures may include new roadway links on segments that would
connect new development to the existing roadway system, intersection improvements, and other measures. Mitigation measures shall be provided by or paid for by the project developer.

A traffic analysis will be required as part of the environmental review of the 222 Kansas Street Specific Plan project. The applicant will comply with and pay for all required mitigation measures.

**Policy C1-1.15**

Pursue and protect adequate right-of-way to accommodate future circulation system improvements.

*The 222 Kansas Street development will provide for a dedication of street frontage on Grand Avenue (10 feet plus an irrevocable offer of dedication for an additional 9 feet), on Kansas Street (5 feet) and Franklin Avenue (5 feet).*

**Policy C1-1.16**

Encourage the widening of substandard streets and alleys to meet City standards wherever feasible.

*The 222 Kansas Street development will provide for a dedication of street frontage on Grand Avenue (10 feet plus an irrevocable offer of dedication for an additional 9 feet), on Kansas Street (5 feet) and Franklin Avenue (5 feet).*

**Goal C2: Provisions for Alternative Modes of Transportation**

Provide a circulation system that incorporates alternatives to the single-occupant vehicle, to create a balance among travel modes based on travel needs, costs, social values, user acceptance, and air quality considerations.

**Objective C2-2**

Provide a bikeway system throughout the City to support and encourage the use of the bicycle as a safe and convenient travel mode with the City's circulation system.
Policy C2-2.2

Encourage new development to provide facilities for bicyclists to park and store their bicycles and provide shower and clothes changing facilities at or close to the bicyclist’s work destination.

*Bicycle racks will be provided as part of the 222 Kansas Street development. Other TDM measures may be required depending on the size of the development.*

Goal C3: Development of Circulation Policies that are Consistent with other City Policies

Develop a balanced General Plan, coordinating the Circulation Element with all other Elements, ensuring that the City’s decision making and planning activities are consistent among all City departments.

Objective C3-1

Ensure that potential circulation system impacts are considered when the City’s decision makers and staff are evaluating land use changes.

Policy C3-1.1

Require all new development to mitigate project-related impacts on the existing and future circulation system such that all Master Plan roadways and intersections are upgraded and maintained at acceptable levels of service through implementation of all applicable Circulation Element policies. Mitigation measures shall be provided by or paid for by the project developer.

*A traffic analysis will be completed as part of the environmental review for the project and the developer will construct any needed mitigation measures. Additionally, the developer is dedicating 10 feet along Grand Avenue with an additional 9 feet irrevocable offer of dedication; Grand Avenue is listed as a secondary arterial in the City’s Master Plan of Streets.*

Objective C3-2

Ensure the consideration of the impacts of land use decisions on the City’s parking situation.

Policy C3-2.1
Ensure the provision of sufficient on-site parking in all new development.

The 222 Kansas Street Specific Plan will require that sufficient on-site parking be provided.

CONSERVATION ELEMENT

Goal CN2: Water Supply

Assist in the maintenance of a safe and sufficient water supply and distribution system that provides for all the water needs within the community.

Policy CN2-5

Require new construction and development to install water-conserving fixtures and appliances to reduce the amount of new demand.

The development in the 222 Kansas Street Specific Plan area will comply with all requirements of Title 24 of the Building Code which requires water-conserving fixtures.

Policy CN2-7

Require new construction and development to incorporate the principles and practices of sound landscape design and management, particularly those conserving water and energy.

The development in the 222 Kansas Street Specific Plan area will comply with the water conservation in landscaping requirements set forth in Chapter 10-2 of the ESMC. Additionally, the development will be built to LEED Certified standards.

AIR QUALITY ELEMENT

Goal AQ10: Reduction in Particulate Emissions from Paved and Unpaved Roads, Parking Lots, and Road and Building Construction
Objective AQ10-1

Control particulate emissions by paving roads and parking lots or by adopting alternative methods to control particulates.

Policy AQ10-1.3

It is the policy of the City of El Segundo that all new development projects meet or exceed requirements of the South Coast Air Quality Management District for reducing PM10 standards.

Development in the 222 Kansas Street Specific Plan will meet all SCAQMD requirements for reducing PM 10 standards.

NOISE ELEMENT

Goal N1: Provision of a Noise-Safe Environment

Encourage a high quality environment within all parts of the City of El Segundo where the public’s health, safety, and welfare are not adversely affected by excessive noise.

Objective N1-1

It is the objective of the City of El Segundo to ensure that City residents are not exposed to mobile noise levels in excess of the interior and exterior noise standards or the single event noise standards specified in the El Segundo Municipal Code.

Policy N1-1.9

Require review of all new development projects in the City for conformance with California Airport Noise Regulations and California Noise Insulation Standards (CCR Title 24) to ensure interior noise will not exceed acceptable levels.

Development in the 222 Kansas Street project will meet all Title 24 requirements and will not exceed acceptable levels of interior noise.

Objective N1-2

It is the objective of the City of El Segundo to ensure that City residents are not exposed to stationary noise levels in excess of El Segundo’s Noise Ordinance standards.
Policy N1-2.1

Require all new projects to meet the City's Noise Ordinance Standards as a condition of building permit approval.

Program N1-2.1A

Address noise impacts in all environmental documents for discretionary approval projects, to insure that noise sources meet City Noise Ordinance standards. These sources may include: mechanical or electrical equipment, truck loading areas, or outdoor speaker systems.

Program N1-2.1C

The City shall strictly enforce the El Segundo Municipal Code's time-dependent noise standards for stationary sources. Two of the major sources which shall be closely monitored are industrial facilities and construction activities.

Development in the 222 Kansas Street project will be required to meet the City's noise ordinance standards and construction will only be allowed during the hours set forth in the ESMC.

PUBLIC SAFETY ELEMENT

Goal PS1: Geology and Soils

Protect the public health and safety and minimize the social and economic impacts associated with geologic hazards.

Objective PS1-1

It is the objective of the City of El Segundo to reduce exposure to potentially hazardous geological conditions through land use planning and project review.

Policy PS1-1.1

Continue to review proposals for new development and for the expansion of existing development in areas of potential geological hazards.
Policy PS1-1.2

Enforce, monitor, and improve development standards which place the responsibility on the developer, with advice from qualified engineers and geologists, to develop and implement adequate mitigation measures as conditions for project approval.

The environmental review process will cover the topic of geologic hazards and impose any mitigation that may be deemed necessary. Plans will be approved by qualified engineers.

Goal PS2: Faulting and Seismicity/Structural Hazards

Minimize injury and loss of life, property damage, and social, cultural and economic impacts caused by earthquake hazards.

Objective PS2-1

It is the objective of the City of El Segundo that the City promote effective response to seismic disasters and maintenance of structurally safe facilities.

Policy PS2-1.1

Continue to cooperate with and support federal, state, and county agencies in the development and enforcement of regional and local health and safety laws and environmental controls, e.g., implementation of SB 547 (Alquist).

Program PS2-1.1A

The City shall continue to enforce the Uniform Building Code.

The development of the 222 Kansas Street Specific Plan project will comply with all requirements of the most recent edition of the Uniform Building Code, as incorporated into the California Building Code.

Goal PS3: Petroleum Resources/Hazardous Materials and Wastes

Reduce threats to public health and safety from hazardous materials, especially threats induced by earthquakes and
accidental leaks and spills.

**Objective PS3-1**

It is the objective of the City of El Segundo that the City insure safe and prudent use of hazardous materials, and reduce the quantity of hazardous materials handled within the City.

**Policy PS3-1.1**

Review proposed development projects involving the use, storage, and disposal of hazardous materials with the intent of minimizing the probability and magnitude of a hazardous event.

*An analysis of hazards and hazardous materials will be part of the environmental review process and the developer will comply with all mitigation measures, including those pertaining to the operation of the temporarily capped oil well.*

**Goal PS6: Urban Fire Hazard**

*A fire safe community.*

**Objective PS6-1**

It is the objective of the City of El Segundo that the City minimize threats to public safety and protect property from wildland and urban fires.

**Policy PS6-1.1**

Review projects and development proposals, and upgrade fire prevention standards and mitigation measures in areas of high urban fire hazard.

*The 222 Kansas Street Specific Plan development will be built in accordance with the most recent fire code standards.*
DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF EL SEGUNDO,
AND SMPO LAB, LLC

(222 KANSAS STREET SITE)

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

This Development Agreement is made and entered into by and between the CITY OF EL SEGUNDO ("City"), a municipal corporation, and SMPO Lab, LLC ("SMPO"), as of this ___ day of __________, 2012. City and SMPO are referred to hereinafter individually as "Party" and collectively as "Parties." In consideration of the mutual covenants and agreements contained in this Agreement, the Parties agree as follows:

1. Definitions. Unless the contrary is stated or clearly appears from the context, the following definitions govern the construction of words and phrases used in this Agreement:

   "Agreement" means this Development Agreement between the City and the Developer.

   "Applicable Rules" means:

   • The El Segundo General Plan, as it existed on the Effective Date, as modified by the Project Approvals;
   • The El Segundo Municipal Code, as it existed on the Effective Date, as modified by the Project Approvals;
   • The 222 Kansas Street Specific Plan as adopted by the City Council;
   • Such other laws, ordinances, rules, regulations, and official policies governing permitted uses of the Property, density, design, improvement, development fees, and construction standards and specifications applicable to the development of the Property in force at the time of the Effective Date, which are not in conflict with this Agreement.

   "Approved Plans" means a plan for any aspect of the Project, including, without limitation, the Site Plan, signage plans, and landscaping and irrigation plans, which have been approved by City in accordance with the Development Standards, Applicable Rules and Project Approvals.


   "City" means the City of El Segundo and every successor in interest thereto.

   "City Council" means the City Council of the City of El Segundo.

   "Developer" means SMPO and every successor in interest thereto.

   "Development Standards" means the design and development standards that are applicable to the Project.

   "Director" means the Director of Planning and Building Safety of the City of El Segundo.
"Discretionary Actions; Discretionary Approvals" means actions which require the exercise of judgment or a decision, and which contemplate and authorize the imposition of revisions or conditions, by the City, including any board, commission, or department of the City and any officer or employee of the City, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission, or department of the City and any officer or employee of the City, to determine whether there has been compliance with applicable statutes, ordinances, regulations, or conditions of approval. The Project Approvals are included with these terms.

"Effective Date" means the date on which the Enabling Ordinance becomes effective in accordance with Government Code § 36937.

"Enabling Ordinance" means Ordinance No. __, approving this Development Agreement.

"Future Approvals" means such other discretionary and ministerial entitlements, including permits, which are required to develop the Project in addition to the Project Approvals, and which are applied for by Developer and approved by City.

"Minor Modification" means a minor change to the Project or Project Approvals that is consistent with the Development Standards, Applicable Rules and Project Approvals.

"Major Modification" means a major change to the Project or Project Approvals as defined in Section 4.6.3 of this Agreement.

"Project" means the development of the Property in accordance with the uses set forth in the 222 Kansas Street Specific Plan and the other Project Approvals.

"Project Approvals" means:

- Final Mitigated Negative Declaration and Addendum to Mitigated Negative Declaration (EA-959), as approved by Resolution No. ___;
- Mitigation Monitoring Program for Final Mitigated Negative Declaration and Addendum to Mitigated Negative Declaration, as approved by Resolution No. ___;
- General Plan Amendment GPA 12-01, as approved by Resolution No. ___;
- 222 Kansas Street Specific Plan SPA 12-01, as approved by Ordinance No. ____;
- Zone Change ZC 12-01, as approved by Ordinance No. ____;
- Zone Text Amendment ZTA 12-01, as approved by Ordinance No. ____;
- Vesting Tentative Map SUB 12-02, as approved by Resolution No. ___;
- Site Plan Review SPR 12-01, for the site plan contained in the 222 Kansas Street Specific Plan; and
- Development Agreement DA 12-01, as approved by Ordinance No. ___

"Person" means a natural person or any entity.
“Property” means that 4.83 acre property located at 222 Kansas Street in El Segundo, California more particularly described in attached Exhibit “A,” which is incorporated by reference.

“Subsequent Rules” means any changes to the Applicable Rules, including, without limitation, any change by means of an ordinance, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City Council, the Planning Commission or any other board, agency, commission or department of the City, or any officer or employee thereof, or by the electorate, which would, absent this Agreement, otherwise be applicable to the Property.

“Transferee” means a Person which assumes the rights and obligations under this Agreement with respect to all or a portion of the Property.

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

2.1 Pursuant to Government Code §§ 65865, et seq., City is authorized to enter into a binding contractual agreement with any person having a legal or equitable interest in real property for the development of such property.

2.2 Developer is the owner of the Property.

2.3 Developer desires to develop the Property in accordance with the 222 Kansas Street Specific Plan.

2.4 By this Agreement, City desires to obtain the binding agreement of Developer to develop the Property in accordance with the Project Approvals and Applicable Rules. In consideration thereof, City agrees to limit the future exercise of certain of its governmental and proprietary powers to the extent specified in this Agreement.

2.5 By this Agreement, Developer desires to obtain the binding agreement of City to permit the development of the Property in accordance with the Project Approvals and Applicable Rules. In consideration thereof, Developer agrees to waive its rights to challenge legally the restrictions and obligations set forth in this Agreement.

2.6 City and Developer acknowledge and agree that the consideration that is to be exchanged pursuant to this Agreement is fair, just and reasonable.

2.7 This Agreement is intended to provide flexible entitlements, within the parameters set forth herein and subject to the terms and conditions hereof, to meet the changing market demands that are likely to occur throughout the life of this Agreement.

2.8 The Project uses are consistent with the City’s General Plan, as amended through General Plan Amendment No. 12-01.

2.9 Development of the Project will further the comprehensive planning objectives contained within the General Plan, and will result in public benefits, including, among others, the
development of the Property with viable commercial and industrial uses as specified in Section 5.3 below.

2.10 All of the Property is subject to this Agreement.

3. **Binding Effect.** The burdens of this Agreement are binding upon, and the benefits of the Agreement inure to, each Party and each successive successor in interest thereto and constitute covenants that run with the Property.

3.1 **Constructive Notice and Acceptance.** Every Person who acquires any right, title or interest in or to any portion of the Property in which Developer has a legal interest is conclusively deemed to have consented and agreed to be bound by this Agreement, whether or not any reference to this Agreement is contained in the instrument by which such person acquired such right, title or interest.

3.2 **Rights to Transfer.** Developer may assign or transfer its rights and obligations under this Agreement with respect to the Property, or any portion thereof, to any Transferee at any time during the term of this Agreement without approval of City, including through provision of a long-term ground lease. For purposes of this Agreement, the Transferee is considered the "owner" of that portion of the Property which is covered by such transfer.

3.3 **Liabilities Upon Transfer.** Upon the delegation of the duties and obligations under this Agreement and the sale, transfer or assignment of all or any portion of the Property, Developer will be released from its obligations under this Agreement with respect to the Property, or portion thereof, so transferred arising subsequent to the effective date of such transfer, if: (i) Developer has provided to City prior or subsequent written notice of such transfer; and (ii) Transferee has agreed in writing to be subject to all of the provisions hereof applicable to the portion of the Property so transferred by executing an Assignment and Assumption Agreement in the form of attached Exhibit "B." Upon any transfer of any portion of the Property and the express assumption of Developer's obligations under this Agreement by such Transferee, City agrees to look solely to Transferee for compliance by such Transferee with the provisions of this Agreement as such provisions relate to the portion of the Property acquired by such Transferee. Any such Transferee is entitled to the benefits of this Agreement as "Developer" and is subject to the obligations of this Agreement applicable to the parcel(s) transferred. A default by any Transferee only affects that portion of the Property owned by such Transferee and does not cancel or diminish in any way Developer's rights with respect to any portion of the Property not owned by such Transferee. Transferees are responsible for satisfying the good faith compliance requirements set forth in Section 8 below relating to the portion of the Property owned by a Transferee, and any amendment to this Agreement between the City and a Transferee only affects the portion of the Property owned by such Transferee.

3.4 **Reassumption of Rights.** If Transferee defaults with respect to any provision of this Agreement, Developer may reassume Transferee's obligations upon written notification to City.

4. **Development of the Property.** The following provisions govern the development and use of the Property.
4.1 **Entitlement to Develop.** Developer is granted the vested right to develop the Project on the Property subject to the Applicable Rules, the Project Approvals and any Future Approvals.

4.2 **Permitted Uses, Density, Height and Dedication of Land for Public Purposes.** The permitted and conditionally permitted uses of the Property as well as the density or intensity of use, the maximum height and size of buildings and provisions for reservation or dedication of land for public purposes are set forth in the Project Approvals and Applicable Rules.

4.3 **Development Standards.** The Development Standards applicable to the Property are set forth in the Project Approvals and Applicable Rules.

4.4 **Building Regulations.** Nothing in this Agreement precludes City from applying changes occurring from time to time in the Building Regulations, provided that such changes (a) are found by City to be necessary to the health or safety of the citizens of the City, (b) are generally applicable to all similar types of property in the City, and (c) do not prevent or unreasonably delay development of the Project in accordance with this Agreement.

4.5 **Subsequent Rules.** Subsequent Rules cannot be applied by City to any part of the Property unless Developer gives City written notice of its election to have such Subsequent Rule applied to the Property, in which case such subsequent change is deemed to be an Applicable Rule.

4.6 **Future Approvals.**

4.6.1 **Minor Modifications to Project.** Developer may make minor changes to the Project and Project Approvals ("Minor Modifications") without amending this Agreement upon the administrative approval of the Director or designee, provided that such modifications are consistent with the Development Standards, Applicable Rules and Project Approvals. The City cannot unreasonably withhold or delay approval of any Minor Modification. The City has the right to impose reasonable conditions in connection with Minor Modifications, provided, however, such conditions cannot: (i) be inconsistent with the Applicable Rules, the Project Approvals or with the development of the Project as contemplated by this Agreement; (ii) directly or indirectly, unreasonably hinder, delay, impede, obstruct, interfere with, or place unduly burdensome or restrictive measures or requirements upon development of the Project or the Property or any portion thereof; or (iii) impose additional dedications, infrastructure or public improvement obligations, fees, costs or exactions exceeding those identified in the Applicable Rules, the Project Approvals, or this Agreement.

4.6.2 **Modification of Project Approvals.** The Parties contemplate that Developer may, from time to time, pursuant to Section 4.6.1 seek Minor Modifications to the Project or one or more of the Project Approvals. Any such Minor Modifications are contemplated by the Parties as being within the scope of this Agreement as long as they are authorized pursuant to this Section 4.6.2 and must, upon approval by City, continue to constitute the Project Approvals as referenced herein. The Parties agree that any such amendments do not constitute an amendment to this Agreement nor require an amendment to this Agreement.
4.6.3 Modifications Requiring Amendment to this Agreement. Any proposed modification to the Project which is not authorized by Section 4.6.2 and results in any of the following does not constitute a Minor Modification but constitutes a Major Modification and requires an amendment to this Agreement pursuant to Section 14 below:

(a) Any decrease in the required building setbacks as set forth in the 222 Kansas Street Specific Plan;

(b) Any increase in the FAR of the entire Property as set forth in the 222 Kansas Street Specific Plan;

(c) Any increase in height of buildings or structures on the Property above the height specified in the 222 Kansas Street Specific Plan;

(d) Any decrease in the minimum required lot area as set forth in the 222 Kansas Street Specific Plan;

(e) Any change in use to a use which is not permitted under the 222 Kansas Street Specific Plan;

(f) Any deviation from the uses and development standards or limitations set forth in Sections 4.1 through Section 4.3 of this Agreement, except to the extent these Sections specifically provide for the Council or the Director to approve of such changes;

(g) Any material modification to Developer’s obligation to build to LEED certification standards and provide certification for non-governmental buildings for the Project or such equivalent standard as approved by the Director; or

(h) Any material modification that requires modification to the MND, other than an Addendum.

(j) Other than the Major Modifications listed above, all other modifications to the Project are considered “Minor Modifications.”

4.6.4 Site Plan Review Approval. The Site Plan Review which must be submitted pursuant to the Specific Plan is not considered a Minor Modification to the Project or modification to the Project Approvals, provided it substantially conforms to the development standards of the 222 Kansas Street Specific Plan, and must be processed in accordance with the provisions set forth in the Specific Plan.

4.7 Plan Review. The Director will review site plans as well as plans for each building, signage, trash enclosures, screening and landscaping. After such review, the Director may issue a building permit, provided, however, that, notwithstanding anything to the contrary contained in the Applicable Rules, the sole purpose of such review is to verify consistency with the Development Standards, Applicable Rules and Project Approvals. The Director must approve all features which are consistent with the Development Standards, Applicable Rules, Project Approvals, and Future Approvals and does not have authority to disapprove or conditionally
approve any features or matters which are consistent with or otherwise which have been specifically approved by this Agreement.

4.8 Fees, Exactions, Mitigation Measures, Conditions, Reservations and Dedications. All fees, exactions, mitigation measures, conditions, reservations and dedications of land for public purposes that are applicable to the Project or the Property are set forth in the Project Approvals, the Applicable Rules and this Agreement. Except as otherwise provided in this Agreement, and specifically excluding fees set by entities not controlled by City that are collected by City, City can only charge and impose those fees and exactions, including, without limitation, dedications and any other fee or tax (including excise, construction or any other tax) relating to development or the privilege of developing, which are in effect on a City-wide basis as of the Effective Date. This Section cannot be construed to limit the authority of City to charge normal and customary application, processing, and permit fees for land use approvals, building permits and other similar permits, for Future Approvals, which fees are designed to reimburse City’s actual expenses attributable to such application, processing and permitting and are in force and effect on a City-wide basis at such time as applications for such approvals are filed with City.

4.9 Use of Easements. Notwithstanding the provisions of the Applicable Rules, easements dedicated for vehicular and pedestrian use are permitted to include easements for underground drainage, water, sewer, gas, electricity, telephone, cable, environmental remediation and other utilities and facilities so long as they do not unreasonably interfere with pedestrian and/or vehicular use.

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

In furtherance of the Parties’ intent, as set forth in this Section, no future amendment of any existing City ordinance or resolution, or future adoption of any ordinance, resolution or other action, that purports to limit the rate or timing of development over time or alter the sequencing of development phases, whether adopted or imposed by the City Council or through the initiative or referendum process, applies to the Property. However, nothing in this Section may be construed to limit City’s right to enforce Developer’s obligation pursuant to this Agreement to provide all infrastructure required by the Project Approvals and this Agreement.

4.11 Moratorium. No City-imposed moratorium or other limitation (whether relating to the rate, timing or sequencing of the development or construction of all or any part of the Property, whether imposed by ordinance, initiative, resolution, policy, order or otherwise, and whether enacted by the City Council, an agency of City, the electorate, or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), building permits, occupancy certificates or other entitlements to use or service (including, without limitation, water
and sewer) approved, issued or granted within City, or portions of City, applies to the Property to the extent such moratorium or other limitation is in conflict with this Agreement. However, the provisions of this Section do not affect City's compliance with moratoria or other limitations mandated by other governmental agencies or court-imposed moratoria or other limitations.

4.12 **Infrastructure.**

4.12.1 **Infrastructure Capacity.** Subject to Developer's installation of infrastructure in accordance with the requirements of the Project Approvals and any Future Approvals, City acknowledges that it will have sufficient capacity in its infrastructure, services and utility systems, including, without limitation, traffic circulation, storm drainage, flood control, electric service, sewer collection, sewer treatment, sanitation service and, except for reasons beyond City's control, water supply, treatment, distribution and service, to accommodate the Project. To the extent that City renders such services or provides such utilities, City agrees that it will serve the Project and that there is no restriction on hookups or service for the Project except for reasons beyond City's control.

4.12.2 **Infrastructure Phasing Flexibility.** Notwithstanding the provisions of any phasing requirements in the Project Approvals or any Future Approvals, Developer and City recognize that economic and market conditions may necessitate changing the order in which the infrastructure is constructed. Therefore, City and Developer agree that should it become necessary or desirable to develop any portion of the Project's infrastructure in an order that differs from the order set forth in this Agreement, Developer and City will collaborate and City will permit any modification requested by Developer so long as the modification continues to ensure adequate infrastructure is available to serve that portion of the Project being developed and is in compliance with Section 4.14 of this Agreement.

4.12.3 **Infrastructure Completion.** No building permit, final inspection or Certificate of Occupancy will be unreasonably withheld, conditioned, or delayed by City if all infrastructure required to serve the portion of the Property covered by the building permit, final inspection or Certificate of Occupancy is in place or is suitably guaranteed to be completed (by covenant, bond, letter of credit or otherwise) to the reasonable satisfaction of the City before completion of construction and all of the other relevant provisions of the Project Approvals and any Future Approvals are satisfied.

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

4.13 **Term.** The term of this Agreement is ten (10) years from the Effective Date. However, Developer or City is entitled to, by written notice to the other Party before the Agreement's expiration, one (1) five (5)-year extension, provided that the requesting Party is not in material default of this Agreement at such time. Before the expiration of such five (5)-year extension, the Parties may mutually agree to further extensions. In the event of litigation challenging this Agreement, the Term is automatically suspended for the duration of such litigation and resumes upon final disposition of such challenge and any appeal thereof upholding
the validity of this Agreement. In the event that a referendum petition concerning this 
Agreement is duly filed in such a manner that the ordinance approving this Agreement is 
suspended, then the Term is deemed to commence upon City Council certification of the results 
of the referendum election approving this Agreement.

4.14 **Satisfaction of Mitigation Measures and Conditions.** In the event that any of the 
mitigation measures or conditions required of Developer are implemented by others, Developer 
is conclusively deemed to have satisfied such mitigation measures or conditions, consistent with 
CEQA. If any such mitigation measures or conditions are rejected by a governmental agency 
with jurisdiction, Developer may implement reasonably equivalent substitute mitigation, 
consistent with CEQA, to the City's satisfaction, in lieu of the rejected mitigation measures or 
conditions. Such substitution is deemed to be a Minor Modification pursuant to Section 4.6 
above.

4.15 **In Lieu Credits.** Developer is granted in lieu credits for any off-site improvements 
relating to street improvements or traffic measures which Developer may be required to 
construct as part of this Project.

4.16 **Performance of Director Duties.** If City determines at any time during the term of 
this Agreement that the duties to be performed by the Director under this Agreement will be 
performed by one or more staff members other than the Director, City will endeavor to notify 
Developer of such change. The City must ensure that a person or persons are designated at all 
times to carry out the duties of the Planning and Building Safety Director set forth in this 
Agreement.

5. **Developer Agreements**

5.1 **General.** Developer must comply with: (i) this Agreement; (ii) the Project 
Approvals including, without limitation, all mitigation measures required by the determination 
made pursuant to CEQA; and (iii) all Future Approvals for which it is the applicant or a 
successor in interest to the applicant.

5.2 **Development Fees.** Subject to the provisions of Section 4.8 above, Developer 
must pay the development fee amounts identified in attached Exhibit "C," which is incorporated 
by reference.

5.3 **Processing Fees.** Subject to the provisions of Section 4.8 above, on the Effective 
Date of this Agreement, Developer must pay all reasonable and outstanding City processing, 
legal and environmental processing costs related to the Project and the preparation of this 
Agreement, if any.

5.4 **Maintenance Obligations.** Developer must maintain all portions of the Property in 
its possession or control, and any improvements thereon, in a clean, neat and orderly manner. 
Developer's maintenance obligations survive any termination or expiration of this Agreement.

5.5 **Term of Map(s) and Other Project Approvals.** Pursuant to Government Code §§ 
66452.6(a) and 65863.9, the term of any subdivision or parcel map that has been or in the future 
may be processed on all or any portion of the Property and the term of each of the Project
Approvals will be extended for a period of time through the scheduled termination date of this Agreement as set forth in Section 4.13 above.

5.6 **Sales and Use Tax.**

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

5.6.2 Developer further agrees that if Developer retains contractors or subcontractors to perform a portion of work in the Project, and said contracts or subcontracts are valued at five million dollars ($5,000,000) or more, said contracts or subcontracts must contain the provisions set forth in Section 5.6.1 above.

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

5.7 **In Lieu Payment for USDA Facility**

5.7.1 Within 10 days of the Effective Date, SMPO must deposit $225,000 with the City in lieu of the taxes. SMPO must deposit an additional $225,000 with the City in lieu of the taxes before the City issues any Certificate of Occupancy for any building.

5.7.2 City must reimburse $25,000 of the deposit to SMPO within 30 days of the completion of the overflow parking and storage for the lot at 1600 East Grand Avenue subject to review and approval of the landscaping and screening plan by the Director of Planning and Building Safety consistent with the materials used at the adjacent MEPS site at 1776 East Grand Avenue as approved by City Council Resolution No. 4559 and Ordinance No. 1419 for Environmental Assessment No. EA 769, Zone Change ZC 07-01, Specific Plan Amendment No. SPA 08-02, and Smoky Hollow Specific Plan Review No. SHSPR 07-04.

5.7.3 City must reimburse $25,000 of the deposit to SMPO if it issues a building permit for the northerly 1.41 acres in accordance with the Specific Plan and Site Plan Review approval within 24 months of the effective date of the adopted Specific Plan. City must reimburse SMPO within 30 days after issuing a building permit.

5.7.4 If for some reason the USDA facility is not developed or does not become operational and a non-exempt use utilizes the southerly portion of the Property, the entire deposit
of $450,000 must be returned to SMPO within 30 days of SMPO informing the City by written notification of such occurrence.

5.8 LEED Certification. Developer’s Project must be, at a minimum, built to LEED Certified standards in compliance with the U.S. Green Building Council standards in effect as of the Effective Date, or such equivalent standard as determined by the Director. Actual LEED certification is not required, however, the applicant must demonstrate that the project is built to a minimum of LEED certified standard or such other equivalent standard using the GBCI scorecard prepared by a qualified professional with a LEED AP credential. The City can require peer review of the LEED report and GBCI scorecard by a qualified professional with a LEED AP credential hired by the City at the applicant’s expense to advise the Director of Planning and Building Safety in his or her determination. Additionally, the City can require inspections for grading, site improvements, and buildings for the project by a qualified professional with a LEED AP credential to verify that the project has been constructed in compliance with the LEED report and GBCI scorecard to advise the Director of Planning and Building Safety in his or her determination.

6. City Agreements

6.1 Expedited Processing The City must process in an expedited manner all plan checking, excavation, grading, building, encroachment and street improvement permits, Certificates of Occupancy, utility connection authorizations, and other ministerial permits or approvals necessary, convenient or appropriate for the grading, excavation, construction, development, improvement, use and occupancy of the Project in accordance with City’s accelerated plan check process under the Applicable Rules. Without limiting the foregoing, if requested by Developer, City agrees to utilize private planners and plan checkers (upon Developer’s request and at Developer’s cost) and any other available means to expedite the processing of Project applications, including concurrent processing of such applications by various City departments.

6.2 Processing Cooperation and Assistance. To the extent permitted by law, City must reasonably cooperate with Developer in securing any and all entitlements, authorizations, permits or approvals which may be required by any other governmental or quasi-governmental entity in connection with the development of the Project or the Property. Without limiting the foregoing, City must reasonably cooperate with the Developer in any dealings with federal, state and other local governmental and quasi-governmental entities concerning issues affecting the Property. City must keep Developer fully informed with respect to its communications with such agencies which could impact the development of the Property.

6.3 Processing During Third Party Litigation. The filing of any third party lawsuit(s) against City or Developer relating to this Agreement, the Project Approvals, any Future Approvals or to other development issues affecting any portion of the Property or the Project will not hinder, delay or stop the development, processing or construction of the Project, approval of applications for any Future Approvals, or issuance of ministerial permits or approvals, unless the third party obtains a court order preventing the activity. City does not stipulate to or cooperate in the issuance of any such order.
7. **Modification/Suspension.** Pursuant to Government Code § 65869.5, in the event that any state or federal law or regulation, enacted after the Effective Date, precludes compliance with any provision of this Agreement, such provision will be deemed modified or suspended to the extent practicable to comply with such state or federal law or regulation, as reasonably determined necessary by City. Upon repeal of said law or regulation or the occurrence of any other event removing the effect thereof upon the Agreement, the provisions hereof will be restored to their full original effect.

8. **Demonstration of Good Faith Compliance.**

8.1 **Review of Compliance.** In accordance with Government Code § 65865.1, this Section 8 and the Applicable Rules, once each year, on or before each anniversary of the Effective Date (“Periodic Review”), the Director will review the extent of Developer’s good faith substantial compliance with the terms and provisions of this Agreement as well as the performance by the City of its obligations under this Agreement.

8.2 **Good Faith Compliance.** During each Periodic Review, Developer must demonstrate that, during the preceding twelve (12) month period, it has been in good faith compliance with this Agreement. For purposes of this Agreement, the phrase “good faith compliance” means that Developer has demonstrated that it acted in a commercially reasonable manner (taking into account the circumstances which then exist) and in good faith in and has substantially complied with Developer’s material obligations under this Agreement.

8.3 **Information to be Provided to Developer.** At least fourteen (14) days before the annual Effective Date the City must deliver to Developer a copy of all staff reports prepared in connection with a Periodic Review, any prior staff reports generated during the review period, written comments from the public and, to the extent practical, all related exhibits concerning such Periodic Review.

8.4 **Developer’s Report.** No later than the annual Effective Date, Developer must submit a written status report to the Director addressing the good faith compliance issue and any issues raised by the Information provided to Developer.

8.5 **Notice Of Non-Compliance; Cure Rights.** If, after reviewing the Developer’s Report, the Director reasonably concludes on the basis of substantial evidence that as to any parcel or parcels comprising the Property Developer has not demonstrated that it is in good faith compliance with this Agreement, the Director may issue and deliver to Developer a written Notice of Violation as set forth in Section 10 below.

8.6 **Public Notice of Finding.** Any appeal of the Director’s determination (including any appeal by Developer) must be filed within twenty (20) days following such decision. Filing such an appeal tolls the cure period specified in the Notice of Violation. Notwithstanding section 13.1, an appeal regarding the Notice of Violation must be heard directly by the City Council at a duly-noticed public hearing and the City Council must issue a final decision. Not in limitation of the forgoing, Developer retains the right to challenge City’s issuance of any final decision pursuant to Code of Civil Procedure § 1094.5 without complying with the procedures set forth in Section 10.4 below.
8.7 **Failure of Periodic Review.** The City's failure to review, at least annually, compliance by Developer with the terms and conditions of this Agreement does not constitute nor can it be asserted by any Party as a breach by any other Party of this Agreement. If the City fails to provide a Review Letter within sixty (60) days of the annual Effective Date, Developer will be deemed to be in good faith compliance with this Agreement.

9. **Excusable Delays.** Performance by any Party of its obligations in this Agreement is excused during any period of "Excusable Delay," as defined, provided that the Party claiming the delay gives notice of the delay to the other Party as soon as reasonably possible after the same has been ascertained. For purposes hereof, Excusable Delay means delay that directly affects, and is beyond the reasonable control of, the Party claiming the delay, including without limitation: (a) civil commotion; (b) riot; (c) strike, picketing or other labor dispute; (d) shortage of materials or supplies; (e) damage to work in progress or delays by reason of fire, flood, including flood due to rains, earthquake, windstorm, or other casualty; (f) reasonably unforeseeable delay caused by a reasonably unforeseeable restriction imposed or mandated by a governmental entity other than City; (g) litigation brought by a third party attacking the validity of a Project Approval, a Future Approval or any other action necessary for development of the Property; (h) delays caused by any default by the other Party; or (i) delays due to the presence or remediation of hazardous materials. The Term of this Agreement, including any extensions, will automatically be extended by any period of Excusable Delay.

10. **Default Provisions.**

10.1 **Default.** Any Party to this Agreement will have breached this Agreement if it materially breaches any of the provisions of this Agreement and the same is not cured within the time set forth in a written notice of violation (the "Notice of Violation") from the non-breaching Party to the breaching Party, which period of time is not less than ten (10) days for monetary defaults, and not less than sixty (60) days for non-monetary defaults from the date that the notice is deemed received, provided if the breaching Party cannot reasonably cure a non-monetary default within the time set forth in the notice, then the breaching Party will not be in default if it commences to cure the default within such time limit and diligently effects such cure thereafter. If City determines that a default may have occurred, City may choose to terminate this Agreement as to that portion of the Property owned by the Developer in default in which case it must give written notice to Developer of its intention to terminate and comply with the notice and public hearing requirements of Government Code §§ 65867 and 65868. Notice must also be sent to any other Developer that owns Property subject to this Agreement. At the time and place set for the hearing on termination, Developer will be given an opportunity to be heard. If the City Council finds based upon the evidence that Developer is in breach of this Agreement, the City Council may modify or terminate this Agreement; provided, however, if Developer initiates a resolution of dispute in accordance with the provisions of Section 10.4 below within sixty (60) days following the City Council’s determination that Developer is in breach of this Agreement, the City Council’s decision to modify or terminate this Agreement is stayed until the issue has been resolved through informal procedures, mediation, or court proceedings.

10.2 **Content of Notice of Violation.** Every Notice of Violation must state with specificity that it is given pursuant to this Section of the Agreement, the nature of the alleged breach, (including references to the pertinent provisions of this Agreement), the portion of the
Property involved, and the manner in which the breach may be satisfactorily cured. Notice must be given in accordance with Section 18 hereof.

10.3 **Remedies for Breach.** The Parties agree that the remedies for breach of this Agreement are limited to the remedies expressly set forth in this subsection. The remedies for breach of this Agreement by Developer are limited to injunctive relief and/or specific performance; the remedies by City are limited to injunctive relief and/or specific performance, or termination of this Agreement in accordance with Section 10.1 above.

10.4 **Resolution of Disputes.**

City and Developer agree to attempt to settle any claim, dispute or controversy arising from this Agreement through consultation and negotiation in good faith and in a spirit of mutual cooperation. If those attempts fail, the dispute may be mediated by a mediator chosen jointly by City and Developer within thirty (30) days after notice by one of the parties demanding non-binding mediation. Neither party may unreasonably withhold consent to the selection of a mediator, and City and Developer will share the cost of the mediation equally. The parties may agree to engage in some other form of non-binding alternate dispute resolution ("ADR") procedure in lieu of mediation. Any dispute that cannot be resolved between the parties through negotiation or mediation within two months after the date of the initial demand for non-binding mediation may then be submitted to a court of competent jurisdiction in the County of Los Angeles, California.

10.5 **Attorneys’ Fees and Costs.**

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

11. **Mortgagee Protection.** This Agreement does not prevent or limit the Developer, in any manner, at Developer’s sole discretion, from encumbering the Property or any portion thereof or any improvements thereon by any mortgage, deed of trust or other security device. City acknowledges that the lender(s) providing such financing ("Mortgagee") may require certain Agreement interpretations and agrees, upon request, from time to time, to meet with Developer and representatives of such lender(s) to provide within a reasonable time period City’s response to such requested interpretations. City will not unreasonably withhold its consent to any such requested interpretation, provided that such interpretation is consistent with the intent and purposes of this Agreement. Any Mortgagee of a mortgage or a beneficiary of a deed of trust or any successor or assign thereof including, without limitation, the purchaser at a judicial or non-judicial foreclosure sale or a person or entity who obtains title by deed-in-lieu of foreclosure on the Property is entitled to the following rights and privileges:

11.1 **Mortgage Not Rendered Invalid.** Neither entering into this Agreement nor a breach of this Agreement will defeat, render invalid, diminish, or impair the priority of the lien of any mortgage or deed of trust on the Property made in good faith and for value. No Mortgagee has an obligation or duty under this Agreement to perform Developer’s obligations, or to guarantee such performance, before taking title to all or a portion of the Property.
11.2 **Request for Notice to Mortgagee.** The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, who has submitted a request in writing to the City in the manner specified herein for giving notices, is entitled to receive a copy of any Notice of Violation delivered to the Developer.

11.3 **Mortgagee's Time to Cure.** City must provide a copy of any Notice of Violation to the Mortgagee within ten (10) days of sending the Notice of Violation to Developer. The Mortgagee has the right, but not the obligation, to cure the default for a period of thirty (30) days after receipt of such Notice of Violation or such longer period of time as may be specified in the Notice. Notwithstanding the foregoing, if such default is a default which can only be remedied by such Mortgagee obtaining possession of a Property, or any portion thereof, and such Mortgagee seeks to obtain possession, such Mortgagee has until thirty (30) days after the date of obtaining such possession to cure or, if such default cannot reasonably be cured within such period, to commence to cure such default, provided that such default is cured no later than one (1) year after Mortgagee obtains such possession.

11.4 **Cure Rights.** Any Mortgagee who takes title to all of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or a deed in lieu of foreclosure, will succeed to the rights and obligations of Developer under this Agreement as to the Property or portion thereof so acquired; provided, however, in no event is such Mortgagee liable for any defaults or monetary obligations of Developer arising before acquisition of title to the Property by such Mortgagee, except that any such Mortgagee is not entitled to a building permit or occupancy certificate until all delinquent and current fees and other monetary or non-monetary obligations due under this Agreement for the Property, or portion thereof acquired by such Mortgagee, have been satisfied.

11.5 **Bankruptcy.** If any Mortgagee is prohibited from commencing or prosecuting foreclosure or other appropriate proceedings in the nature of foreclosure by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceedings involving Developer, the times specified in Section 11.3 above will be extended for the period of the prohibition, except that any such extension cannot extend the term of this Agreement.

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

12. **Estoppel Certificate.** At any time and from time to time, Developer may deliver written notice to City and City may deliver written notice to Developer requesting that such Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or if amended, the identity of each amendment; and (iii) the requesting Party is not in breach of this Agreement, or if in breach, a description of each such breach. The Party receiving such a request
must execute and return the certificate within twenty-one (21) days following receipt of the notice. The failure of City to deliver such a written notice within such time constitutes a conclusive presumption against City that, except as may be represented by Developer, this Agreement is in full force and effect without modification, and that there are no uncured defaults in the performance of the Developer. The Director is authorized to execute, on behalf of City, any Estoppel Certificate requested by Developer. City acknowledges that a certificate may be relied upon by successors in interest to Developer who requested the certificate and by holders of record of deeds of trust on the portion of the Property in which that Developer has a legal interest.

13. Administration of Agreement.

13.1 Appeal of Determinations. Any decision by City staff concerning the interpretation or administration of this Agreement or development of the Property in accordance herewith may be appealed by Developer to the Planning Commission, and thereafter, if necessary, to the City Council pursuant to the El Segundo Municipal Code. Developer cannot seek judicial review of any staff decision without first having exhausted its remedies pursuant to this Agreement. Final determinations by the City Council are subject to judicial review subject to the restrictions and limitations of California law.

13.2 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between City and Developer. During the Term of this Agreement, clarifications to this Agreement and the Applicable Rules may be appropriate with respect to the details of performance of City and Developer. If and when, from time to time, during the terms of this Agreement, City and Developer agree that such clarifications are necessary or appropriate, they will effectuate such clarification through Operating Memoranda approved in writing by City and Developer, which, after execution, will be attached hereto and become part of this Agreement and the same may be further clarified from time to time as necessary with future written approval by City and Developer. Operating Memoranda are not intended to and do not constitute an amendment to this Agreement but are mere ministerial clarifications, therefore public notices and hearings are not required. The City Attorney is authorized, upon consultation with, and approval of, the Developer, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute an amendment hereof which requires compliance with the provisions of Section 14 below. The authority to enter into such Operating Memoranda is hereby delegated to the Director, and the Director is hereby authorized to execute any Operating Memoranda hereunder without further City Council action.

13.3 Certificate of Performance. Upon the completion of the Project, or the completion of development of any parcel within the Project, or upon completion of performance of this Agreement or its earlier revocation and termination, City must provide Developer, upon Developer’s request, with a statement (“Certificate of Performance”) evidencing said completion or revocation and the release of Developer from further obligations hereunder, except for any ongoing obligations hereunder. The Certificate of Performance must be signed by the appropriate agents of Developer and City and be recorded in the official records of Los Angeles County, California. Such Certificate of Performance is not a notice of completion as referred to in Civil Code § 3093.
14. Amendment or Termination by Mutual Consent. Except as otherwise set forth herein, this Agreement may only be amended or terminated, in whole or in part, by mutual consent of City and Developer, and upon compliance with the provisions of Government Code §§ 65867 and 65867.5.

15. Indemnification/Defense.

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

15.2 Defense of Agreement. If City accepts Developer’s indemnification and defense as provided in Section 15.1 above, City agrees to and must timely take all actions which are necessary or required to uphold the validity and enforceability of this Agreement, the Discretionary Approvals, Project Approvals, Development Standards and the Applicable Rules. This Section 15 will survive the termination of this Agreement.

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

17. Effective Date. This Agreement becomes operative on the Effective Date.

18. Notices. Any notice that a party is required or may desire to give the other must be in writing and may be sent by: i) personal delivery; or ii) by deposit in the United States mail, postage paid, registered or certified mail, return receipt requested; or iii) by overnight delivery using a nationally recognized overnight courier, providing proof of delivery; or iv) by facsimile, evidenced by confirmed receipt, addressed as follows (subject to the right of a party to designate a different address for itself by notice similarly given):

If to City: City of El Segundo
350 Main Street
El Segundo, California 90245
Attention: City Manager

With a Copy to: City of El Segundo
350 Main Street
El Segundo, California 90245
Attention: Director of Planning and Building Safety

With a Copy to: Jenkins & Hogin, LLP
1230 Rosecrans Ave, Suite 110  
Manhattan Beach, California 90266  
Attention: Mark D. Hensley, Esq.

If to SMPO:  
SMPO Labs, LLC  
5858 Ridgeway Center Parkway  
Memphis, Tennessee 38120  
Attention: Steve Williams

Any notice given by mail is deemed to have been given as of the date of delivery (whether accepted or refused) established by United States Post Office, return receipt, or the overnight carrier’s proof of delivery, as the case may be. Notices given in any other manner are effective only if and when received by the party to be notified between the hours of 8:00 a.m. and 5:00 p.m., local time of the recipient, of any business day with delivery made after such hours deemed received the following business day. A party’s address may be changed by written notice to the other party effective upon actual receipt of such notice. After a transfer of all or a portion of the Property pursuant to Sections 3.2 and 3.3, District must be copied on all correspondence whether by City or Transferee relating to such transferred property.

19. **Entire Agreement.** This Agreement contains the entire agreement between the Parties regarding the subject matter hereof, and supersedes in its entirety all prior agreements or understandings, oral or written. This Agreement cannot be amended, except as expressly provided herein.

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

21. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement is effective to the extent the remaining provisions are not rendered impractical to perform, taking into consideration the purposes of this Agreement.

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

23. **No Third Party Beneficiaries.** This Agreement is made and entered into for the sole benefit of the Parties and their successors in interest. No other person or party has any right of action based upon any provision of this Agreement.
24. **Recordation of Agreement and Amendments.** This Agreement and any amendment thereof must be recorded with the County Recorder of the County of Los Angeles by the City Clerk of City.

25. **Cooperation Between City and Developer.** City and Developer will execute and deliver to the other all such other and further instruments and documents as may be reasonably necessary to carry out the purposes of this Agreement. Upon satisfactory performance by Developer, and subject to the continuing cooperation of the Developer, City will commence and in a timely manner proceed to complete all steps necessary for the implementation of this Agreement and development of the Project or Property in accordance with the terms of this Agreement.

26. **Rules of Construction.** The captions and headings of the various sections and subsections of this Agreement are for convenience of reference only, and they do not constitute a part of this Agreement for any other purpose or affect interpretation of the Agreement. Should any provision of this Agreement be found to be in conflict with any provision of the Applicable Rules or the Project Approvals or any Future Approvals, the provisions of this Agreement control.

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

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

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

30. **Weekend/Holiday Dates.** Whenever any determination is to be made or action to be taken on a date specified in this Agreement, if such date falls upon a Saturday, Sunday or other holiday specified in Government Code § 6700, the date for such determination or action will be extended to the first business day immediately thereafter.

31. **Not a Public Dedication.** Except as otherwise expressly provided herein, nothing herein contained is a gift or dedication of the Property, or of the Project, or any portion thereof, to the general public, for the general public, or for any public use or purpose whatsoever, it being the intention and understanding of the Parties that this Agreement be strictly limited to and for the purposes herein expressed for the development of the Project as private property. Developer has the right to prevent or prohibit the use of the Property, or the Project, or any portion thereof, including common areas and buildings and improvements located thereon, by any person for any purpose which is not consistent with the development of the Project. Any portion of the Property conveyed to the City by the Developer as provided herein can be held and used by the City only for the purposes contemplated herein or otherwise provided in such conveyance, and the City will not take or permit to be taken (if within the power or authority of the City) any action or activity with respect to such portion of the Property that would deprive the Developer of the
material benefits of this Agreement, or would in any manner interfere with the development of
the Project as contemplated by this Agreement.

32. **Releases.** City agrees that upon written request of Developer and payment of all fees and
performance of the requirements and conditions required by Developer by this Agreement, the
City must execute and deliver to Developer appropriate release(s) of further obligations imposed
by this Agreement in form and substance acceptable to the Los Angeles County Recorder’s
Office or as otherwise may be necessary to effect the release.

33. **Consent.** Where the consent or approval of City or Developer is required or necessary
under this Agreement, the consent or approval will not be unreasonably withheld, delayed or
conditioned.

34. **Exhibits.** All exhibits attached hereto are incorporated by this reference.

IN WITNESS WHEREOF, Developer and City of El Segundo have executed this Development
Agreement on the date first above written.

CITY:

CITY OF EL SEGUNDO, a municipal corporation

By: ____________________________
   Carl Jacobson, Mayor

ATTEST:

______________________________
Tracy Weaver
City Clerk

APPROVED AS TO FORM:

By: ____________________________
   Mark D. Hensley, City Attorney

DEVELOPER:

SMPO LAB, LLC, a Delaware limited liability
company
By: ___________________________

Steve Williams

Its: ___________________________
EXHIBIT A

PROPERTY DESCRIPTION

PARCEL A

ALL OF PARCEL 4 OF PARCEL MAP NO. 7707, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 100, PAGE 78 OF PARCEL MAPS; TOGETHER WITH THAT PORTION OF PARCELS 1 AND 2 OF PARCEL MAP NO. 10427, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 113, PAGE 25 OF PARCEL MAPS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WESTERLY, SOUTHERLY AND SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE WESTERLY TERMINUS OF THE NORTHERLY LINE OF SAID PARCEL 1 OF SAID PARCEL MAP NO. 10427, SAID NORTHERLY LINE BEING SHOWN ON SAID PARCEL MAP AS BEARING NORTH 89° 53' 52" EAST, 158.66 FEET; SAID NORTHERLY LINE ALSO BEING THE SOUTHERLY RIGHT OF WAY LINE OF GRAND AVENUE, 60 FEET WIDE, AS SHOWN ON SAID PARCEL MAP NO. 10427; SAID SOUTHERLY RIGHT OF WAY LINE ALSO BEING THE NORTHERLY LINE OF SAID PARCEL 4 OF SAID PARCEL MAP NO. 7707 AND THE NORTHERLY LINE OF SAID PARCEL 2 OF SAID PARCEL MAP NO. 10427, ALL AS SHOWN ON SAID PARCEL MAP NO. 10427;

THENENCE ALONG SAID NORTHERLY LINE OF SAID LOT 1 OF PARCEL MAP NO. 10427 AND CONTINUING ALONG THE NORTHERLY LINES OF SAID PARCEL 4 OF SAID PARCEL MAP NO. 7707 AND SAID PARCEL 2 OF SAID PARCEL MAP NO. 10427, NORTH 89° 53' 52" EAST, 308.01 FEET TO THE TRUE POINT OF BEGINNING;

THENENCE LEAVING SAID NORTHERLY LINE, SOUTH 00° 06' 08" EAST, 152.16 FEET;

THENENCE NORTH 89° 53' 52" EAST, 60.48 FEET TO THE SOUTHWESTERLY LINE OF SAID LOT 2 OF SAID PARCEL MAP NO. 10427; SAID SOUTHWESTERLY LINE SHOWN AS BEARING NORTH 54° 09' 12" WEST ON SAID PARCEL MAP;

THENENCE ALONG SAID SOUTHWESTERLY LINE, SOUTH 54° 09' 12" EAST, 95.11 FEET TO THE POINT OF INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 1 OF SAID PARCEL MAP NO. 10427 LYING SOUTHERLY OF SAID LINE THAT IS PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.
PARCEL B

THAT PORTION OF PARCEL 1 OF PARCEL MAP NO. 10427, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 113, PAGE 25 OF PARCEL MAPS, LYING SOUTHERLY OF A LINE, PARALLEL WITH AND 297.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE NORTHERLY RIGHT OF WAY LINE OF FRANKLIN AVENUE, 50 FEET WIDE, SAID STREET RIGHT OF WAY WIDTH BEING SHOWN ON SAID PARCEL MAP NO. 10427.

END LEGAL DESCRIPTION
EXHIBIT B

Recording Requested By and
When Recorded Mail To:
SMPO Labs, LLC
5858 Ridgeway Center Parkway
Memphis, Tennessee 38120
Attention: Steve Williams

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made and entered into by and between_________________________, ("Assignor"), and
_________________________, a ___________________ ("Assignee").

RECITALS

A. The City of El Segundo ("City") and Assignor entered into that certain Development Agreement dated _________________, 2012 (the "Development Agreement"), with respect to the real property located in the City of El Segundo, State of California more particularly described in Exhibit "A" attached hereto (the "Project Site"), and

B. Assignor has obtained from the City certain development approvals and permits with respect to the development of the Project Site, including without limitation, approval of ___________________________ for the Project Site (collectively, the "Project Approvals").

C. Assignor intends to sell, and Assignee intends to purchase that portion, of the Project Site more particularly described in Exhibit "B" attached hereto (the "Transferred Property").

D. In connection with such purchase and sale, Assignor desires to transfer all of the Assignor’s right, title, and interest in and to the Development Agreement and the Project Approvals with respect to the Transferred Property. Assignee desires to accept such assignment from Assignor and assume the obligations of Assignor under the Development Agreement and the Project Approvals with respect to the Transferred Property.

THEREFORE, the parties agree as follows:

1. Assignment. Assignor hereby assigns and transfers to Assignee all of Assignor’s right, title, and interest in and to the Development Agreement and the Project Approvals with respect to the Transferred Property. Assignee hereby accepts such assignment from Assignor.

2. Assumption. Assignee expressly assumes and agrees to keep, perform, and fulfill all the terms, conditions, covenants, and obligations required to be kept, performed, and fulfilled by Assignor under the Development Agreement and the Project Approvals with respect to the Transferred Property, including without limitation those obligations specifically allocated to the Transferred Parcel as set forth on Exhibit “C” attached hereto.
3. **Effective Date.** The execution by City of the attached receipt for this Agreement shall be considered as conclusive proof of delivery of this Agreement and of the assignment and assumption contained herein. This Agreement shall be effective upon its recordation in the Official Records of Los Angeles County, California, provided that Assignee has closed the purchase and sale transaction and acquired legal title to the Transferred Property.

4. **Remainder of Project.** Any and all rights or obligations pertaining to such portion of the Project Site other than the Transferred Property are expressly excluded from the assignment and assumption provided in Sections 1 and 2 above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth next to their signatures below.

"**ASSIGNOR**"


[Name of Developer]

Date: ______________, ___

By: ______________

Its: ______________

By: ______________

Its: ______________

"**ASSIGNEE**"


a ______________

Date: ______________, ___

By: ______________

Its: ______________
RECEIPT BY CITY

The attached ASSIGNMENT AND ASSUMPTION AGREEMENT is received by the City of El Segundo on this ___ day of ______________, ________.

CITY OF EL SEGUNDO

By: __________________________
   Director of Planning and Building Safety

STATE OF CALIFORNIA   )
   SS: _________________________
   COUNTY OF ____________

     On _______________________, 20____, before me, _______________________, a Notary Public, personally appeared _______________________, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

     I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

     WITNESS my hand and official seal.

     Signature _______________________
         (Seal)

STATE OF CALIFORNIA   )
   SS: _________________________
   COUNTY OF ____________

     On _______________________, 20____, before me, _______________________, a Notary Public, personally appeared _______________________, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature __________________________
(Seal)
EXHIBIT C
DEVELOPMENT FEE SCHEDULE

City of El Segundo Fees:

1. Police Service Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

2. Fire Service Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

3. Parks Mitigation Fee
   Per City Council Resolution No. 4687 adopted on October 5, 2010.

4. Traffic Mitigation Fee
   Per City Council Resolution No. 4443 adopted on November 15, 2005.

5. Water Meter Installation Fees
   Per Title 11 of ESMC.
CITY OF EL SEGUNDO
SEGUNDO BUSINESS PARK
Initial Study/Mitigated Negative Declaration
Addendum

Environmental Assessment EA-959
General Plan Amendment GPA 12-01
Specific Plan Amendment SPA 12-01
Zone Change ZC 12-01
Zone Text Amendment ZTA 12-01
Subdivision SUB 12-02
Site Plan Review SPR 12-01

Mitigation Monitoring and Reporting Program

Prepared for
City of El Segundo Planning and Building and Safety Department
350 Main Street
El Segundo, California 90245

Prepared by
Atkins
12301 Wilshire Boulevard, Suite 430
Los Angeles, California 90025

July 2012
INTRODUCTION

The Addendum to the Initial Study/Mitigated Negative Declaration (MND) for the 222 Kansas Street Specific Plan Project identified mitigation measures to reduce the adverse effects of the project in the areas of: aesthetics, air quality, cultural resources, hazards/hazardous materials, noise, and public services.

The California Environmental Quality Act (CEQA) requires that agencies adopting MNDs ascertain that feasible mitigation measures are implemented, subsequent to project approval. Specifically, the lead or responsible agency must adopt a reporting or monitoring program for mitigation measures incorporated into a project or imposed as conditions of approval. The program must be designed to ensure compliance during applicable project timing, such as design, construction, or operation (Public Resource Code Section 21081.6).

The Mitigation Monitoring and Reporting Program (MMRP) shall be used by the City El Segundo staff responsible for ensuring compliance with mitigation measures associated with the 222 Kansas Street Specific Plan Project. Monitoring shall consist of review of appropriate documentation, such as plans or reports prepared by the party responsible for implementation, or by field observation of the mitigation measure during implementation.

The following table identifies the mitigation measures by environmental resource area. The table also provides the specific mitigation monitoring requirements, including implementation documentation, monitoring activity, timing and responsible monitoring party. Verification of compliance with each measure is to be indicated by signature of the mitigation monitor, together with date of verification. The Project Applicant and the Applicant’s contractor shall be responsible for implementation of all mitigation measures, unless otherwise noted in the table.
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<th>Mitigation Monitoring and Reporting Checklist</th>
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<td><strong>Mitigation/Condition</strong></td>
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<td>Mitigation Monitoring and Reporting Program</td>
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<td>CAEEC MCI-2</td>
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<td>MAQ-2</td>
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**MAQ-1**

The project's construction contractor must follow the CEE MC 2016. All VCD, or maximum of 20 percent of the California default, or a maximum of 200gr.

**MAQ-2**

The project's construction contractor must follow the CEE MC 2016. All VCD, or maximum of 20 percent of the California default, or a maximum of 200gr.

**MAQ-3**

The project's construction contractor must follow the CEE MC 2016. All VCD, or maximum of 20 percent of the California default, or a maximum of 200gr.

**MAQ-4**

The project's construction contractor must follow the CEE MC 2016. All VCD, or maximum of 20 percent of the California default, or a maximum of 200gr.
<p>| MM CR-2 | If human remains are discovered during any demolition/construction activities, allground-disturbing activity within 50 feet of the remains must be halted immediately, and the Los Angeles County coroner must be notified immediately, pursuant to Public Resources Code §5097.98 and Health and Safety Code §7050.5. If the remains are determined by the County coroner to be Native American, the Native American Heritage Commission (NAHC) must be notified within 24 hours, and the guidelines of the NAHC must be adhered to in the treatment and disposition of the remains. The project developer must also retain a professionalarchaeologist with Native American burial experience to conduct a field investigation of the specific site and consult with the Most Likely Descendant, if any, identified by the NAHC. As necessary, the archaeologist may provide professional assistance to the Most Likely Descendant, including the excavation and removal of the human remains. | Contract language and notes on grading plans. Review and approve contract specifications and grading plans for inclusion. If necessary, NAHC notification, field investigation, and consultation with Most Likely Descendant. | Plan check before issuance of a grading permit. | During Grading. | City of El Segundo—Planning and Building Safety Department | City of El Segundo—Planning and Building Safety Department and Native American Heritage Commission |</p>
<table>
<thead>
<tr>
<th>Mitigation Monitoring and Reporting Checklist</th>
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<tr>
<td><strong>MM HAZ-1</strong> The Applicant and construction contractor must comply with existing hazardous materials regulations, which are codified in Titles 8, 22, and 26 of the California Code of Regulations, and their enabling legislation set forth in Chapter 6.95 of the California Health and Safety Code. In addition, the Applicant and construction contractor must comply with applicable federal, state, and local laws and regulations pertaining to the transport, use, and disposal of hazardous waste, including, but not limited to, Title 49 of the Code of Federal Regulations and as implemented by Title 13 of the California Code of Regulations.</td>
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<td>Monitoring and Reporting Process</td>
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<tr>
<td>Contract language and notes on demolition and grading plans. Review and approve contract specifications and demolition/grading plans for inclusion.</td>
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<td><strong>MM HAZ-2</strong> In the event that soil or groundwater contamination is encountered that could present a threat to human health or the environment during construction in the project area, construction activities in the immediate vicinity of the contamination must immediately cease. If contamination is encountered, a Risk Management Plan must be prepared and implemented after completion of additional soil investigation to the satisfaction of the Fire Department and the Planning and Building Safety Department. The Risk Management Plan must (1) identify the contaminants of concern and the potential risk each contaminant would pose to human health and the environment during construction and post-development and (2) describe measures to be taken to protect workers and the public from exposure to potential site hazards. Such measures could include a range of options, including, without limitation, physical site controls during construction, remediation, long-term monitoring, post-development maintenance or</td>
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<td>If necessary, Risk Management Plan and Site Health and Safety Plan.</td>
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### Mitigation Monitoring and Reporting Checklist

<table>
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<tr>
<th>MW/Goal/No.</th>
<th>Mitigation Measure/Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Monitoring Milestone</th>
<th>Party Responsible for Monitoring</th>
<th>Initials</th>
<th>Date</th>
<th>Remarks</th>
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<tr>
<td>MM HAZ-3</td>
<td>A site plan that identifies the proposed project and the distance between the proposed buildings and any on-site oil wells must be submitted to the City of El Segundo for approval. The buildings of the proposed development must be built “not in proximity to a well” as defined by DOGGR which includes development with: 1) two adjacent sides that are free and clear of structures or property lines for no less than 10 feet, 2) a third side that is free and clear of structures or property lines for no less than 50 feet, and 3) a fourth side to remain open (no defined distance from structures or property lines).</td>
<td>Review and approve site plan before grading plans.</td>
<td>Before issuance of grading permit.</td>
<td>City of El Segundo—Planning and Building Safety Department</td>
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</table>
| MM NOI-1    | The project Applicant's construction contractor must require by contract specifications that the following construction best management practices (BMPs) be implemented by contractors to reduce construction noise levels:  
- The project's construction contractor must provide advance notification to adjacent property owners and post notices around the boundaries of the Proposed Project site with information detailing the schedule of construction activities.  
- All construction equipment with a high noise- | Contract language and notes on demolition, grading and building plans. Review and approve contract specifications and demolition, grading and building plans for inclusion. | Before issuance of grading or building permit. | City of El Segundo—Planning and Building Safety Department |          |      |         |
Mitigation Monitoring and Reporting Program

Mitigation Monitoring and Reporting Checklist

<table>
<thead>
<tr>
<th>Mit/Cont. No.</th>
<th>Mitigation/Material/Condition of Approval</th>
<th>Monitoring and Reporting Process</th>
<th>Verification of Compliance</th>
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<tbody>
<tr>
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<td>generating potential, including all equipment powered by internal combustion engines, must be muted or controlled.</td>
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<td>All noise-generating construction equipment and construction staging areas must be placed away from noise-sensitive uses, where feasible.</td>
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<td>High noise-producing activities must be scheduled between the hours of 8:00 AM and 5:00 PM to minimize disruption to sensitive uses and delivery of materials and equipment must occur between 7:00 AM and 6:00 PM.</td>
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<td>Noise attenuation measures must be implemented to the extent feasible, which may include, without limitation, noise barriers or noise blankets.</td>
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<td>Machinery, including motors, must be turned off when not in use.</td>
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<tr>
<th>Mit/Cont. No.</th>
<th>Description</th>
<th>Monitoring and Reporting Process</th>
<th>Verification of Compliance</th>
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<tbody>
<tr>
<td>MM PS-1</td>
<td>The Applicant must pay the City of El Segundo Fire Service Mitigation Fee at the rates established by City Council Resolution No. 4887, before the City issues a building permit.</td>
<td>Pay fee before approval of building plans.</td>
<td>Plan check before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-2</td>
<td>A fire life safety plan, which must include complete plans and specifications, must be submitted to the El Segundo Fire Department (ESFD) for review and approval before commencement of construction of any portion of the proposed development.</td>
<td>Preparation of a fire life safety plan.</td>
<td>Before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-3</td>
<td>The Applicant must provide fire access roadways to and throughout the property and submit a layout plan to the ESFD for approval before the City issues a building permit.</td>
<td>Preparation of a site plan. Review and approve building plans for inclusion.</td>
<td>Before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-4</td>
<td>The Applicant must provide water flow and on-site fire hydrants as required by the ESFD.</td>
<td>Review and approve building and hydrant plans for inclusion.</td>
<td>Before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-5</td>
<td>The Applicant must submit separate plans for ESFD approval. The following installations require separate ESFD approval:  ■ Automatic fire sprinklers  ■ Fire alarm system  ■ Underground fire service mains  ■ Fire pumps  ■ Emergency generators  ■ Any aboveground or underground storage tanks including elevator sumps and condensation tanks</td>
<td>Review and approve building plans for inclusion.</td>
<td>Before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-6</td>
<td>When the City issues building permits, if the second oil well (location currently unidentified on the project site) is not permanently capped, the project Applicant must comply with the mitigation measures identified in the letter &quot;Request for Alternative Method, California Fire Code Section 3406.3.1.3.2 Segundo Business Park 222 Kansas Street and 1545 East Franklin Avenue&quot; (dated September 16, 2006).</td>
<td>Review and approve building plans for inclusion.</td>
<td>Before issuance of building permit.</td>
</tr>
<tr>
<td>MM PS-7</td>
<td>The Applicant must pay the City of El Segundo Police Service Mitigation Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.</td>
<td>Pay fee before approval of building plans.</td>
<td>Plan check before issuance of building permit.</td>
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<tr>
<td>Mitigation Monitoring and Reporting Checklist</td>
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| **MM PS-8**  
The Applicant must submit a strategic security plan, which must include definitive plans and specifications, to the El Segundo Police Department (ESPD) for review and approval before commencement of construction of any portion of the proposed project. The strategic security plan must include, without limitation, the following items:  
- Depending upon the size of the structure and its location in relation to the streets, the size of the displayed address may vary from a minimum of 4" to as much as 24"  
- Building entrances and exits must be limited in number and located in a manner to increase security and visibility of the building  
- All landscaping must be low profile especially around perimeter fencing, windows, doors and entryways taking special care not to limit visibility and provide climbing access  
- Adequate street, walkway, building and parking lot lighting must be provided to enhance security  
- Provisions for on-site security personnel  
| Preparation of a strategic security plan.  
Contract language and notes on building plans. Review and approve contract specifications and building plans for inclusion.  
| Plan check before issuance of building permit.  
| City of El Segundo—Police Department and Planning and Building Safety Department  
| **MM PS-9**  
The Applicant must pay the City of El Segundo School District Development Impact Fee at the rates established by the El Segundo Unified School District before the City issues a building permit.  
| Pay fee before approval of building plans.  
| Plan check before issuance of building permit.  
| City of El Segundo—Planning and Building Safety Department  
| **MM PS-10**  
The Applicant must pay the City of El Segundo Parks Facility Fee at the rates established by City Council Resolution No. 4687 before the City issues a building permit.  
| Pay fee before approval of building plans.  
| Plan check before issuance of building permit.  
| City of El Segundo—Planning and Building Safety Department  |
El Segundo Municipal Code § 15-11-5: APPENDIX A; BOUNDARY DESCRIPTION

Smoky Hollow Specific Plan Boundary Description

Add the following subsection E in a separate paragraph immediately below subsection 15-11-5(D) - Eastern Boundary description:

"E. Boundary Amendment: As part of Environmental Assessment No. EA-959, General Plan Amendment No. GPA 12-01, Specific Plan Amendment No. SPA 12-01, Zone Change No. ZC 12-01, Zone Text Amendment No. ZTA 12-01, Subdivision No. SUB 12-02, and Development Agreement No. DA 12-01 the following area was removed from the Smoky Hollow Specific Plan:

Parcel A

All of Parcel 4 of Parcel Map No. 7707, in the City of El Segundo, County of Los Angeles, State of California, as per map filed in book 100, page 78 of parcel maps; together with that portion of Parcels 1 and 2 of Parcel Map No. 10427, in said City, County and State, as per map filed in book 113, page 25 of parcel maps, both in the office of the county recorder of said county, lying westerly, southerly and southwesterly of the following described line:

Commencing at the westerly terminus of the northerly line of said Parcel 1 of said Parcel Map No. 10427, said northerly line being shown on said Parcel Map as bearing north 89° 53' 52" east, 158.66 feet; said northerly line also being the southerly right of way line of Grand Avenue, 60 feet wide, as shown on said Parcel Map No. 10427; said southerly right of way line also being the northerly line of said Parcel 4 of said Parcel Map No. 7707 and the northerly line of said Parcel 2 of said Parcel Map No. 10427, all as shown on said Parcel Map No. 10427;

thence along said northerly line of said Lot 1 of Parcel Map No. 10427 and continuing along the northerly lines of said Parcel 4 of said Parcel Map No. 7707 and said Parcel 2 of said Parcel Map No. 10427, North 89° 53' 52" East, 308.01 feet to the true point of beginning;

thence leaving said northerly line, South 00° 06' 08" East, 152.16 feet;
thence North 89° 53' 52" East, 60.48 feet to the southwesterly line of said Lot 2 of said Parcel Map No. 10427; said southwesterly line shown as bearing North 54° 09' 12" West on said Parcel Map;

thence along said southwesterly line, South 54° 09' 12" East, 95.11 feet to the point of intersection with a line that is parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427.

Excepting therefrom that portion of said Parcel 1 of said Parcel Map No. 10427 lying southerly of said line that is parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427.

**Parcel B**

That portion of Parcel 1 of Parcel Map No. 10427, in the City of El Segundo, County of Los Angeles, State of California, as per map filed in book 113, page 25 of parcel maps, lying southerly of a line, parallel with and 297.00 feet northerly, measured at right angles, from the northerly right of way line of Franklin Avenue, 50 feet wide, said street right of way width being shown on said Parcel Map No. 10427."