

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission

THROUGH: Richard Thompson, Director of Community Development

FROM: Laurie B. Jester, Planning Manager

DATE: June 26, 2013

SUBJECT Manhattan Village Shopping Center Enhancement Project, Final Environmental Impact Report (FEIR), Master Use Permit Amendment, Variance (Building Height), and Sign Exception/Sign Program, located on the east side of Sepulveda Boulevard between Rosecrans Avenue and Marine Avenue (2600-3600 North Sepulveda Boulevard, and 1220 Rosecrans Avenue).

RECOMMENDATION

Staff recommends that the Planning Commission **CONDUCT THE CONTINUED PUBLIC HEARING, DISCUSS THE PROJECT, AND ADOPT THE DRAFT RESOLUTIONS CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT AND APPROVING THE PROJECT.**

PROPERTY OWNERS

RREEF America REIT II Corporation BBB
1200 Rosecrans Avenue, Suite 201
Manhattan Beach, CA 90266

APPLICANT

RREEF America REIT II Corporation BBB
1200 Rosecrans Avenue, Suite 201
Manhattan Beach, CA 90266

3500 Sepulveda LLC-(Hacienda Building)
Bullocks USA, Inc.-(Macy's)

BACKGROUND

On November 7, 2006 RREEF submitted a Master Use Permit Amendment and Variance, for building height, for a remodel and expansion of the Manhattan Village Shopping Center. Revised applications, plus a Sign Exception/Program and Development Agreement were then submitted in 2012, although subsequently the Development Agreement was withdrawn. The applications also require the preparation of an Environmental Impact Report (EIR) in accordance with the requirements of the California Environmental Quality Act (CEQA). Over the past six and a half years RREEF and their team of consultants have been meeting with the neighbors, tenants, other site property owners, staff, and community leaders to review the proposed project and to make revisions to address their concerns, as well as the needs of a changing consumer market.

On February 12, 2009, the City held a public Scoping Meeting to introduce the project to the community, and provide an overview of the project and the CEQA process. The 45 day public review and comment period for the Draft EIR was June 7, 2012 to July 23, 2012. The Final EIR

is complete and was distributed for public review on April 2, 2013. The Draft and Final EIR's are available on the City website, at City Hall and at the Library. (Attachments H and I)

A Planning Commission public hearing was held on June 27, 2012 to provide an overview of the project. More public hearings were held on October 3, 2012, March, 13, April 24, and May 22, 2013 as an opportunity for public and Commission input.

DISCUSSION

Project Overview

The approximately 44-acre Manhattan Village Shopping Center site includes an enclosed, main Mall building and several freestanding buildings that provide approximately 572,837 square feet of gross leasable area (GLA), with 2,393 parking spaces. The proposed Project, all three Phases as analyzed in the Environmental Impact Report (EIR), would involve an increase of approximately 123,672 square feet of net new retail and restaurant GLA (approximately 194,644 square feet of new GLA and demolition of approximately 70,972 square feet of existing retail, restaurant, and cinema GLA) within an approximately 18.4 acre development area within the overall 44-acre Shopping Center site. Of the 194,644 square feet of new GLA, up to approximately 25,894 square feet would be new restaurant uses, while up to approximately 168,750 square feet would be new retail uses. When accounting for existing development on the Shopping Center site, upon Project completion, the Shopping Center site would include a total of approximately 696,509 square feet of GLA, for all three Phases of the project.

In addition, the EIR analyzed a Traffic Equivalency Program that provides the opportunity to build a variety of land uses currently permitted by the Master Use Permit for the Shopping Center as long as there is not an increase in traffic. With implementation of the Equivalency Program, a maximum of 133,389 square feet of net new GLA, or an additional 9,717 square feet could be constructed. This includes 204,361 square feet maximum of new GLA and demolition of approximately 70,972 square feet of existing retail, restaurant, and cinema GLA, for a total of 706,226 square feet GLA. This is 9,717 square foot increase over the 123,672 square feet of GLA without the Equivalency Program.

The proposed Project would also include new on-site parking structures and surface parking areas that are proposed to provide at least 4.1 parking spaces per 1,000 square feet of GLA. Heights of new shopping center buildings and parking facilities would range from 26 feet to up to 42 feet, plus mechanical, elevators, architectural features and lights poles which can add up to an additional 14 feet in height. The increased height requires a Variance as detailed in the Draft Resolution, Attachment A, pages 2, 12-14. The existing Macy's building is about 42 feet tall.

The EIR for the project includes all three Phases of development as described above and in the Final EIR, and the Draft Resolution certifying the Final EIR is included as Attachment B. The Master Use Permit Amendment only requests approval of Phases I and II, and Phase III- North West corner will be deferred until this portion of the project can be further refined. Although the EIR only covers the 18 acre development site, the Master Use Permit and other land use applications cover the entire 44 acre site, and the Draft Resolution of approval is included as Attachment A, including the Master Use Permit findings on pages 5-12, the Variance findings on pages 12-14 and the Sign Exception findings on pages 14-15.

As currently proposed, Phase I- Village Shops includes the demolition of 22,144 SF (Theaters and See's Candy building) and the construction of 63,300 SF for a net increase of 41,156 SF. This would bring the new total square footage for the entire Mall, including CVS, Ralphs, the freestanding restaurants and banks etc., to 613,993 SF. Parking would increase by about 265 net new spaces to 2,658 total parking spaces with the addition of surface parking as well as 2- three level parking structures, which creates a parking surplus of about 140 spaces for future Phase II use. Phase II- Northeast corner includes the demolition of 2,628 SF (restaurant by the Theaters), the "decommissioning" of 8,656 SF (main mall reconfiguration of tenants) and the construction of a 60,000 SF Macy's expansion for a net increase of 48,716 SF. This would bring the new total square footage to 662,709 SF. Parking would increase by about 76 net new spaces for 2,734 total parking spaces in a new two or three level parking structure. The total square footage proposed is under the square footage analyzed in the EIR. The most recent Land Use application submitted requests additional square footage, however this would exceed the project evaluated in the EIR, and would require an EIR revision at a future time.

Some common area portions adjacent to Phase III, including the culvert parking area, an area set aside for a proposed "dog park", pedestrian and bike connections under Sepulveda, and pedestrian, bike, transit and traffic improvements, will be developed with Phases I and II in order to integrate the entire site, as feasible coordinating with the Sepulveda Bridge widening project. Phase III includes integrating the Fry's parcel, the extension of Cedar Way north to connect to Rosecrans Avenue, and new buildings north of the Phase I- Village Shops north parking structure and to the west of the Phase II-Macy's Expansion northeast corner parking structure.

Planning Commission Meeting – May 22, 2013

At the last public hearing in May 2013, the public hearing was held at the beginning of the meeting to provide an opportunity for more extensive public comments. The City's EIR traffic consultant then provided a comprehensive presentation on traffic and parking, followed by the applicants presentation, which included details from their lighting consultant on the parking structure lighting. The public hearing was re-opened and more audience participation was provided, as well as a wrap-up by the applicant. The Planning Commission then discussed the proposed project. The comments from the public as well as the Commission are included in the attached minutes. (Attachment D) Some Commissioner felt that there were still some items that need further development. Specifically, the Commission discussed questions about parking lot lighting, the parking garages, including the scale, design and need for the number of spaces, bike/pedestrian access, cut-through traffic/traffic intrusion into neighborhood, specifically the Tree Section, installation of mature trees, need for street dedications, Phase III timing, and architectural design and style. The Commission was also concerned with public outreach, specifically, expressing their desire to publish notices above and beyond what is legally required. In general, the Commission was satisfied that the project plans have been developed in a way to mitigate potential negative impacts to the surrounding neighborhoods, as the applicant has worked with the neighbors and re-designed and refined the project, and it is at the point where the Commission needs to make a decision on the applications.

Discussion Topics

The following provides a discussion of the key topics discussed by the Commission and the public, how staff believes each item has been addressed and how the project, as conditioned in the Draft Resolution (Attachment A), is consistent with the Code requirements. Each Department within the City has reviewed the project, provided comments and proposed conditions of approval which have been incorporated into the attached Draft Resolution.

Size of Development

- *General Plan*- The Draft Resolution for the land use applications, pages 7-10, as well as the EIR and the applicants application material, provides a list of General Plan Goals and Policies on that the project is consistent with. Specifically the Land Use Goals and Policies on page 8, Goals LU -9 and 8 and Policies LU-6.2, 6.3, 8.1 and 8.2, discuss maintaining Sepulveda Boulevard as a regional-serving commercial district, maintaining the viability of commercial areas, encouraging a diverse mix of businesses to support the economic base that serve a broad market area, and supporting remodeling and upgrading within regional serving commercial districts.
- *Zoning*- The majority of the site is zoned Community Commercial (CC) and the 3.6 acre Fry's site is zoned General Commercial (CG). The draft Resolution, pages 5 and 6, provides a detailed discussion of the purpose of the zones and the Commercial districts in general. The project site is the largest commercial site in the City and is the only site zoned CC. These commercial zones are intended to provide a wide variety of commercial uses, and the opportunity for businesses that may not be appropriate in other commercial districts due to heavy traffic or other impacts. Other specific purposes that the project is consistent with include strengthening the economic base, minimizing impacts on adjacent residential districts, creating harmonious architecture, and provisions for adequate parking and loading.
- *Size*- The EIR evaluated a mixture of land uses and maximum square footages that could be constructed without causing significant traffic impacts. The project as proposed does not create any significant impacts under CEQA. Conditions of approval are proposed by staff will provide consistency with the Code required findings for the Master Use Permit as well as the General Plan, which are different criteria than the EIR. The land use conditions (#18) limit the square footages of certain uses, and prohibits certain uses, so there will be no adverse traffic and parking impacts, while allowing the flexibility for additional square footage (9,717 SF maximum) as evaluated in the EIR, with additional traffic and parking evaluation by staff. Standard conditions related to alcohol sales, hours of operation and entertainment are also provided. (Conditions #20-24) Additional, any tenant that occupies the Fry's building will require Planning Commission review and approval at a noticed public hearing to ensure compatible and address any potential impacts. (Condition #19)

Design

- *Three Phased Design/Site Integration*- The project includes three Phases or Components. The EIR for the project includes all three Phases of development, while the land use applications only requests approval of Phases I-Village Shops and II-

Northeast corner- Macy's Expansion. Phase III- Northwest corner will be deferred until it can be further refined, to allow time for the applicant to thoroughly address the concerns of the community and work through the design issues. The conditions of approval require that the entire 44-acre project site be integrated, on and off-site as appropriate, with landscaping, hardscaping, lighting, signage, pedestrian, bicycle and transit linkages, circulation and parking. (Conditions #10, 11, 13, 14, 33, 34, 35, 50, and 51) A comprehensive integrated sign programs will unite the site and a City gateway sign will be located at the corner of Sepulveda Boulevard and Rosecrans Avenue. Creating a pedestrian-oriented walkable environment to access the site, and continuing once within the site, are important design features. The core portion of Cedar Way outside the main Mall building with the decorative pavement is recommended to be constructed without curbs to facilitate pedestrian linkage. This area will continued to be monitored to ensure adequate emergency vehicle access with the possibility of closing a portion of the street to vehicular traffic at peak times. (Conditions #31 and 50)

- *Phase III-Northwest corner-* The final size and design, including a construction schedule, for Phase III must be approved before Phase II is permitted (Conditions #14 and 15). This corner will be required to be integrated with the entire site and separate noticed public hearings and an Amendment to the Master Use Permit will be required.
- *Development Area Envelopes and Circulation-* The layout of the entire 44-acre site, including the development areas/building envelopes and the main roadways including the linkage of Cedar Way to Rosecrans Avenue is approved for the entire site, through the Use Permit and the EIR. (Conditions #1 and 16). The project is required to be in substantial conformance with the concept plans.
- *Architectural Design-*The current Mall buildings are described by the applicant as a contemporary Spanish/Mediterranean. The building features include plaster stucco finished buildings with stone bases, wooden shutters, wood and metal trellises, canopies and architectural features at prominent corners. The new buildings will complement this style and provide visual continuity and interest consistent with the existing design. Review through the preliminary plan check process will ensure quality design and materials, and will reflect the vision of Manhattan Beach as a unique community. Additionally, the project will incorporate sustainable features to LEED silver certification standards. (Conditions #1 and 17)
- *Landscaping-* The Proposed Landscaping will exceed the amount required by the Municipal Code. Detailed landscape plans including drought tolerant landscaping, and mature trees to soften and screen the parking structures and provide shade will be required. (Condition #10)
- *Parking Structures-* The design of the parking structures as depicted in the architectural drawings provided by the applicants architect show that they are designed to look like commercial retail shops, not parking structures (Attachment E). The Phase I South parking structure was redesigned to be elongated north to south, with two commercial buildings on the west side to partially screen the view from Sepulveda Boulevard. All exposed sides of the structures have architectural details that blend them with the commercial architecture, such as windows, shutters and landscaping. The conditions require landscape screening of the exposed perimeters and consistent architectural design to integrate the site (Conditions #1, 10, and 17)

Traffic

- ***Traffic volumes-*** The EIR traffic study thoroughly analyzed the surrounding street systems and concluded that the project will not have a significant traffic impact. At the May 22, 2013 meeting the City's EIR traffic consultant provided a detail presentation on traffic and parking, which indicated that due to high traffic generating tenants leaving the site, and new tenants with peak hours that are different from the peaks on the surrounding streets, there will not be a significant traffic impact. A robust employee parking program, as well as the pedestrian, bicycle and transit linkages will also reduce traffic generation. (Conditions #33, 34, 35, 36 and 51.
- ***Residential Cut-through-*** The EIR traffic study also looked at the potential for cut through traffic on Oak Avenue and other areas. The study concluded that no significant increase in traffic would occur with the Mall expansion. A "white paper" was also included with the applicants land use application that addresses cut-thru traffic. The City Traffic Engineer has reviewed the findings and concurs with the study. Conditions to improve traffic on site during construction and operations are provided. (Conditions # 37, 49 and 50) A letter with concerns about cut-thru traffic, as well as other potential impacts to Oak Avenue residents, is included as Attachment J.
- ***Street upgrades-*** A number of upgrades to the surrounding street systems are proposed to ensure consistency with the required findings of the Use Permit, and consistency with the General Plan, as indicated on pages 10 and 11 of the Resolution. The conditions require upgrades to Sepulveda Boulevard adjacent to the Fry' driveway and the Sepulveda bridge widening, to the corner of Rosecrans Avenue and Sepulveda Boulevard for sidewalk and ADA access, on Rosecrans Avenue for sidewalks, acceleration/declaration lane for safety, median closure at Fry's driveway when Fry's vacates, Village Drive truck-turning improvements, and Marine Avenue at Cedar Way truck and emergency vehicle access improvements. Dedication of right-of-way and future fair share contributions for roadway improvements are detailed in the Resolution (Conditions #39-48). Providing roadway dedication, improvements and fair-share contributions will improve the regional roadway networks surrounding and servicing the project site. The improvements are needed for safety, to accommodate emergency vehicles, improve flow of traffic, and improve the regional transportation network on surrounding arterials.

Parking

- ***Parking spaces-***The current Use Permit for the project site requires a parking ratio of 4.1 spaces/1,000 square feet of gross leasable area (GLA), based on the variety of the mixture of commercial land uses on the site. The parking is proposed to be evenly distributed throughout the core of the project to serve the tenants needs. The EIR evaluated the parking ratio and determined that it was adequate, with the exception of any increase in Medical and Dental offices, an increase in Restaurant uses over 89,000 square feet, and for certain high-traffic generating uses. Electronic signs that show the number of available spaces on each level in the parking structures will be provided to increase parking efficiency. The conditions in the draft Resolution address these items. (Conditions #18 and 50).

- Structured parking-Three above grade parking structures are proposed in Phases I and II. Phase I has two 3 level structures, one north of the California Pizza Kitchen core area, and one to the south. The parking structure for Phase II is proposed to be 2 levels, located north of the Macy's expansion and extending over the lower level parking culvert adjacent to Rosecrans Avenue. With Phase III, the EIR evaluates expanding this structure to 3 levels. Since Phase I has almost 150 extra parking spaces, and concerns have been raised about the bulk and scale of the north parking structure adjacent to the Hacienda building at 3500 Sepulveda, staff is recommending that a minimum of 50 of the 420 spaces on the top level of the north structure in Phase I be relocated to Phase II. This will allow the structure to step back from the Hacienda building, provide architectural relief and reduce the visual impact. (Conditions #13 and 14) It also provides the opportunity to connect the Phase II parking structure directly to Macy's with a bridge instead of a series of long ramps and stairs up from the 2nd parking level, since the first level of the parking structure has been lowered about 6 ½ feet in height from the original proposal.
- Compact spaces- With car sizes constantly changing compact spaces create challenges and inefficient parking when non-compact cars park in compact spaces. The approval does not allow compact parking unless approved by the Director of Community Development. It is anticipated that there may be just a few number of spaces in corners and other areas with reduced size due to structural intrusions from the parking structure. (Condition #50)
- Electric vehicle (EV) charging stations- EV's are a common site throughout Manhattan Beach and the South Bay and many new retail centers provide EV parking for customers. Typically EV spaces account for 2-5% of the parking in current retail centers, and there is no industry standard for percentage of EV parking. Staff is suggestion that a minimum of 2% of the total parking spaces plus solar panel shade structures be provided. (Condition #38)
- ADA Parking- Disabled parking will be required throughout the center and will exceed the minimum number required. (Condition #50)

Soil Condition

- Subterranean parking- The site was historically a tank farm for Chevron oil, and large quantities of oil and other petroleum products were stored on the site. In the 1980's when the site was vacated and remediated the standards for site clean-up were different than current standards and the oily soil was mixed with clean soil and left on the site. If the site is graded down too deep, about 5-10 feet, then the oily soil will be exposed which will create air quality, health, and hazard issues due to the hydrocarbons, as thoroughly evaluated in the EIR. Therefore the parking structures are not proposed to be subterranean. Phase III does not have this hydrocarbon issue, but there is an underground plume of chemicals from the prior industrial uses in the City of El Segundo north of Rosecrans Avenue. The potential of underground parking will be addressed for Phase III at the time the Use Permit Amendment is submitted.
- Responsible agencies – The Los Angeles Regional Water Quality Control Board (LARWQCB) is the key agency responsible for the monitoring of the site. There are a number of vents and monitoring wells on the site, and the Board will continue to

monitor those in accordance with their requirements for safety. Their involvement in review of the plans is addressed in in the Mitigation Measures of the EIR. (Attachment C)

Circulation

- *Automobiles*
 - The main vehicular entrances into the Mall site will be enhanced with on and off site improvements. The acceleration/deceleration lane, median closure and left-turn prohibition out of un-signalized driveways on Rosecrans Avenue, Fry's Sepulveda Boulevard driveway improvements, Village Drive at Rosecrans Avenue widening and Cedar Way at Marine Avenue driveway widening will enhance and improve circulation. (Conditions #39-50)
 - The Carlotta Way/Cedar Way Ring Road will also be improved which will ensure that traffic does not back up at key intersections which could then impact the roadways off-site. Stops signs will be installed at 30th and 33rd Street on Carlotta Way to keep traffic flowing off of Sepulveda onto the site and not allow it to back up in the short driveway throats at these locations. Left-turn pockets for north-bound traffic on Carlotta Way at 27th and 30th Street will allow through traffic to not be delayed by those vehicles turning left. The entry driveway at 30th Street will have direct two-way access between Carlotta Way and Cedar Way to efficiently move traffic through the site as well as to and from the parking structures. Roadways with sharrows will have a 30 foot width for improved circulation. The culvert parking will be internally connected on both drive aisles and a two-way connection from the lower culvert parking area to the main parking level near Macy's will be provided so cars do not need to leave the site to drive up to the main Mall level from the lower culvert parking. Valet parking and passenger loading and unloading areas will be provided . (Conditions #14, 37 and 50) .
- *Transit*
 - The project will be designed to accommodate transit and a transit stop will be provided on site. Working with transit providers to include improvements to existing stops on Sepulveda Boulevard, Rosecrans Avenue and Village Drive adjacent to the site with signage, benches, bus shelters and similar improvements will be required as outlined conceptually on the plans. Linkages with pedestrians and bikes is also key. (Conditions #33, 34, 35 and #51)
- *Bicycles*
 - Bikeways will be provided throughout the project with connections under Sepulveda, at Village Drive to Parkway Avenue and at Marine Avenue, as well as other areas, as shown on the concept plans. (Condition #34)
 - The Veterans Parkway Linkage is a very important access point for bikes as well as pedestrians. A pathway will connect from the Parkway, under the Sepulveda bridge and onto the project site then up to the main Mall and the Fry's site, and link throughout the project and off-site. Lighting, signage and other improvements will enhance the area, making it safe and inviting. These improvements will not be able to be completed until after the Sepulveda

Bridge widening project which is scheduled for construction from Fall 2014 through the middle of 2016. (Condition #33)

- Pedestrians
 - Pedestrian walkways are provided throughout project, linking the project on and off site as shown in the concept plans (Attachment E). Pedestrian access will be separated from bicycle and vehicular access for safety, and crosswalks with pedestrian activated flashing beacons will be required at key intersections, such as at the culvert crossing on Carlotta Way. (Condition #34) Detailed plans will require review and approval.
 - All of the three parking structures have direct access into the main Mall building with pedestrian bridges, one for each of the three structures from the top level. Elevators and stairs will bring customers from the first and second levels up to the third and then over the bridges that cross Cedar Way at Phase I and across Fashion Boulevard with Phase II, directly into Macy's. as shown in the concept plans (Attachment E)
 - A pedestrian pathway at Veterans Parkway under Sepulveda Boulevard and up into the Mall is a critical linkage for the site. The Veterans Parkway Linkage Plan (Condition #33), as discussed above under bicycle access, is a very important access point for pedestrians as well as bikes. Separate pedestrian access will be provided and will connect throughout the culvert to Rosecrans Avenue The plan also includes a "Walk To The Mall" Program.

Lighting

- Parking Lot Lights- All parking lot lights are required to be fully shielded so there will be no glare to adjacent residents. The LED fixtures are highly efficient and directional, without off-site illumination. The light fixtures at the top of the structures will be required to dim automatically after hours if feasible. If lighting that is lower in height can be used in certain areas that will further focus more lighting on-site then it will be used. Also if it is feasible to replace existing fixtures on the site that are outdated and causing off-site illumination that will be evaluated. (Condition #10)

Safety and Security

- Fire Emergency Response- An Emergency Response Plan will be required to ensure that the site is fully protected. Fire lanes, minimum heights and turning radii, sprinklers, fire hydrants, FDC, Opticom upgrades, a minimum of two access points into every parking structure, gurney sized elevators, a gurney transport vehicle and other emergency response requirements will be a part of the Plan. (Condition #28)
- Police requirements- Staff has worked closely with the Police Department to ensure that their concerns are properly addressed. The project will include a secure holding office for questioning of victims, witnesses and potential victims inside the Mall, unmanned security cameras throughout the parking structures and parking lots, a Special Events/Security and Cedar Way Plan will ensure coordinated approaches and adequate enforcement mechanisms, and a package holding and delivery service will provide a secure option for customers not wanting to transport merchandise directly

to their home, store it in their vehicles, or walk or bike home with their purchases.
(Conditions #29-32)

Economics

- The applicant, staff and the Council subcommittee has worked closely with the City’s economic consultant to evaluate the economic impacts and benefits of the project. The applicant has also provided a “White paper” as part of their application packet that addresses economic issues. The City’s economic consultant, Larry Kosmont, Kosmont and Associates, will be at the Planning Commission meeting a provide a brief presentation on the economics of the project.

Other

Allowed Square footages- As discussed in the Resolution (pages 2-4), the applicant is requesting additional square footage for Phases I and II, larger than what was evaluated in the EIR. In general, the Land Use application requests an overall new square footage of 89,872 plus an Equivalency factor of 16,204 square feet to equal 106,076 square feet total maximum. This request would require a revision in the future to the EIR. Staff recommends that the project be limited to the 89,872 plus the EIR Equivalency factor to equal 99,589 square feet maximum (99.589= 89,872 + 9,717 Equivalency increase from EIR). Additionally, staff is recommending that the square footage cap for restaurants and Medical/Dental buildings be limited as the parking requirements will increase significantly above the proposed caps, which should be evaluated through a separate public hearing process if proposed. Staff recommends that the Restaurant square footage be capped at 89,000 square feet instead of 109,000 as proposed by the applicant and as evaluated in the EIR, as a ratio of 6.7 parking spaces per 1,000 square feet are required instead of 4.1/1,000 for the additional square footage. Similarly, the total square footage proposed for all Offices by the applicant is 69,277 square feet with no square footage cap, while staff recommends a cap on Medical/Dental offices of 21,800 square feet, the existing square footage, since parking requirements double from the 4.1/1,000 overall Mall standard for any increase in Medical/Dental offices.

Prior site approvals- The 3500 Sepulveda building (Hacienda) is a separate parcel with a separate property owner and Use Permits for several businesses (Tin Roof Bistro restaurant and the Vintage Shoppe- Wine Shop) that sell alcohol for on and off-site consumption and provide wine tasting. Staff has incorporated the applicable conditions for these tenants into the approval. (Conditions #55-66).

Sign Exception/Program- The Resolution, pages 2-3, and 13-14, and the applicants Land Use application, discuss the request and the findings for the Sign Exception. Conditions of approval limit the allowed signage for consistency, and removal of the Fry’s three large pole signs, the first one on Sepulveda Boulevard with the bridge widening and the other two when Fry’s vacates the site, is required. (Condition #11)

EIR Mitigation Measures and Resolution Conditions- The Mitigation Measures required by the EIR are included in the Final EIR within the Mitigation Monitoring and Reporting Program, and they are also attached as Attachment C. The conditions in the draft Resolution are in the same order by topic as the Mitigation Measures to help with comparison.

Mitigation Measures are separate conditions on the project that will be required to be complied with at various times, in addition to the conditions in the Resolution. Staff has worked closely with all of the City Departments to incorporate their suggested conditions into the Resolution (Attachment A). The City Traffic Engineer and Police representatives will be at the meeting and available to respond to any questions from the Commission on the conditions, and the EIR environmental consultant and the EIR traffic consultant will also be available to respond to the Commission on the EIR.

Resolutions- The Manhattan Beach Municipal Code has specific purposes, criteria, authority, conditions and findings required for the Master Use Permit Amendment, Variance, for building height, and Sign Exception/Program, as well General Plan and Sepulveda Development Guidelines goals, policies and programs findings, as detailed in the Draft Resolution (Attachment A). The Land Use Section IV. E-1 of the Draft EIR (Attachment H) provides details of the General Plan and Sepulveda Development Guidelines goals, policies and programs. The applicants Land Use applicant packet (Attachment F) also discusses the required findings. The Planning Commission is required to make findings that the project is consistent with all of these criteria in order to approve the project. These findings are separate and different from the EIR certification which is based on the determination that there is no significant environmental impact, which is included as Attachment B. The Final EIR includes all the comments on the DEIR and responses to those comments as well as changes and additions to the project.

Public review and comments

A new notice was sent out for this meeting to all property owners and residents within a 500 foot radius. Additionally, a ½ page display advertisement in the Manhattan Beach portion of the Beach Reporter was published. Comments received since the last meeting are attached (Attachment J). Copies of the Final EIR were distributed to the Planning Commission, City Staff, City Council, and the public on April 2, 2013. The Draft and Final EIR documents are available to the public for review at the Community Development Department and City Clerk's office in City Hall (1400 Highland Ave) or on the City of Manhattan Beach Website <http://www.citymb.info/index.aspx?page=1629>.

The City has provided an entire webpage devoted to the Mall project with links to all of the staff reports, minutes, presentations and EIR documents at <http://www.citymb.info/index.aspx?page=1629>.

The Planning Commission decision will be reviewed by the City Council at future noticed public hearings on the Final EIR, Master Use Permit Amendment, Variance, Master Sign Program/Sign Exceptions.

CONCLUSION

The purpose of tonight's meeting is to present the final project concept plans, the Master Land Use Applications (Master Use Permit Amendment, Variance, Master Sign Permit and Sign Exceptions), the Final EIR, and the draft conditions of approval to the Commission and the community, and provide an opportunity for questions, discussion and comments, and take final action. Staff recommends that that Planning Commission accept a brief introduction from staff, take public comments, accept Staffs presentation and the City's Economic Consultants presentation, then the applicants presentation, discuss and take action on the applications by adopting the attached draft Resolutions, Attachments A and B.

Attachments:

- A. Draft Resolution No. PC 13-XX- Master Use Permit Amendment, Variance (building height), and Sign Exception/Program and Exhibit A- Leasable Area Tabulation –June 18, 2013
- B. Draft Resolution No. PC 13-XX- CEQA- Certifying Final Environmental Impact Report (EIR), and Exhibit A- Mitigation Monitoring and Reporting Program
- C. Final Environmental Impact Report list of Mitigation Measures
- D. Planning Commission Minutes-May 22, 2013
- E. Planning Commission Plan packet-from Callison; applicants architect-dated June 26, 2013
- F. Applicant Master Land Use Application packet- Dated June 19, 2013
- G. Chamber of Commerce Leakage Study- June 29, 2012
- H. Hyperlink to Draft Environmental Impact Report (DEIR)-
<http://www.citymb.info/manhattanvillage/index.html>
- I. Hyperlink to Final Environmental Impact Report (FEIR)-
<http://www.citymb.info/manhattanvillage/Final2013/index.html>
- J. Public comment letters

- c: Chuck Fancher, Fancher Partners, LLC
Mark English, RREEF
Chief Eve Irvine, Manhattan Beach Police
Lieutenant Andrew Harrod,
Stephanie Eyestone Jones, Matrix Environmental
Pat Gibson, Gibson Transportation Consulting
Erik Zandvliet, City Traffic engineer